

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2107693
BY UNITED TOILETRIES & COSMETICS LTD
TO REGISTER A TRADE MARK
IN CLASS 03**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No 47465
BY LE PETIT FILS DE L.U. CHOPARD & CIE S.A.**

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BACKGROUND

1. On the 15th August 1996, United Toiletries & Cosmetics Ltd (“the applicants”) applied to register a trade mark under application No. 2107693 in Class 03. The mark is reproduced below:



2. The application was accepted and published in Trade Mark Journal 6178 on the 4th June 1997 for a specification of goods reading “Perfumes.”

3. On 4th September 1997, Le Petit Fils De L.U. Chopard & Cie S.A. (“the opponents”) filed a notice of opposition, accompanied by a statement of grounds for the opposition. They say that they are the registered proprietors of trade mark registration No.1413681 CASHMIR for “Perfumes, toilet waters; cosmetics; preparations for use on the body; beauty preparations; creams, powders, rouge, eyebrow pencils, eye shadow, lip pomade, body lotions, face lotions, hair lotions; shampoos, shaving creams, shaving foams, shaving lotions; deodorants for use on the person; all included in Class 3”. In view of this, they say that the application in suit should be refused under the terms of Section 5(2)(b) on the grounds that KASHMIR & device

is similar to their earlier registered trade mark and is for identical goods, therefore there exists a likelihood of confusion on behalf of the public which includes the likelihood of association with the earlier mark. They go on to say that the opponents have made substantial use of the trade mark CASMIR in relation to the goods covered by the registration and have acquired a considerable reputation.

4. In addition, they plead that application 2107693 was filed in bad faith in contravention of Section 3(6) of the Act. They say that in 1992 the applicants filed an opposition against the opponents application for CASMIR (1413681) (Opposition No.33932) on the basis of their alleged prior common law right. The opposition never proceeded, because of a failure of the applicants to file evidence of their claimed use of KASHMIR in the United Kingdom.

5. The applicants filed a counterstatement on the 28th November 1997, where they admitted the existence of the opponents and their rights in United Kingdom trade mark registration 1413681, but denied all other grounds.

6. Both sides seek an award of costs in their favour, the applicants pleading that the opponents request for costs should be rejected on the grounds that the opponents failed to address this subject within the opposition period and made no attempt to contact the applicants prior to the filing of the notice of opposition.

7. The matter came to be heard on the 19th March 2001. Mr P. Kelly of Venner Shipley & Co appeared as Agent on behalf of the applicants. Ms T. Bucks of Boulton Wade Tennant appeared as Agent on behalf of the opponents.

OPPONENTS' EVIDENCE

8. The opponents filed a statutory declaration dated 1st July 1998 in the name of **Lorna Dennington**, who is the brand manager for selected brands of The Lancaster Group, Wimbledon, London. The relationship between The Lancaster Group and the opponents (Le Petit Fils De L.U. Chopard & Cie S.A.) is not further explained at this point, but in a challenge to this by the applicants at a later date in the proceedings, Ms Dennington states in a further statutory declaration dated 22nd October 1999, that The Lancaster Group is the exclusive licensee of the opponents world-wide and that therefore she is authorised to make the statutory declaration on behalf of the opponents.

9. Ms Dennington confirms her knowledge of the details of the opponents registration 1413681 and exhibits a copy of the United Kingdom registration certificate at LD1. She also expresses her opinion that the two marks in suit are likely to be confused.

10. She declares that the trade mark CASMIR was first used in the United Kingdom in connection with the goods in 1991. She says the mark has always been used in the same way and the design of the packaging has remained the same throughout the years. The mark has always been printed on the outside of the packaging and on the rim of the metal lid of the glass perfume bottles. Exhibit LD2 shows examples of the packaging used in 1991/92 and 1997/98.

11. Ms Dennington explains that she does not provide turnover figures for the years 1991-95 because of a takeover of her company and a decision to amend computer records so that they would only hold three years worth of information, so consequently she can only provide figures for 1996 and 1997. These were respectively £110.4 thousand and £100.8 thousand. She goes on to say that to her knowledge the turnover figures for 1991-95 were in fact greater than those given for 1996/97. In 1995 she believes the figure to have been £240,000 and in the preceding years about £200,000. She comments that these figures reflect the fact that the opponents have built up a reputation in the perfume and toiletry trade under the CASMIR trade mark in respect of high quality, high priced luxury items. She gives the number of individual units sold under the trade mark in 1996 and 1997 as 16,666 and 13,094 respectively. Again, for the same reason given before, she is unable to provide earlier figures, but believes them to be higher than those given for 1996/97.

