

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2118035A
BY HALFORDS LIMITED TO REGISTER A
MARK IN CLASSES 6, 9, 11, 12 AND 21**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No 48344 BY REAL SB-WARENHAUS HOLDING GMBH**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2118035A
by Halfords Limited to register a mark in Classes
6, 9, 11, 12 and 21**

and

**IN THE MATTER OF Opposition thereto under
No 48344 by Real SB-Warenhaus Holding GmbH**

DECISION

1. On 7 December 1996 Halfords Ltd applied to register the following mark



for a specification of goods which reads:

Class 6

Fasteners, nuts, washers, brackets and hooks, padlocks, keys, ball for bearings, key rings and safety chains; non-electric locks, including vehicle locks, tool boxes

Class 9

Goggles; sun and anti-dazzle glasses; helmets for cyclists, electric locks; computers for use on cycles; speed indicating apparatus for cycles; distance recording apparatus; reflective or fluorescent strips for wear, safety masks

Class 11

Cycle lamps and lights; lamps and lights for personal wear; torches

Class 12

Bicycles and parts, fittings and accessories therefore; cycle alarms

Class 21

Brushes, cloths, sponges, dusters and shammies, all for cleaning purposes; steel wool; non-metallic utensils and hardware, including water bottles

The application is numbered 2118035A.

2. On 17 March 1998 Real SB-Warenhaus Holding GmbH filed notice of opposition to this application on the basis of an earlier Community Trade Mark application, No 38968, details of which appear in the Annex to this decision. Objection is taken under Section 5(2) of the Act. There is also a claim that “the mark applied for cannot serve to distinguish the goods of the applicants from those of other traders, in particular those of the opponents” and a more general claim that registration and use would obstruct or prejudice the legitimate conduct of the opponents' business. No further explanation is offered and I cannot see any obvious basis in law or on the facts for such claims.

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

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

5. Both sides filed evidence. The matter came to be heard on 7 August 2001 when the applicants were represented by Mr BKC Dunlop of Wynne-Jones, Lainé & James. The opponents were not represented at the hearing.

6. Most of the evidence filed by the opponents is in the nature of submissions on the twin issues of similarity of goods and marks and on a piece of questionnaire evidence submitted by the applicants. On the whole the evidence does not progress matters greatly save to the extent that the opponents have particularised the basis of their objection in terms of the perceived clash of goods. I will come to this in due course. Whilst I do not offer a summary of the evidence I confirm that I have considered all the material filed by the parties and will draw on it where relevant in reaching my decision.

7. I turn to the ground of objection based on Section 5(2). As identical marks are not involved the objection must be based on 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."

8. Section 6(1) and (2) of the Act deals with what constitutes an 'earlier trade mark' and reads:

"6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or
- (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

9. The opponents' CTM application has a filing date of 1 April 1996 and thus has the capacity to become an earlier trade mark but by virtue of subsection (2) above will only become so if and when it achieves registration. I will return to this later in the decision.

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

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*, 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*, 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 B.V.* 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*, 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*, 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*, 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*, 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*, 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*, 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*, paragraph 29.

11. I have given my views on the matter of similarity of marks in the related action involving application No. 2120020A (Opposition No. 48345) where identical goods were involved. I adopt the reasoning set out in that case for present purposes. For convenience I set out the relevant passage as follows:-

"Mr Dunlop made a number of submissions in relation to the opponents' mark. These can be summarised as being that the mark is the subject of a colour claim and that colour should accordingly be taken to be a feature of the mark; that the distinctive character of the mark lies in the colour combination and device element; and that the word 'real' was a weakly distinctive element. Basing his observations on an exhibit (JP-2a) in the opponents' evidence, Mr Dunlop also suggested that the opponents' use was primarily as a service mark and the manner of use made confusion less likely.

