

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2184469
BY HAWAIIAN POMADE CO LIMITED TO REGISTER
A SERIES OF MARKS IN CLASS 26**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
NO 50158 BY BEAUTY STAR LIMITED**

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**IN THE MATTER OF Application No 2184469
by Hawaiian Pomade Co Limited to Register a
series of marks in Class 26**

and

**IN THE MATTER OF Opposition thereto under
No 50158 by Beauty Star Limited**

BACKGROUND

1. On 15 December 1998 Hawaiian Pomade Co Limited of Wembley Middlesex applied to register the following series of two marks:

SOFT TOUCH
Soft TOUCH

for a specification of goods in Class 26 which reads “Wigs, hairpieces, false hair, hair accessories”. The application is numbered 2184469.

2. On 9 September 1999 Beauty Star Limited also of Wembley Middlesex filed notice of opposition to this application. They state that they are the registered proprietors of the following mark registered in the UK:

No	Mark	Class	Specification
2123388	SOFTEX	26	Wigs, synthetic hair

3. The opponents say that they have made extensive use of the mark SOFTEX in respect of the goods of the registration, adding that they have also used the mark on hair dryers, hair steamers, shampoos, hair gels, hair sprays, essential oils, hair oils and hair colourants. Objection is said to arise under Section 5(2)(b) and 5(4)(a) of the Act. The opponents also refer to refusal in the exercise of the Registrar’s discretion. But it is now well established that no such general or overriding power exists.

4. The applicants filed a counterstatement denying the above grounds.

5. Both sides ask for an award of costs in their favour.

6. Both sides filed evidence and both were offered the opportunity to be heard, but both have agreed that the decision could be taken from the papers filed without the need for a hearing. Acting on behalf of the Registrar I give the following decision.

Opponents' Evidence

7. The opponents' evidence consists of a statutory declaration dated 24 February 2000 by Paul Harinder Singh, who is the Managing Director of Beauty Star Limited.

8. Mr Singh states that his company have used the SOFTEX mark on various goods, including wigs and artificial hair, shampoos, hair gels and hair sprays continuously since 1995. He explains that the reference to hair dryers, hair steamers, essential oils, hair oils and hair colourants in the Statement of Grounds of Opposition was an error.

9. The opponents provide exhibit PHS1 which includes a selection of product labels showing how the mark has been used.

10. Turnover figures for the period 1995 to 1999 are given as follows:

1995	£ 50,000
1996	£ 80,000
1997	£395,000
1998	£575,000

(£550,000 of these sales were made before 15 December 1998, being the material date)

1999	£400,000
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11. Since 1995 approximately £35,000 has been spent on advertising the mark. Exhibit PHS2 consists of copies of invoices relating to stands at trade fairs used by the opponents to promote the mark. The goods have been sold in various locations throughout the UK and exhibit PHS3 and PHS4 respectively consist of copy of an invoice from 1995 and a list of the customers to whom goods are sold under the SOFTEX mark.

12. Mr Singh states that wigs and hair extensions which are made of human hair are relatively expensive compared to the majority of hair care and beauty products. To avoid the risk of theft, he explains that the opponents' customers generally keep SOFTEX wigs and human hair extensions behind the counters in their shops. The SOFTEX mark is on firm cardboard labels predominantly displayed on the products, generally beneath clear plastic packaging. Sometimes the packaging itself is covered with the word SOFTEX.

13. Where SOFTEX goods are held behind the counter, the ultimate consumer of the products generally has to ask the retailer for SOFTEX products by name. Mr Singh claims that this oral use of the SOFTEX name plays an important part in building up the mark's reputation.

Applicants' Evidence

14. The applicants have filed a statutory declaration dated 4 April 2000 by Jason Posner. Mr Posner is a Director of the company.

15. Mr Posner claims that whilst the opponents' evidence has shown use of the mark SOFTEX, it has not demonstrated that there has been any evidence of confusion or passing off between the mark SOFTEX and the applicants' mark SOFT TOUCH.

16. Mr Posner also suggests that the SOFTEX mark is a trade mark of the Kaneka Corporation of Japan. To support this contention he has supplied examples of purchases he made on 16 June 1999 from one of the opponents' customers showing that the mark belongs to the Kaneka Corporation. Exhibit JP1 refers.

17. Mr Posner explains that the applicants first used the mark SOFT TOUCH in November 1998, which was one month prior to the material date, and since then has sold goods to the value of £1.4 million at wholesale prices, equivalent to at least £2 million in retail value excluding VAT. It is claimed that not a single instance of confusion of this mark with the opponents' SOFTEX mark has come to the applicants' attention.

Opponents' Evidence in Reply

18. The opponents filed a further statutory declaration from Mr Paul Harinder Singh dated 6 October 2000.

19. Mr Singh refutes the point raised by Mr Posner when he maintains that the registration was invalid as ownership of the mark was with the Kaneka Corporation rather than the opponents. The packaging bought by the applicants was said to have been produced in error. Mr Singh states:

"It is correct that a limited range of products distributed by the opponent have, by mistake, borne the notice referred to by the applicants. Misung, the company which supplies the products to the opponent, accidentally sent the opponent about 100 cartons of products with a sales value of around £5,000 intended to be sent to other destinations outside the UK (where Kaneka Corporation claims rights to the SOFTEX trade mark). I was not aware that these sales had occurred. The opponent no longer distributes products bearing this notice".