12. She provides advertising figures ranging from a low of £74,480 in 1995 to a high in 1994 of £693,780. The money in promoting the mark was spent on advertisements in national magazines such as The Sunday Times colour supplement, Cosmopolitan, Hello, Vanity Fair, The Tatler and others. At exhibit LD3 she shows a table plotting this advertising activity and at LD4, examples of advertisement taken from some of the magazines mentioned from 1992 to the present day. See also my comments at paragraph 55 below.

13. Ms Dennington states that goods bearing the trade mark CASMIR have been distributed throughout the whole of the United Kingdom and Northern Ireland since 1991. The goods are sold in all major quality department stores throughout the United Kingdom, including Harrods and the top 10 House of Fraser and Debenhams stores and by the main department stores owned by The John Lewis Partnership. The above facts, Ms Dennington concludes, show that the mark is well known to the public in the United Kingdom.

14. A further statutory declaration dated 8th July 1998 was filed on behalf of the opponents, this time by **Teresa Anne Bucks**, a registered trade mark agent and Partner in the firm of Boulton Watt Tennant, who act in these proceedings on behalf of the opponents. In this she summarises the grounds of the opposition once again and reinforces that the statutory declaration of Lorna Dennington shows the substantial reputation acquired in the United Kingdom by the opponents. She then states and exhibits (TAB1&2) evidence showing that the opponents application for the trade mark the subject of application 1413681 was “Cašmir” (ie with the “v” symbol over the letter “s”) and not simply “Casmir” as originally advertised in the Trade Marks Journal after the application had been accepted. The error was corrected by means of an erratum in the Trade Marks Journal.

15. Ms Bucks then goes on to exhibit (TAB3) a copy of the advertisement of the application for KKK KASHMIR and comments thus:

- a) Although the KKK element is bigger and bolder presentationally, KASHMIR is the dominant distinctive element.
- b) The first letters of both marks (ie K & C) are phonetically identical.

- c) The “SH” in KASHMIR would be considered phonetically similar to the “S” in Cašmir.
- d) KASHMIR is presented in upper case lettering, whereas Cašmir is in upper and lower, but this is a non-distinctive feature and makes no difference to the pronunciation of the words.
- e) There is a “v” over the letter “s” in the opponents mark, but it is unlikely that many of the United Kingdom public would know how this affects pronunciation of the “s”.
- f) When spoken the two marks are almost phonetically identical.
- g) The KKK device element makes little or no difference to the distinctiveness of the application and does not serve to distinguish the mark from that of the opponents.

16. Ms Bucks then seeks to demonstrate that the application was made in bad faith by exhibiting at TAB4 a copy of the Statement of Grounds of the current applicants when they sought to oppose the application by the current opponents for the mark Cašmir (1413681) in 1992 on the grounds that the mark was confusingly similar to their unregistered KASHMIR mark. She alleges the fact that the applicants filed a subsequent application for KASHMIR simply by adding KKK to it shows bad faith. She continues that this alleged bad faith is further demonstrated by the fact in research, she subsequently discovered that the applicants had in fact made two applications prior to the one in suit. They were for the mark KASHMIR (solus) under No. 2024808 filed on the 2nd June 1998 and for the mark K KASHMIR No. 2028800 filed on 31 July 1998. Both were for identical goods to the present application and both were abandoned prior to publication. Ms Bucks says that this shows the applicants were merely trying to register KASHMIR by degrees by the adding the K and then KKK elements.

APPLICANTS’ EVIDENCE

17. The applicants filed a statutory declaration dated the 8th October 1998 by **Christopher Weatherly**, a registered trade mark agent and a Partner in the firm of Venner, Shipley & Co, who act on behalf of the applicants in these proceedings. Mr Weatherly states that he personally prosecuted the applicants previous applications for the trade marks KASHMIR (2024808) and K KASHMIR (2128800) and explains the circumstances surrounding the refusal of those applications and the refiling of the present application. These were in short, that both met with geographical objections under Section 3 of the Act and in addition K KASHMIR attracted an objection against the non-distinctive single letter K. In relation to the latter application, the objections were upheld at a hearing before one of the Registry’s hearing officers. Following an informal discussion with the hearing officer on registry practice regarding the acceptance of three-letter marks, Mr Weatherly, who was already aware that his clients were using KKK KASHMIR, recommended to them that that version of the mark be filed.