This is a suitable point to touch briefly on the evidence filed by Dr Jens Potten, a director of the opponent company. He gives evidence, inter alia, about the company's trading activities in Germany. I see no need to record the details as it is not directly relevant to proceedings in the UK. The exhibit referred to by Mr Dunlop is a catalogue in German. No translation is offered but it is possible to see the sort of goods available and usage of the mark. The device element can on occasions appear to be a comma followed by a hyphen though it is also used somewhat unusually in conjunction with pricing information. I have some sympathy with Mr Dunlop's views as to the nature of the usage shown (ie. primarily as a service mark with goods being sold under third party brands) but I must still consider the matter on the basis of notional and fair use in this country having regard to the goods of the opponents' CTM application. In the absence of use in this country the opponents cannot claim any enhanced degree of distinctive character for their mark.

That brings me to the inherent characteristics of the opponents' mark. It can be said to consist of three elements - the word 'real', the irregular shaped device at the end of the word and the colour combination with the word and device in contrasting colours. The opponents suggest (paragraph 5 of Dr Potten's first affidavit) that their device, in common with that of the applicants, is a stylised letter 'R'. It is possible that some people might see it that way but I am far from convinced that this will generally be the case. It may simply be seen as an abstract shape. The device is in my view a minor but not negligible feature of the mark. The contrasting colours help to pick it out and, I would suggest, have the incidental effect of reducing the risk of the word 'real' being used or seen as a purely descriptive element. I would be surprised if the average consumer faced with the opponents' mark did not see it, and refer to it, as a 'real' mark. Words usually talk in trade marks and that is likely to be the case here. Thus whilst each element of the mark plays a part, the word 'real' is the most dominant and memorable element.

*In this latter respect Mr Dunlop referred me to a passage from *The European Ltd v The Economist Newspaper Ltd* 1998 FSR 283 where Millett LJ considered the guidance from *Sabel v Puma* to the effect that "the more distinctive the earlier mark, the greater will be the likelihood of confusion" and went on to say "the converse, of course, follows. The more descriptive and the less distinctive the major feature of the mark, the less the likelihood of confusion".*

'Real' is an ordinary dictionary word with various meanings such as 'actual', 'genuine' or 'not imaginary'. Less commonly it is known as the name of a coin and can also mean royal or regal. It may be recognised in this country in the context of the name of the football team Real Madrid. I do not know how the parties present their marks or intend them to be pronounced. Probably the commonest meaning and pronunciation will prevail unless the public is educated to a different pronunciation. Either way I am inclined to accept Mr Dunlop's submission that it is not a word that, taken on its own and without the benefit of use, can claim to have a particularly strong distinctive character. Equally it is not so entirely or obviously descriptive (without adding to it) as the word European in the above case.

With those preliminary observations in mind I go on to consider the visual, aural and conceptual similarities of the respective marks. Visually I find the device element of the applicants' mark to be a prominent element of their mark. It would not be overlooked but it is not so completely overwhelming that the accompanying word will be lost. The device element of the opponents' mark, as I have suggested above, makes less of an impression even allowing for the colour contrast. I note too that both words are presented in a lower case format. The result is that the marks have an element in common and some resulting visual similarity but direct confusion seems unlikely given the prominence of the applicants' device.

Orally, I would be surprised if the marks were referred to as other than by reference to the word 'real'. The devices (whether they are understood to be stylised 'Rs' or not) do not lend themselves to easy descriptive reference.

Conceptually, comparison depends very much on how the average consumer perceives the marks. If I am right that in each case the word element provides the most readily available form of recognition then conceptual similarity must be strong. But I do not go so far as the opponents in suggesting that consumers will regard both devices as stylised letter Rs.

Taking the matter in the round, and bearing in mind that visual indicators are usually dominant in the context of clothing (see REACT Trade Mark 2000 RPC 285), I do not think that direct confusion is likely. But the word elements are identical and significant or dominant elements of the marks. It was held in CANON that:

"..... the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive (see SABEL, paragraphs 16 to 18)."