20. Mr Singh also includes various items of correspondence between solicitors acting for the opponents and Kaneka Corporation, exhibit PHS5 refers. It is suggested that this correspondence shows that Kaneka acknowledge that the opponents are the rightful owners of the SOFTEX mark in the UK.

DECISION

21. That completes my review of the evidence. I turn now to the grounds of opposition starting with that under Section 5(2)(b). This reads:

"5.-(2) A trade mark shall not be registered if because -

- (a)
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

22. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] ETMR 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] ETMR 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723.

23. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG* page 8, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG* page 8, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* paragraph 27.
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG* page 8, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG* page 8, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG* page 8, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG* page 9, paragraph 26;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG* page 732, paragraph 41.

- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* page 9, paragraph 29;

24. The applicants admit in their counterstatement that the goods for which registration is sought include the goods for which the trade mark SOFTEX is registered. The matter, therefore, turns on my view of the marks themselves.

25. The guidance in *Sabel v Puma* is that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it. The opponents claim use of their mark since 1995, that is to say between 3 and 4 years prior to the material date in these proceedings and with sales up to that point of just over £1 million. Does the opponents' mark have an enhanced degree of distinctive character as a result of this use? On the evidence before me I find as follows:

- the mark SOFTEX is said to be used not just on the goods of the opponents' registration (wigs and synthetic hair) but also shampoos, hair gels and hair sprays. It is not clear what proportion of the sales figures relate to the goods of the registration. In the absence of disaggregated figures there is a risk that common law rights are being elided into any reputation the earlier trade mark enjoys as a result of use in respect of the goods for which it is registered.
- the material at PHS2 given no information as to how the mark was promoted at exhibitions.
- exhibit PHS3 establishes that the opponents' were selling SOFTEX branded goods in 1995 but so far as I can see only four items on the two page invoice refer to the mark. Many other brand names are also used.
- the customer list at PHS4 is not dated and does not say whether it was applicable at the material date. Almost all the customers are London based. No information is given as to what goods they stocked. Some are chemists and cosmetic firms. Bearing in mind the wider range of goods offered it is difficult to draw meaningful conclusions from this evidence.

26. I regard the mark SOFTEX as being an invented word and to that extent it is likely to enjoy a degree of inherent distinctive character. However on the basis of the evidence filed I am not able to say that the mark enjoys any significantly enhanced degree of distinctiveness as a result of the use made of it in respect of wigs and synthetic hair.

27. Turning to the marks I find them quite different visually. The opponents' mark is self evidently a single word and an invented one. The applicants' mark (nothing turns on the fact that strictly it is a series) consists of two words both of which are immediately recognisable dictionary words.

28. The high point of the opponents' case is likely to be that aurally the first syllable of the respective marks may sound similar. I say "may" because there is no evidence before me to show how the opponents' mark is pronounced or where users will place the syllable break (SOF-TEX or SOFT-EX). I would expect it to be the first of these but I readily concede that I cannot come to that view with any great certainty. In practice I do not think that it makes a great deal of difference as the syllables are likely to coalesce when spoken. Even allowing for the risk of a slurred or poorly articulated ending that is normally allowed for in trade mark comparisons, I find it highly unlikely that the EX (or TEX) ending is going to be lost (particularly in a short word) to the point where the mark as a whole sounds similar to SOFT TOUCH.

29. Conceptually a comparison between an invented word and a combination of well known dictionary words suggests that similarity is completely absent. I bear in mind also that the applicants' mark has a meaning of its own (as a totality) and conveys a clever allusion to a characteristic of the goods.

30. In the final analysis, of course, the test is one of "global appreciation". I bear in mind also the opponents' contention that oral use has an important part to play in relation to the sale of the goods. Nevertheless weighing all of the above factors I have come to the clear view that any similarity between the respective marks is superficial and of no particular consequence. There is, on my appraisal, no likelihood of confusion. The Section 5(2)(b) ground fails.

31. Turning to Section 5(4)(a) this reads:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark".

32. The opponents' are required to establish the three elements of the test, that is goodwill, misrepresentation and damage - see the Appointed Person's guidance in WILD CHILD Trade Mark, [1998] RPC 455.

33. It seems to me that the opponents' case under Section 5(4)(a) may be somewhat different but is in practice no better. The difference arises because the use they claim embraces a wider range of goods than those covered by their registration. One consequence of this is that the evidence is spread correspondingly thinly and in practice lacks the degree of substantiation necessary to support such an action. However even if I were to accept that, on the limited material available, goodwill has been established the opponents would still fall at the second and third hurdles because no misrepresentation and damage would arise given my view on the respective marks.

34. I have not, therefore, needed to consider the issue that has been debated between the parties in the margins of this case, namely whether the opponents are the proper proprietors of the mark/goodwill as opposed to the Japanese company Kaneka. I would merely comment in passing that in WILD CHILD Mr Hobbs noted that “there appears to be no requirement under the Act for the person claiming protection for an “earlier right” to be the proprietor of the right for which protection is being claimed”. In the event for the reasons given the opposition fails under Section 5(4)(a).

35. As the applicants have been successful they are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of **£435**. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 12TH Day of July 2001

M REYNOLDS
For the Registrar
the Comptroller General