18. Mr Weatherly proceeds to comment that there is nothing inherently wrong with amending the format of a mark to render it acceptable for registration, provided there is a definite and present intention to use the mark in that format or indeed, as in this case, where the subject mark is already in use. He goes on to dispute Ms Bucks' opinions as to the effect of the KKK element in the applicants mark in terms of distinctiveness and capacity to distinguish from the opponents Cašmir mark. On the latter point he expresses his view that Ms Bucks' comparison of the marks in suit was not based on both marks as a whole.

19. Mr Weatherly further comments that Ms Bucks' fails to acknowledge the difference in meanings between the two marks ie that KASHMIR is a well-know geographical location and Cašmir is not. This witnessed by the fact that the KASHMIR application faced geographical objections, whereas the Cašmir one proceeded *prima facie*.

20. On the bad faith allegations, Mr Weatherly refutes them, by saying that none of the actions of the applicants, either in opposing the Cašmir application or themselves subsequently applying for KASHMIR, K KASHMIR and KKK KASHMIR, particularly when they had been using the KASHMIR mark prior to the opponents use of the Cašmir mark ie since 1978. Neither does the withdrawal of the earlier opposition proceedings against the Cašmir application amount to a renunciation of the applicants interest in its KASHMIR mark or any common law rights therein.

21. The applicants filed a second statutory declaration dated 23rd December 1998, by **Peter H.J.Jackson**, the General Manager of United Toiletries & Cosmetics (the applicants). Mr Jackson confirms the applicants first used the mark in the format exhibited at PHJJ1 in 1978. That exhibit shows the mark KKK KASHMIR used on a folded out and flattened version of what appears to be a box. The words are represented in what I would describe as a very similar, if not identical format to the mark in the subject application. Mr Jackson says the mark has been used continuously since 1978 on an international basis and the mark has been the leading Middle East brand since that date. He exhibits at PHJJ2 sales invoices from 1991 and 1992 showing sales to clients largely based in the Middle East, although I note two are to clients in the UK.

22. At PHJJ3 Mr Jackson exhibits an example of packaging used by the opponents and comments that it can be seen in comparison to the packaging of the applicants at PHJJ1, that the two are entirely distinguishable.

23. Mr Jackson states that the applicants used the KASHMIR mark for some 13 years prior to the commencement of the opponents use of Cašmir and he gives turnover to have been £1.5 million in the last five years. It is unclear weather this relates to turnover in the United Kingdom or in total internationally. It was a point that could not be clarified at the hearing, but in any case was argued not to be crucial to the issues involved in these proceedings. This is dealt with later in this decision.

24. Turning to the statutory declaration of Lorna Dennington, Mr Jackson notes Ms Dennington has not been able to provide any instances of actual confusion. He also questions the extent of the use Ms Dennington attests to in terms of the goods on which the mark is

used and what he sees as the “relatively small” turnover. He also refutes her claims that the opponents mark is well-known in the United Kingdom.

25. Mr Jackson also restates the views earlier expressed on behalf of the opponents by Mr Weatherly, that the allegation of bad faith based on the refiling of the KASHMIR variants does not bear scrutiny and that the addition of the KKK element in the present case must have added distinctiveness to the mark as it turned it into a prima facie registrable mark, when both the previous two applications for KASHMIR and K KASHMIR having been objected to. He further contends that the KKK element serves to distinguish the applicants mark from Cašmir. In fact he goes further and claims that the mark arguably distinguishes itself more from that of the opponents than did the KASHMIR mark alone, and as such allegations of bad faith are even harder to understand.

26. The rest of this statutory declaration restates points raised earlier by Mr Weatherly.

OPPONENTS’ EVIDENCE IN REPLY

27. The opponents filed a further statutory declaration from **Teresa Anne Bucks** dated 5th July 1999. In this, her second statutory declaration in these proceedings, Ms Bucks confirms that she has read the statutory declarations of Mr Weatherly and Mr Jackson for the applicants.