It seems to me that, if the marks were to be used in relation to identical or closely similar goods, the average consumer remembering the word 'real' would be likely to consider that it was the opponents' mark being used with an additional or different device element and that origin confusion would result. That brings the matter squarely within the CANON test.

I have also considered an OHIM Appeal Board decision (Case R753/2000-1) referred to by Mr Dunlop where the marks PLANET and PLANET NEW YORK and device were held to be sufficiently dissimilar to avoid confusion. However I am not persuaded that this should change my view of the matter. It is clear that the Appeal Board felt able to distinguish the marks on the basis of the different messages conveyed by the words. That is not the case here."

12. Both the application in suit and the opponents' CTM application cover a range of goods Classes. I have been given limited assistance by the opponents as to where they see a likelihood of confusion. Geoffrey Hobbs QC, sitting as the Appointed Person in BALMORAL Trade Mark, 1999 RPC 297 considered that the proper approach was as follows:

"The tenth recital of the Directive and these observations of the Court of Justice indicate that an objection to registration under section 5(2) of the Act should be taken to raise a single composite question: are there similarities (in terms of marks and goods or services) which would combine to create a likelihood of confusion if the "earlier trade mark" and the sign subsequently presented for registration were used concurrently in relation to the goods or services for which they are respectively registered and proposed to be registered?"

13. Specific guidance on the approach to be adopted when considering similarity of goods was set out as follows in the CANON case:

"23. In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary."

14. The opponents' attack, at least so far as is apparent from their statement of grounds, is a blanket one against the whole application. However I bear in mind Article 13 of First Council Directive 89/104 which reads:

"Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only."

15. With those principles in mind I will consider each of the applicants' Classes in turn (their specification is set out at the start of this decision and the opponents' in the Annex).

Class 6 - Dr Potten who has given evidence on behalf of the opponents suggests that the Class 6 goods are similar to his company's goods in Classes 8 and 18. Save to the extent that fasteners, nuts, washers etc. may be part of, say, hand operated tools or equipment I can see no obvious point of similarity. Furthermore even accepting one item (small components say) may be used in, or with, a completed piece of equipment does not render the respective goods similar. To come to any different conclusion would result in a very wide range of goods being similar to each and every component part contained within them. In short I can see no basis for the objection.

Classes 9 and 11 - the opponents have offered no explanation in support of an objection to these goods. They are in the main goods adapted or suitable for bicyclists or the bicycles themselves. The most that can be said is that some of them are in the nature of protective clothing (goggles, helmets etc) and the opponents have clothing in Class 25. However the Class 9 goods involve a

degree of adaptation or specificity of purpose sufficient to cast doubt on whether they can be held to be similar goods. Given also the points of difference in the marks I find that within the context of the composite test there is no likelihood of confusion.

Class 12 - the opponents say that "fittings and accessories for bicycles applied for in Class 12 may include leather bags and the like which conflicts with the goods specified in Class 18". My understanding is that bags adapted for bicycles (saddlebags, panniers etc) are generally in Class 12. Any similarity with the opponents' specification can only, I think, be based on 'goods made from' leather and imitation leather. I doubt that the objection holds for bags at large but it is possible that the opponents' specification may cover tool bags. At most I find that this is the only area of confusion. It can, in my view, be cured by deletion of "accessories" from the applicants' specification.

Class 21 - Mr Dunlop realistically conceded that if I was against his clients in relation to the marks themselves (as has proved to be the case) that the respective Class 21 specifications clash and the application cannot proceed in this respect.

16. The result is that I find that the application can proceed for Classes 6, 9, 11 and 12 save for "accessories" in the latter Class. The Class 21 specification must fall in its entirety. It follows that, regardless of the fate of the opponents' CTM application the application before me will be allowed to proceed to registration if, within 28 days of the end of the appeal period, the applicants file a Form TM21 restricting their specification as set out above.

