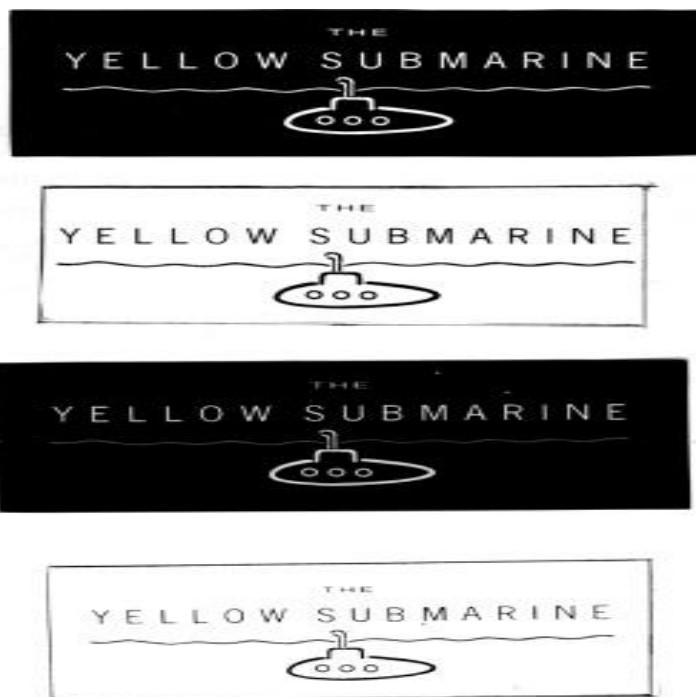


TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2213983
BY THE YELLOW SUBMARINE PROMOTIONAL MARKETING CONSULTANTS
LIMITED
TO REGISTER A SERIES OF FOUR TRADE MARKS IN CLASSES 35 & 42

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 51198
BY SUBAFILMS LIMITED

BACKGROUND

1) On 11 November 1999, The Yellow Submarine Promotional Marketing Consultants Ltd of Dry Dock, 17A West Street, Epsom, Surrey, KT18 9RL applied under the Trade Marks Act 1994 for registration of the following series of four trade marks:



2) In respect of the following goods:

In Class 35: “Advertising, promotional, publicity and marketing services; public relations services; dissemination of advertising and promotional literature.”

In Class 42: “Preparation of food and drink; restaurant, café, cafeteria, coffee shop, bar, snack bar and catering services; night-club services.”

3) On the 19 July 2000 Subafilms Limited of 27 Ovington Square, London, SW3 1LJ filed notice of opposition to the application, subsequently amended. The amended grounds of opposition, are in summary:

a) The opponent is the proprietor of two UK Trade Marks and a Community Trade Mark (detailed at annex A). *Yellow Submarine* is the title of a well-known film featuring the names and likenesses and caricatures of the Beatles and is the title of a well-known Beatles album and song related to the film. The film was originally released in 1968, and subsequently re-released in enhanced form in August 1999. The name and title *Yellow Submarine* have remained in the public's awareness in the UK, inter alia, by virtue of continuing sales of the *Yellow Submarine* album and related merchandising.

b) The mark applied for is similar to the opponent's marks and contain a device of a submarine which in some respects resembles the *Yellow Submarine* device. The mark in suit includes in its specification "night club services" which are identical to services in the opponent's marks and so offends against Section 5(1) of the Trade Marks Act 1994.

c) The applicant's mark offends against Sections 5(2)(a), 5(2)(b), 5(3), and 5(4)(a) of the Trade Marks Act 1994.

d) Registration of the mark in suit would be contrary to the law of copyright and so offends against Section 5(4)(b) of the Trade Marks Act 1994.

e) The opponent also claims that its trade marks are so well known in relation to sound recordings and films that it is entitled to protection under the Paris Convention and Section 56(2) of the Trade Marks Act 1994.

f) Registration of the mark in suit would offend against Section 3(3)(b) of the Trade Marks Act 1994 as the public would be deceived into assuming that the services concerned were associated with or endorsed by the opponent or the Beatles.

g) The opponent also claims that the mark in suit was applied for in bad faith as the applicant must have been aware of their trade marks and should have known that use of the mark in suit would take unfair advantage of the opponent's reputation. Further, they allege that the applicant was not entitled to claim to be the proprietor of the mark applied for and that the applicant knew or should have known that use of the mark in suit would be misleading. They contend that the mark in suit offends against Section 3(6) of the Trade Marks Act 1994.