The points made by Ms Bucks insofar as I see them as relevant in summary are:

- a) She questions whether the claimed use of the KKK KASHMIR mark since 1978 by Mr Jackson is use in the UK or the Middle East and whether the alleged use was of the mark KKK KASHMIR or either of the two previous incarnations of KASHMIR marks.
- b) She says that exhibit PHJJ2 shows no use of the KKK KASHMIR mark, merely “Kashmir” in every case.
- c) She says that Mr Jackson’s claims of continuous use since 1978 make no reference to continuous use in the UK.
- d) She notes that the invoices exhibited at PHJJ2 show only two instances (both dated 1992) of sales in the UK and makes the general point that it is unclear throughout Mr Jackson’s evidence exactly where the alleged reputation in the application has accrued.
- e) She questions whether the turnover figures quoted by Mr Jackson of £1.5 million over the past five years relate to UK turnover.
- f) Finally she casts doubts on Mr Jackson’s claims of the application being the leading Middle East brand of perfume, in the absence of substantiation of this claim.

28. The opponents filed a further statutory declaration and three supporting exhibits from **Lorna Dennington**, clarifying her relationship with the opponents and her capacity to adduce evidence on their behalf. She clarifies some other matters raised by Mr Jackson, none of which have any material bearing on these proceedings.

29. That completes my summary of the evidence in so far as I see it as necessary.

DECISION

Section 5(2)(b)

30. The first ground of opposition is under Section 5(2)(b) of the Act, which reads as follows:

“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 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.”

31. An earlier right is defined in Section 6 of the Act, the relevant part of which states:

“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).....

(c).....”

32. In deciding this case, 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 Schufabrik 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.

33. 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 Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, 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.

34. With this in mind, I should say at the outset that there is no argument between the parties that the goods in question (ie perfumes) are identical, so the matter rests on a comparison of the marks.

35. There are assertions in the evidence and I heard submissions from both parties at the hearing about how the marks in question, particularly the KKK KASHMIR application will be viewed and/or vocalised. In short the opponents view, backed by a number of references to recent Registry decisions brought before me prior to the hearing by Ms Bucks, *inter alia* BETTY'S KITCHEN (SRIS No. 0/360/99), PRO SPORTS (SRIS No. 0/302/00), REGGAE

(SRIS No. 0/043/00) and ESP EASTENDERS STRONG PILS (SRIS No. 0/136/00), was that marks are often shortened by the public to the pronounceable part (as the easy option) for quick reference. With this in mind, the opponents have asserted throughout these proceedings that the mark will be essentially viewed as a KASHMIR (solus) mark. The KKK element will either be seen as mere decoration or embellishment or will be ignored altogether.

36. Miss Bucks went further at the hearing to show that on top of this claim, in reality the applicants trade mark can only be seen as a KASHMIR mark or at best a K KASHMIR mark. She sought Mr Kelly's indulgence, which he duly granted, to examine the original of exhibit

PHJJ1 (of Mr Jackson's statutory declaration) of which she only had a photocopy. This was what was said (and not disputed) to be a box, unfolded and flattened, bearing what was recognisable as the mark in the application (amongst other non-trade mark matter). She used the exhibit to demonstrate how when folded back into the 3-dimensional shape of the box, the mark which in her opinion was now visible was not KKK KASHMIR, but merely K KASHMIR - this being all that was left visible on the front face of the folded box. Ms Bucks contended that in fact the K feature would only be seen as decoration or embellishment. She went on later to suggest that often in the retailing environment for cosmetics or perfumes, only a single (the front) face of a box will be visible because of the way they are displayed side-by-side on shelves. She felt that it would be entirely fallacious to suggest that the public should need to pick up and rotate the box three times in order to view the full trade mark.

37. Mr Kelly's view was that representation of the mark in the way shown in exhibit PHJJ1 on the packaging of the goods was perfectly within the boundaries of what may be considered fair and notional use. The mark as applied for is applied to the packaging of the goods for which the application is made and because of the prominence and relative distinctive character of the KKK feature, it was by *this* feature that in his view, the mark would be more readily shortened, if one accepted the premise that this will happen to this mark at all. The relative distinctiveness bestowed upon the mark by the KKK element was obvious because it changed what had on two previous applications been found to be *prima facie* unregistrable mark, into a registrable one.

