

TRADE MARKS ACT 1994

AND THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

**IN THE MATTER OF INTERNATIONAL REGISTRATION No 688545
AND THE REQUEST BY HTM DEUTSCHLAND GMBH
TO PROTECT A TRADE MARK IN CLASSES 18, 25 AND 28**

AND

**IN THE MATTER OF OPPOSITION No 70094 THERETO
BY LUNDHAGS SKOMAKARNA AB**

TRADE MARKS ACT 1994

AND

THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

**IN THE MATTER OF International Registration No 688545
and the request by HTM Deutschland GmbH
to protect a trade mark in Classes 18, 25 and 28**

and

**IN THE MATTER OF Opposition No 70094 thereto
by Lundhags Skomakarna AB**

BACKGROUND

1. On 20 January 1998 HTM Deutschland GmbH applied to protect the mark C - TECH in the United Kingdom in Classes 18, 25 and 28 under the provisions of the Madrid Protocol on the basis of registration in Germany, for the following specification of goods:

Class 18:

"Bags and other cases not adapted to the product they are intended to contain, sporting bags, tennis bags, ski shoe bags, rucksacks."

Class 25:

"Shoes, sporting shoes, tennis shoes, training shoes, soles, insoles."

Class 28:

"Gymnastic and sporting articles, included in this class, especially rackets for ball games, tennis rackets, squash rackets, racketball paddles, badminton rackets, cases for rackets."

2. The application numbered 688545 was published for opposition purposes in the Trade Marks Journal and on 23 December 1998 Lundhags Skomakarna AB filed a Notice of Opposition. In summary the grounds are:

1. The opponents are the proprietors of registered UK Trade Mark 2023632, Certech, in respect of "footwear".

2. Madrid Trade Mark Registration 688545 and the opponents' mark are visually and phonetically similar and the Class 25 portion of the International Registration is for identical goods. Therefore, the Class 25 portion of the application should be refused under Section 5(2)(b) of the Trade Marks Act 1994.
 3. The opponents' mark has been extensively used throughout the UK in respect of footwear since at least 1992 and has vested in it reputation and goodwill. Therefore, the Class 25 portion of the application should be refused under Section 5(4)(a) of the Trade Marks Act 1994.
3. The applicants filed a counterstatement denying all grounds.
 4. Both sides seek an award of costs.
 5. Both sides have filed evidence and agreed that the matter can be decided from the papers. Both sides were provided with the opportunity to file written submissions. Only the opponents did so. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

OPPONENTS' EVIDENCE

6. This consists of a statutory declaration dated 17 January 2000 by Mr Peter Moor who says he is a partner in a firm trading as Growing Places which, since 5 June 1997, have been the exclusive agents in the UK for footwear and clothing products manufactured by the opponents. Mr Moor says that he is aware that there had been some sales of the products in the UK prior to this date.

7. Exhibit PM1 comprises of a Lundhags catalogue for 1998 with a "current" price list, a tie-on care leaflet which is supplied with every pair of shoes and a sheet of paper to which is attached a label from a boot. All show use of the word Certech by the opponents in connection with various boots and shoes as identified in the third column of the table set out on page 13 of the catalogue. The evidence goes on to say that the Kingdom Certech boots are distributed throughout the United Kingdom and are used for hunting, shooting, fishing, winter travel, cross-country skiing and skating. The sales figures for these boots are:

1997	-	£16,500
1998	-	£19,650
1999	-	£36,000

8. Mr Moor says that his own records do not go back earlier than 1997 and that he understands that the opponents' own earlier records were destroyed in a fire in 1998 and draws attention to the fact that sales are increasing.

9. With regard to advertising, Mr Moor says that Certech boots are "very occasionally the subject of media advertising, particularly in the specialist magazine market directed to outdoor pursuits."