4) The applicant subsequently filed a counterstatement denying the opponent's claims.

5) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 9 April 2002 when the applicant was represented by Mr Hamer of Counsel instructed by Messrs Jordans Limited, and the opponent by Mr Speck of Counsel instructed by Messrs Frank B Dehn & Co.

OPPONENT'S EVIDENCE

6) The opponent filed a declaration, dated 28 February 2001, by Neil Stanley Aspinall the

Manager of Subafilms Ltd a position he has held for twenty-five years. He explains that the opponent company is owned by the surviving members of the Beatles and the widow of the fourth member.

7) Mr Aspinall states that in 1968 an animated motion picture film entitled YELLOW SUBMARINE was released which featured the characters of the Beatles. A record album of the same title was also released and featured songs by the Beatles and music from the film. He claims that, as with other Beatles albums and films, “the Yellow Submarine film, album and song have proved to have an enduring reputation and continue to be well known around the world to the present day, including in the UK”. He states that the submarine depicted in the film was drawn by Heinz Edelmann. The copyright was first acquired by The Hearst Corporation on 15 October 1968. Mr Aspinall states that all rights, title and interest in the film Yellow Submarine and any materials related thereto or published therefrom, including without limitation its entire copyright and all rights of a similar nature were purchased from The Hearst Corporation by the opponent on 10 October 1994.

8) Mr Aspinall claims that the Yellow Submarine song and the album of the same name continue to be played by radio and television stations and that the film of the same title is available on video. He claims that “Yellow Submarine remains a household name which will be known and recognised as a name associated with the Beatles in virtually every household in the UK”.

9) Mr Aspinall provides sales figures for the Yellow Submarine album which total 135,200 units in the thirteen years 1987 -1999. He also details the other compilation albums on which the song features and details the sales of these albums. He explains that the film was enhanced and relaunched together with a re-mixed album. The world premier of the film was in Liverpool on 30 August 1999. A video and DVD were launched at the same time. He provides details of screenings of the film and sales of the video and DVD. Between September 1999 and December 1999 45,000 copies of the video, 12,000 copies of the DVD and 117,000 copies of the album were sold in the UK. Publicity surrounding the film screening and the release of the album, video and DVD is detailed. Clearly the event received considerable coverage by the media.

10) Mr Aspinall claims that the opponent has “through their licensees, undertaken a substantial increase in Yellow Submarine merchandising in recent years”. At exhibit NSA13 he provides a list of products which are either being produced by licensees or which it is intended to produce “in the near future”. Those listed for the UK include items such as models, collectors cards, mugs, belt buckles, greetings cards, posters, figurines, T-shirts and hats. He asserts that:

“I believe for all practical purposes the only significance the words Yellow Submarine have to most people in the UK and elsewhere is to denote the film and song featuring the Beatles and the fictional submarine depicted in the film and song in which the characters make their home.”

11) He continues:

“At the very least, I believe use of Yellow Submarine would lead a substantial

proportion of people to suspect or assume The Beatles or Subafilms have endorsed or otherwise authorised use of the trade mark in relation to the relevant goods or services. Confusion would arise where the words Yellow Submarine were taken to indicate that the relevant goods or services were provided by or with the authority of Subafilms or The Beatles, when this was not in fact the case.”

12) Mr Aspinall states that the services which the applicant seeks to be registered for are such that they are closely related to the publication and distribution of animated motion picture films and sound records for entertainment purposes. He also contends that the services related to the provision of food and drink under the mark in suit would lead the public to assume a connection with the opponent. He claims that food and drink outlets often provide entertainment in the form of music and, increasingly, have a screen for showing video recordings or television programmes. He states that the opponent has been involved in the creation of a virtual reality ride where the public sit in a yellow submarine. Such rides are in use in Germany and Japan.

APPLICANT’S EVIDENCE

13) The applicant filed a declaration, dated 14 June 2001, by Kevin William Stott the joint Managing Director of the applicant company. He states that the company was originally set up to specialise in “below-the-line marketing” which involves a mix of marketing skills involving e-marketing, direct marketing, sales promotion and sponsorship and event marketing. He states that the company has “within the last two years” changed its name from The Yellow Submarine Promotional Marketing Consultants Limited to The Yellow Submarine Marketing Exploration Limited.