38. Another issue on which there is no dispute is that the products of both parties appear to occupy different ends of the perfume/cosmetics market sector. Cašmir for the opponents being at the high price, prestigious end, and KKK KASHMIR for the applicants at the more modest end.

39. As can be seen from my summary of the evidence, there is much time expended by both sides on the use (or otherwise) of the applicants KKK KASHMIR mark in the United Kingdom. Indeed it was also the case at the hearing. The applicants say (partly in addressing the Section 3(6) ground - to which I shall return later) that the mark as applied for has been in use since 1978. The opponents attacked this on two fronts :

a) that the use shown was not unambiguously use within the United Kingdom (due to the references in the applicants evidence to use in the Middle East) and

b) that in any case, such use as is shown is not use of the trade mark in the form applied for.

40. In terms of the Section 5(2)(b) pleading these issues are in reality something of a red herring. Whilst the applicants contend that they have indeed made use of the mark applied for and in the United Kingdom, Mr Kelly pointed out at the hearing, that in fact there is no need for them to have done so. This, in the absence of any reliance on concurrent use of the marks in order to rebut the claim of a likelihood of confusion between the marks, is correct.

41. Even if I were to accept that the matter of whether, to what extent or in what form there has been use in the United Kingdom of the KKK KASHMIR trade mark is not entirely clear from the evidence submitted by the applicants, these are not decisive factors in my eventual findings on the Section 5(2)(b) ground.

42. The test to decide whether these two trade marks are likely to cause confusion to the public boils down to a comparison of the marks, bearing in mind all the relevant considerations in a global appreciation of the question and bearing in mind the concept of “fair and notional use” (see *Origins Natural Resources Inc v Origin Clothing Limited* [1995] FSR 280 and the comments of Simon Thorley QC acting as the Appointed Person in *React Trade Mark* [2000] RPC 288) of the marks on the goods that they cover. Both sides sought to persuade me, in their own way, that the tests should be something other than this.

43. The opponents argued that I must compare their registration of Cašmir with merely the KASHMIR element of the application. Ms Bucks in her statutory declaration and submissions at the hearing undertook a fairly forensic dissection of those elements in terms of visual, aural and conceptual similarity, and in so far as this was at all relevant, I would comment that most of the conclusions she draws are beyond dispute. However, as can be seen from my summary of the recent guidance from the Courts, analysis of marks into their various details without an appreciation of the overall impression they create, is not a correct application of the test. Whilst I of course fully accept that in the facts of the recent authorities she brought before me at the hearing to support her case ie that marks can be quite normally and naturally shortened by the public for the sake of convenience, leaving out elements which are either non-distinctive, de minimis or difficult to pronounce, I do not see any of them on all fours with this case.

44. The applicants by contrast argue that because the KKK element is the larger, more prominent and more distinctive feature of the mark, that it is by this, rather than the KASHMIR element, that it will more likely be referred to by the public. It was suggested at the hearing by Mr Kelly that if there is the kind of shortening of marks by the public claimed by the opponents, the comparison at issue would be between the marks Cašmir and KKK. This too is a somewhat partisan application of the recent guidance.

45. The truth of the matter is of course that in the absence of any unequivocal evidence one way or the other, it is impossible to come to a conclusive finding on the issue of how the application will be perceived by the public, either through the use made of it by the applicants or through their intended use. There is no evidence; only assertions, surmise and conjecture. However, in the absence of firm evidence, it becomes necessary for me to take the best view that I can on the matter, recognising of course that there may well be more than one possibility.

46. In paragraph 37 of this decision, I have recorded Mr Kelly for the applicants’ view (expressed at the hearing), that the form of the application exhibited at PHJJ1 was within the boundaries of what should be considered fair and notional use. However, if normal and fair

use of the applicants' mark includes its use with the letters K split onto three different sides of packaging (as demonstrated by Ms Bucks at the hearing), with the word KASHMIR appearing on the front face along with just one of the K's, then in my view I have to support the opponents contention that it is more likely to be known as a KASHMIR mark. The oft quoted trade mark dictum "words speak louder than devices" holds true here, because I think the K will probably be recognised by the public as reflecting the first letter of the word KASHMIR, but in my opinion they will not pay such heed to it as to try and enunciate it as part of any verbal ordering process. It is possible that the single K feature might even be regarded as a stylised device in its own right, in which case the word will shout out even more clearly. In any event, with the three K's split over three sides of the packaging, the likelihood of the mark being referred to as a KKK mark is obviously much less.