17. As regards costs Mr Dunlop submitted that certain of the opponents' grounds were expressed in general and unsubstantiated (in law) terms and that they had not responded to the challenge to the grounds contained in the counterstatement. Further he suggested that the opponents' evidence consisted in part of submissions. I take these points on board but am not persuaded that in themselves they caused the applicants undue problems or significant additional work. Nevertheless the opponents have launched a blanket attack and have provided little explanation of the basis of their opposition to most of the goods applied for. I propose, therefore, to make an award which reflects the substantial but not complete success of the applicants in defending their application. I order the opponents to pay the applicants the sum of £400. 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.

18. In the event that either of the parties appeals against this decision, under the provisions of Section 6(2) the final outcome will be dependent upon the opponents' earlier Community Trade Mark achieving registration (and consideration of the resulting specification of goods). In those circumstances this will become a provisional decision dependent on the outcome of the CTM application and the opponents would need to inform the Registry once CTM registration has been achieved. A supplementary (and final) decision will be issued at that time. Further, the period for appeal from that final decision will begin from the date of that decision.

Dated this 23 day of August 2001

M REYNOLDS
For the Registrar
the Comptroller-General

Opponents' earlier trade mark

No.	Mark	Classes	Specification
CTM 38968		03	Washing and bleaching preparations; degreasers and abrasives; soaps; perfumery; essential oils, cosmetics, hair lotions; dentifrices
		08	Hand operated tools and equipment, cutlery, table forks and spoons; arms (side-); razors
		16	Paper, cardboard and goods made from these materials, as far as contained in Class 16; printed matter; bookbinding material; photographs; stationery; adhesives [glues] for stationery or household purposes; artists' materials; paintbrushes; typewriters and office requisites (except furniture); teaching materials (except apparatus); packaging material of plastics (as far as contained in Class 16)
		18	Leather and imitation leather as well as goods made from these (as far as contained in Class 18); pelts and furs; travelling trunks and suitcases; umbrellas, parasols and walking-sticks; whips, harness and saddlery
		20	Furniture, mirrors, picture frames; goods, not included in other classes, of wood, cork, cane, rushes, wicker, horn, bone, ivory, whalebone, tortoiseshell, amber, mother-of-pearl, meerschaum and substitutes for these or of plastics
		21	Equipment and containers for

- household and kitchen (not of precious metal or coated therewith) as far contained in Class 21; combs and sponges; brushes (except paintbrushes); material for brush-making; articles for cleaning purposes; steel wool; glass, unworked or semi-worked (except building glass); glassware, porcelain ware and crockery, as far as contained in Class 21
- 22 Ropes, string, nets, tents, tarpaulins, sails, sacks (as far as contained in Class 22), stuffing materials (except rubber or plastic); raw fibrous textile materials
- 24 Woven material and textile goods, as far as included in Class 24; bed blankets and table cloths
- 25 Clothing, footwear, headgear
- 28 Games, toys, gymnastic and sporting articles, as far as included in Class 24
- 29 Meat, fish, poultry and game, meat extracts; preserved, dried and cooked fruit and vegetables; meat, fish, fruit and vegetable jellies; hams, eggs, milk and milk products, namely butter, cheese, cream, yoghurt, quark, milk powder for food; tinned meat, fish, fruit and vegetables
- 30 Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and cereal preparations (except animal foodstuffs); bread, pastries and cakes, edible ice; honey, golden syrup; yeast, baking powder; table salt;

mustard; vinegar, sauces (except salad dressings); salad dressings; spices; ice for refreshment

31 Agricultural, horticultural and forestry products, namely grains [seeds], and other propagation material, unprocessed cereals, eggs for hatching, unprocessed timber; live animals; fresh fruit and vegetables, seeds, live plants and natural flowers; animal foodstuffs, malt

32 Beers; mineral waters and aerated waters and other non-alcoholic beverages; fruit drinks and fruit juices; syrups and other preparations for the preparation of beverages.