10. Mr Moor further says "The Certech boots enjoy a deservedly high reputation among serious outdoor activity personnel. I believe that their reputation is distributed throughout the United Kingdom (we sell throughout the United Kingdom) and that it would be recognised by substantial numbers of outdoor activity personnel." Mr Moor also comments that he considers the respective marks will be pronounced in a very similar way and that the applicants' target market will be similar to that of the opponents ie. those engaged in outdoor and strenuous pursuits.

11. Mr Moor concludes by saying he considers there would be confusion arising from the similarity of the marks, especially for footwear but also extending to the related area of sports equipment and baggage, rucksacks in particular.

APPLICANTS' EVIDENCE

12. This consists of a statutory declaration dated 25 May 2000 by Mr Manfred Filzer who says he is Geschäftsführer of the applicants' company, a position held since 1985 and has been associated with the footwear industry since 1987. Mr Filzer says their mark C - TECH was first used in the UK in September 1997, in relation to sports shoes.

13. The following sales figures were provided:

October 1997 - September 1998	=	£200,000 (estimate)
October 1998 - September 1999	=	£157,279
October 1999 - February 2000	=	£36,155

14. Advertising figures are:

1998	-	£12,000
1999	-	£7,000
2000	-	£1,000

15. I note that most of the above figures are after the filing date of 20 January 1998.

16. Exhibit 1 is said to consist of product literature showing use of the applicants' mark. However, no exhibit has ever been provided or received by the Registrar.

17. Mr Filzer goes on to say that his company believes there is no likelihood of confusion on the part of the public because the marks are not visually or phonetically similar and that although the products have co-existed since 1997, no confusion has arisen. Mr Filzer adds that since the launch of the applicants' products under the mark a total of 400 shops have displayed and sold C - TECH goods without any confusion arising in the course of trade with

the opponents' mark. Mr Filzer also says that honest concurrent use has taken place in the UK since their products were launched.

18. It should be noted that in a letter dated 30 June 2000, the registrar wrote to the applicants' agents to point out certain deficiencies in their evidence:

- (1) Clarification of the English version of the deponents' position within the company.
- (2) The statutory declaration refers to an "Exhibit 1" which has not been attached or filed with the registry.
- (3) A page attached to the back of the statement of case is in German and the registrar requires an English translation along with a sworn statement from a qualified translator.

19. The applicants' agents responded in their letter of 28 July 2000 by saying "we have been informed by our instructing German principals that the declarant is unable to carry out the amendments requested, although I am told that the deponent's position is Executive Director of a German Limited Liability Company (GmbH)." The declaration has not, therefore, been amended.

20. The registrar, in a letter dated 10 August 2000, advised that the evidence would be placed on file even though it appears to be defective and said "This is provided your clients are aware of the possible objection, are willing to risk a refusal to admit the evidence at a hearing or of it being ruled inadmissible should the case go to appeal or of the hearing being adjourned to enable the evidence to be put in order on terms as to costs." As the applicants were prepared for the evidence to stand in the form presented, despite its defects having been pointed out, the evidence was admitted into the proceedings.

OPPONENTS' WRITTEN SUBMISSIONS

21. These submissions are provided in a letter dated 20 July 2001 from Gallafent & Co, the opponents' trade mark attorneys.

22. With regard to Section 5(2) the submissions argue that the applicants' mark will be pronounced SEETECH while the opponents' mark would be pronounced SERTECH and that, therefore, the phonetic differences are small and could be easily confused especially over the telephone. It is also submitted that the Class 18 goods e.g rucksacks and Class 28 goods e.g. "Gymnastic and sporting articles, are likely to be sold alongside climbing boots and in similar outlets such as sports and leisure goods stores.

23. With regard to Section 5(4)(a), the submissions refer to the sales figures and note that "although sales have so far been modest (see Mr Moor's evidence), they are increasing and, in a specialist market, are sufficient to have generated reputation which inures to the benefit of the opponents and their British distributors." The submissions then refer to the applicants' goods sold under the C - TECH mark and the "almost phonetic identity of the two marks"

which will give rise to confusion, "ie. Effectively a misrepresentation that the goods for which registration is sought by the owners of the international registration are in some way connected with the opponents." Also, that any confusion "could only be damaging to the opponents."