47. The applicants' own use of the mark must be regarded as a paradigm of normal and fair use. On the basis of the use shown in PHJ1, I think the opponents are right in saying that KASHMIR is the dominant and even the distinctive element of the applicants' mark. It is true to say that KASHMIR is a geographical placename, but the place is quite remote and has no obvious connections with perfumes. In the light of the guidance of the ECJ in *Windsurfing Chiemsee* [1999] ETMR 585, it seems the word KASHMIR would be protectable as a trade mark in its own right despite the Registry's earlier rejection of the mark under the 1938 Act.

48. However, a finding that the mark will be regarded in this way is not necessarily a finding of a likelihood of confusion to the public between the two trade marks in question. Those two marks are still Cašmir and KKK KASHMIR. The fact that the KKK feature is split over three sides of the packaging in normal use, leaving only the one K visible with KASHMIR element, and being likely to be known as such, still does not to mind lead logically to a finding of a likelihood of confusion. If one were to view the application as nothing other than a KKK KASHMIR mark, then I think confusion is most unlikely. Even in the circumstances of it being viewed as K KASHMIR, as I have said, I still see confusion as being no more than a possibility, rather than likely.

49. I conclude that in all the surrounding circumstances, the case showing that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark, has not been proved by the opponents. I should add that I have found this decision particularly difficult to arrive at, because the considerations have usually involved fine judgement calls. My reasoning for the finding is given below.

50. Taking the visual considerations first, I include my opinion above of the mark being most likely regarded as K KASHMIR in normal circumstances, but not losing sight of the mark in totality. I also include my perception of the visual differences between even the words Cašmir and KASHMIR, notably their different first letters and the appearance of an unfamiliar symbol over the "s" in Cašmir, which because of its unfamiliarity will render it at least worthy of notice to the "reasonably well informed and reasonably circumspect and observant" average consumer. In my view, the combination of the two elements of the application as it will most often be seen, render it visually quite distinguishable from the registered mark Cašmir, as a single word alone, even allowing for imperfect recollection.

51. Next is the aural consideration. As I have said, it is not possible to arrive at a definite view on how the application will be perceived or vocalised, but on balance I think in normal use it will more usually be asked for as KASHMIR. As I said above at para 47, I do not think a singly viewed K will be vocalised by the average consumer. Even less is the likelihood of the

three K's being vocalised. If it is also true that the public shorten marks for convenience, and in so far as it is necessary for me to form a view on this, I tend to side with the opponents position that KASHMIR, being a recognisable dictionary word, will be the more likely truncation, then as such, I think in any purely aural consideration, the words Cašmir and KASHMIR must be said to share a certain proximity. However, that element alone cannot be the deciding factor in any application of a global appreciation of the issues. It is not so overwhelmingly the case that perfumes are bought by verbal ordering that I should elevate this above other factors.

52. My acceptance of some aural similarity of the Cašmir/KASHMIR elements does not lead me, however, to concur with the opponents view that this will lead to a natural progression towards the average consumer perceiving a shared conceptual similarity. Ms Bucks argued that KASHMIR has a strong concept of (given Kashmir is a State in India) something "exotic, full of Eastern promise", I believe were her precise words at the hearing. She sought to persuade me that this would also be the suggestion to anyone aware of the Cašmir mark, because it is aurally similar to the well known word KASHMIR. I questioned Ms Bucks at the hearing on whether Cašmir has a meaning in English and she told me it does not. To all intents and purposes then, it must be regarded as an invented word. The question that occurs to me then is, whether an invented word has the potential capacity to assume the concept or meaning of a dictionary word to the extent that it would lead to confusion? It seems to me that a relatively well known words such as KASHMIR are unlikely to be mistaken for meaningless words, such as, in this case, Cašmir. I am fortified in this view by the words of Neuberger J. in *Premier Brands United Kingdom Limited v Typhoon Europe Limited* (2000) FSR 767 when considering the likelihood of confusion in a conceptual sense between the words TYPHOON and TY.PHOO. He said:

"So far as conceptual features are concerned, there is much less similarity. TYPHOON is not merely a dictionary word; it is a well known word used in common parlance. TY.PHOO is an invented mark....with no other meaning."

He went on in conclusion:

"Despite the similarity of the mark and the sign (particularly on an aural basis), and the inherent distinctiveness of the TY.PHOO mark, I do not consider that the average consumer....particularly bearing in mind that he or she is to be assumed to be reasonably well informed and reasonably observant and circumspect, would confuse the TYPHOON sign...with the TY.PHOO mark..."

53. Another factor that I had to consider in arriving at my decision was whether because of the distinctive character of the opponents mark Cašmir or as a result of the evidence brought before me of the use made of it in the United Kingdom, this would lead to a greater likelihood of confusion? In my view, neither consideration altered my opinion. Cašmir, as has been seen, is to all intents and purposes an invented word, and thereby by nature has a high distinctive character. The question of whether such a mark can by nurture extend that already high entitlement to protection is an interesting one, but in any event I do not believe the evidence submitted for the opponents use of Cašmir is such as to make a difference in this case.

54. The figures adduced by Ms Dennington in her original evidence (see paragraphs 11-13 above) were not challenged as to their accuracy either in the evidence of the applicants or at

the hearing. The applicants commented at a later stage that in their view the evidence does not substantiate the reputation claimed by the opponents, but that is all. However, I have to say I find the figures unhelpful. The turnover at best seems to be average, and although in context (eg of an exclusive target market, limited to prestigious outlets etc) I perhaps can appreciate why this might be so, I find it difficult to assimilate the turnover figures, with the unitary sales and advertising provided. For example, it is claimed by the opponents and accepted by the applicants that the goods sold under the Cašmir mark are expensive and at the prestigious end of the market. However, a rough comparison of the 1996 & 1997 turnover figures with the number of units sold in those years suggests a very low unitary value indeed ie £6.62 and £7.69 respectively. Perhaps this is not the retail figure, but this is not stipulated. This low unitary cost does not sit comfortably with the claims to be at the top end of the perfumes market. Neither can I understand how turnover which at best is estimated to reach £240,000 a year (in 1995), can warrant an investment of between approximately £74, 000 in that year and particularly a figure of some £693,780 in 1994? Even taking the figures at face value, I do not see that the evidence provided helps in establishing an enhanced reputation of the sort that can entitle the mark Cašmir to a wider penumbra of protection than it already inherently enjoys as an invented word, as I have already considered it.

55. There is one further consideration in arriving at my decision I should relate. It was not disputed during the proceedings that the goods of both parties sold under their respective trade marks ostensibly occupy different sectors of the same market. Certainly neither party challenged each other in this respect. This does not sit easily with the opponents position that in fact the evidence of the applicants showed no use in the United Kingdom or certainly no use of the mark as it was applied for. There was some dispute on the turnover figures in the applicants evidence and whether they applied to United Kingdom sales or international sales. Mr Kelly could not fully clear this point up at the hearing, but maintained that use of the mark applied for had taken place in the United Kingdom within the relevant period. From my reading of the evidence it seems that there has been some legitimate use in the United Kingdom (see exhibit PHJJ2 - invoices for sale of good abroad and two within the UK), but it does not appear to be the type of use which would lead to a crossing of the channels of trade between the two marks, and therefore this, along with the differences in the market sectors agreed upon by the parties, might explain why there had been no *actual* instances of confusion. However, in considering how the mark in question is to be used and the goods to which it is to be applied, the concept of fair and notional use must be taken into account. Neither of the specifications in this case are limited in any way (eg by market sector or geographically), I must bear in mind the *potential* for the goods sold under the marks to come into contact with each other at some later juncture. Even though there is always the potential for the goods to cross (even if they don't currently do so), I still do not consider confusion to be *likely* because of the reasons given in my comparison of the marks.

56. Stripping down the intellectual dissection to an overall pragmatic assessment of the *likelihood* of confusion, I think depending on particular purchasing conditions confusion is possible. However, I do not believe that there is a “*likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark*”. This ground consequently fails.