24. The submissions also refer to the inadequacy of the evidence filed by the applicants (see earlier in the decision) and say the evidence should be disregarded. However, if it were to be admitted the submissions go on to say that the figures quoted in paragraphs 4 and 5 of that evidence shows a trend substantially downwards. Nevertheless, it further says:

"If these figures are compared with those set out in paragraph 4 of the declaration of Peter Moor, it can easily be seen that the likelihood of intersection between the nascent opponents' business under the trade mark CERTECH and the business of the proprietors of the international registration is understandable. However, we submit that, in considering the likelihood of confusion and, in particular, of the opponents being able to prevent the applicants using the mark C-TECH under the general law including passing off, this must be done against a broad background of proposed sales through all normal channels and across the entire range of goods encompassed within the specification of goods. We submit that the risk of passing off is entirely evident and is in no way diminished by the evidence of Mr Filzer if admitted."

25. That completes my review of the opponents' submissions. As mentioned earlier, the applicants did not provide written submissions.

DECISION

26. The first ground under which this opposition is based is under Section 5(2)(b) which reads as follows:

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

(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."

27. An earlier trade mark is defined in Section 6(1) 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;

28. 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.

29. 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;
- (b) 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;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) 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;
- (g) 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;
- (h) 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.

30. The applicants' and the opponents' specifications are set out earlier in this decision. It is clear that the opponents' specification of "Footwear" must include the goods covered by the applicants' specification of "Shoes, sporting shoes, tennis shoes, training shoes, soles, insoles." Therefore, identical goods are at issue and the likelihood of confusion, including the likelihood of association, rests primarily on a comparison of the trade marks.

31. When comparing marks it is well established that in order to assess the degree of similarity between them I must determine the degree of visual, aural and conceptual similarity, while keeping in mind the distinctive character of the earlier mark.

32. Turning first to a visual comparison I note that the applicants' mark consists of a letter "C", a hyphen and the word "TECH". Therefore, essentially a combination of a letter and a well known abbreviation for the word "technology". The opponents' mark, on the other hand consists of a single invented word "Certech". While it is clear that the word "tech" is present in both marks and the opponents' mark begins with the letter "C" I consider the marks to be visually very different.

33. I also take into account the fact that the goods are items of clothing. I believe it is generally acknowledged that clothes are usually bought visually and the primary use of trade marks in purchasing clothes is a visual act. (See e.g. comments by Mr Simon Thorley QC when acting as the Appointed Person in React Music Limited trade mark case, 2000 RPC 285). Therefore, visual comparison carries particular weight in any global assessment of the confusability of the marks.

34. Notwithstanding the comments above, I cannot totally disregard oral use as goods can be purchased by telephone. When the marks are compared aurally I agree with the opponents' submission that they are likely to be pronounced SEETECH and SERTECH. However, as each mark consists of only two syllables I consider small differences will be more apparent. It is also well established that beginnings of words tend to be emphasised and carry more weight. As such I consider the difference between "SEE" and "SER" is sufficient to distinguish the two-syllable marks aurally when compared as a whole.

35. Finally I turn to conceptual similarity. Clearly, each mark contains the word "tech". However, the applicants' mark is essentially the word "tech" prefixed by a letter "C", while the opponents' mark is a single invented word which ends with "tech". As such I do not consider that there is any conceptual similarity between the marks.

36. I attach particular weight, in any global assessment of the relevant factors which may cause confusion, to the visual differences in the marks for the reasons given earlier. The conceptual differences, in my view, only reinforce those differences. I believe that the opponents consider the aural comparison represents their strongest case. In this regard I have already said that I consider there is very little aural similarity. However, I consider such aural similarity as may exist is more than outweighed by the visual (in particular) and conceptual differences in such a global assessment. The Act requires me to consider the likelihood of confusion, as opposed to the mere possibility of confusion. Taking all the above into account

and assuming that the "average consumer" is reasonably well informed and reasonably circumspect and observant and that he or she "normally perceives a mark as a whole and does not proceed to analyse its various details", I consider that confusion is unlikely. I do so bearing in mind that at least some of the goods are low cost (in the notional test I am required to carry out on the specifications as published) and may be bought with less care than expensive or rare purchases and that marks are rarely compared side by side.