Section 3(6)

57. This ground for opposition was pleaded on the basis that because of an earlier opposition by the applicants to the application of the Cašmir mark by the opponents on the grounds that it

was too similar to their common law rights in KASHMIR (solus), this is a manifestation of bad faith. If I may paraphrase this, the opponent is saying “you thought the marks were once confusingly similar, you must have done, because you opposed us on that basis, but you have now applied for that same confusingly similar mark yourselves and further, you now say it is not confusingly similar”. Is that bad faith? The concept often, if not always, boils down to an assessment of the facts in each particular case.

58. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379, Lindsay J. said:

“I shall not attempt to define bad faith in this context [sc.of section 3(6)]. Plainly it includes dishonesty and, as I would hold, also includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase of the courts....but by reference to the words of the Act and upon regard to all material surrounding circumstances.”

59. In this case, the applicants offer vehement denials to the allegations of bad faith in the evidence of Mr Weatherly and Mr Jackson. They say that they see nothing wrong in the sequence of events leading to the applicants’ opposition to and subsequent withdrawal of, the opponents application for the Cašmir mark. A similar general point was dealt with by G.Hobbs QC (acting as the Appointed Person) in *Demon Ale* [2000] RPC 345 at 356 when he said:

“...the observations of Lord Nicholls on the subject of dishonesty in *Royal Brunei Airlines Sdn.Bhd. V. Philip Tan* [1995] 2 AC 378 (PC) at p389 do seem to provide strong support for the view that a finding of bad faith may be fully justified even in a case where the applicant sees nothing wrong in his own behaviour.”

60. However, in these proceedings, I agree with the views of Messrs. Weatherly and Jackson in refuting the allegations in their evidence. I accept Mr Kelly’s submission at the hearing when he explained that the opposition [to Cašmir] was simply withdrawn on a commercial basis as the applicants did not wish to become embroiled in conflict when, from a practical point of view, they realised that the existence of the registration of the Cašmir trade mark would not in fact affect them commercially. This seems a perfectly plausible explanation. In the absence of any evidence to support the opponents’ allegations of bad faith, I think there is very little basis for pursuing this particular course. The fact that at one time the applicant may have considered the two marks to be too similar in the then circumstances of trade, and the fact that they no longer do, seems to me to be perfectly feasible. Particularly in view of the fact that the same two marks as then are not involved (ie the addition of the KKK element now). Certainly it does not seem to me to be a manifestation of “dishonesty” or to go beyond the “standards of acceptable commercial behaviour”.

61. Ms Bucks at the hearing took the argument a stage further. She argued that because of the incremental addition to the basic KASHMIR element of the letter K then KKK, that this in itself in reveals the applicants bad faith in applying to register a mark which they have not used or have no intention of using. She pointed me to the *Betty’s Kitchen* decision of the Registry, reported as [2000] RPC 825 which she sought to persuade me was on all fours with this case. In particular she quoted me the following extract:

“Against this background it seems to me that the mark applied for is an attempt by the applicants to put sufficient distance between themselves and the opponents for the purposes of securing a registration, but without the mark being a true reflection of what is conceded to be the intended and actual form of use...”

62. I have to admit it is not unequivocally clear from the evidence that the applicants have used the mark in UK in the form applied for. I say this because the wording of Mr Jackson’s statutory declaration does not say so specifically, a point obviously relied upon by the opponents.

63. The opponents offer no evidence that the applicants filed a range of “KASHMIR” marks in bad faith. The mere filing of variant marks is not proof of anything other than perhaps an interest in a range of marks for any number of reasons, or, as has been seen in this case, to render a mark registrable where previous versions, had not been. As was pointed out in the evidence of the applicant’s, this is every day trade mark filing practice, just so long as there is bona fide intention to use the marks applied for.

64. I think the applicants are entitled to regard the mark they have used as KKK KASHMIR (as per PHJJ1) even though I have held that the average consumer is more likely to view it as primarily as a K KASHMIR mark, with further K’s repeated on two other sides of the packaging. Reasonable differences of perception are not sufficient to justify a finding of bad faith.

65. It follows from my above considerations, the section 3(6) ground also fails.

66. The applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £635. This sum is to be paid within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 24 day of August 2001

**G J Rose’Meyer
For the Registrar
the Comptroller-General**