37. In coming to the above decision I bear in mind the evidence filed by the opponents. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) considerations in that it may enhance the distinctive character of the mark at issue and widen the penumbra of protection afforded to such a mark. In my view, the evidence does not support an enhanced level of distinctiveness. The nature of the use appears to be as a secondary mark to a main mark e.g. "Lundhags", and appears to refer to the nature of the construction of the boot, see Exhibit PM1 which shows a "Lundhags 98" catalogue which says:

"Our boots are hand-made of 100% all natural material. We stretch and inspect every single piece of hide and reject the ones that don't make the grade. We then construct the boot of leather, soles and cellular rubber on the last, using a unique technology which we have registered under the name Certech ©....."

There are also references in the brochure to "A Certech © boot for hunters", "A real chill boot in the Certech© line" and similar references for hiking boots, riding boots etc. A small label containing "Certech® 42" is also shown which I understand is placed in "Lundhags" boots. However, none of this use seems to be very visually prominent.

38. I note that turnover of the opponents' goods sold under their mark is quite modest prior to the applicants' filing date of 20 January 1998, approximately £16,500 in 1997. While I have no evidence to indicate the size of the market for such specialist footwear as described above, I consider it is reasonable to assume it runs into several £ millions. If so, the above figure would seem to represent a very modest share even of this niche market. In the absence of any evidence to the contrary I consider the turnover is insufficient to make out a strong case for enhanced distinctiveness.

39. I also note, as mentioned above, that the opponents' mark appears to be used only in relation to specialist boots and shoes suitable for outdoor pursuits - hunting, shooting, fishing, cross-country skiing, hiking, riding etc, which in my experience are bought with more care than everyday footwear. Therefore, any enhanced reputation which may exist in this narrow area of footwear would, in my view, be more than off-set by the extra care which the purchasing public are likely to take over such goods. Therefore, I would not consider confusion is likely, for the reasons previously given, even if I had come to the opposite view on enhanced distinctiveness.

40. So far, I have only considered identical or closely similar goods. I note the opponents' submissions that the applicants' other goods, notably in Class 18, are likely to be sold

alongside footwear such as those described in the opponents' evidence. The original pleadings made no reference to Class 18 goods. Therefore, I should not consider any arguments submitted in relation to these goods. However, I would simply observe that having found the marks are not confusable in relation to identical goods I consider the opponents have no stronger case for goods which are not closely similar. Therefore, the opposition fails under Section 5(2)(b).

41. I now turn to Section 5(4)(a) of the Act, which reads as follows:

"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)"

42. The requirements for this ground of opposition have been stated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in WILD CHILD trade mark 1998 RPC 455. Adapted to opposition proceedings, the three elements which must be present can be summarised as follows:

- (1) that the opponents' goods have acquired goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponents; and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.

43. I have already indicated that the evidence filed by the opponents is of limited value in establishing an enhanced reputation for their mark in relation to the goods. I also find that it is of limited value in establishing that the opponents' goods have acquired goodwill or reputation in their market. However, as I have found the marks not to be confusable under Section 5(2)(b) I consider they have no stronger case in establishing that there has been misrepresentation by the applicants and that the opponents will suffer damage as a result. I find therefore, that the opposition fails on this ground also.

44. In relation to the criticism of the applicants' evidence, noted earlier in this decision, I simply place on record that I have attached no weight to that evidence in reaching this decision. While there has apparently been use of the applicants' mark concurrently with that of the opponents, no details have been provided to show the nature of the use. Furthermore, the

majority of the sales and advertising figures are after the relevant date, the applicants' filing date of 20 January 1998.

45. The opposition having failed the applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £435 as a contribution towards their costs. This sum 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 27 day of March 2002

**R A JONES
For the Registrar
the Comptroller-General**