14) Mr Stott makes various comments about the financial viability of the opponent which do not assist the instant case. He also draws a distinction between the target audience of the two companies pointing out that his company is in a “business to business” market and does not target the general public. He provides figures to show that his company has been trading in the mark in suit for nine years and has incurred expenditure on advertising their mark. At exhibit KWS1 he provides gross profit figures which show the company making a gross profit of £301,929 in 1993 rising each year to £2,458,884 in 1999. Invoices showing the use of the mark as a letter head in 1993 are provided at exhibit KWS3. Mr Stott states that the applicant has spent an average of approximately £246,000 per annum over the last eight years on “building the brand in its market sectors”. Mr Stott also provides details of the awards his company has won and also its client list. However these are of no assistance in the instant case other than to endorse the fact that the applicant has been using its mark in the advertising sector since 1993.

15) Mr Stott states that “Nightclub services have been abandoned as having no relevance to the activities of The Yellow Submarine”. He states that his company has run activities involving the provision of refreshments. He instances campaigns for Kraft Foods Ltd in relation to their Kenco and Café noir brands. These involved the erection of a mobile cafeteria and the distribution of samples of coffee to members of the public. The stands bore the name of the client, e.g. Kenco. He provides evidence of this activity on a video tape at exhibit KWS8.

OPPONENT'S EVIDENCE IN REPLY

16) The opponent filed another declaration by Mr Aspinall. Most of his comments regarding the applicant's evidence are not repeated here because, as can be seen from the summary above, I found these aspects of the applicant's evidence not to be relevant.

17) Mr Aspinall points out that although the applicant is providing services to business, the clients will still "be aware of The Beatles and the Yellow Submarine album and film. I presume at least some of the 99% of UK album buyers who were reported in the survey to be aware of the Beatles were business people". He also points out that "I would expect most people who visit restaurants, cafes and so forth to be aware of The Beatles and Yellow Submarine".

18) Mr Aspinall questions whether the applicant has a bona fide intention to use the mark on services in Class 42 included in the specification. He points out that the activity carried out for Kraft Foods promoted the Kraft brands not the mark in suit.

19) That concludes my review of the evidence. I now turn to the decision.

DECISION

20) At the hearing Mr Speck withdrew the grounds of opposition under Sections 5(1), 5(2)(a), 5(2) and the Paris Convention. Mr Speck also stated that he would not be pressing the objection under Section 3(3)(b) as it "does not really add anything to the section 5 objections".

21) I first turn to the ground of opposition under Section 3(6) which reads:

"A trade mark shall not be registered if or to the extent that the application is made in bad faith."

22) The opponent pleaded that the application was made in bad faith as the applicant must have been aware of the opponent's trade marks, that the mark in suit would take unfair advantage of the opponent's reputation, would be misleading and also that the applicant was not the proprietor of the mark in suit.

23) At the hearing Mr Speck stated that his argument under Section 3(6) related only to the intention to use the mark on the whole of the application. However, as this was not in the original statement of grounds and no request was made to amend the grounds of opposition I do not need to consider the issue. As to the ground originally pleaded, an allegation that the applicant should have been aware of the earlier trade mark, which the opponent considers similar to the applicant's trade mark in suit, is not sufficient to sustain an objection to registration under this head. The applicant in this case has denied the allegation and the opponent on whom the onus rests has provided no evidence. Therefore the ground of opposition based on Section 3(6) is dismissed.

24) I next turn to the grounds of opposition under Section 5(2)(b), 5(3) & 5(4)(a) of the Act

which state:

“5.-(1)....

(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.

(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

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

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

(b).....

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

(5) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.”



25) An earlier right is defined in Section 6, the relevant parts of which state:

“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.”

26) The opponent has three earlier marks registered, UK marks 2154478A and 2154478B and CTM 773051. These and their specifications are set out fully in Annex A. However for ease of reference I have shown the marks below and also listed the classes for which they are registered. :

Trade Mark Number	Mark	Class Specification
2154478A		4,6,9,14,15,16,18,20,21,24, 25,26,27,34 & 41.
2154478B		4,6,9,14,15,16,18,20,21,24, 25,26,27,34 & 41.
773051	YELLOW SUBMARINE	4,6,9,14,15,16,18,20,21,24, 25,26,27,28,34 & 41.

Evidence of use

27) I will deal with the evidence provided by the opponent first as this affects matters that are to be considered under all three heads of opposition.

28) I have to consider the issues before me as of the relevant date, which is the date of the filing for registration, 11 November 1999. The opponent has to demonstrate that it had a valid case at this date.

29) The opponent has provided evidence of sales of a record album, video and DVD all titled YELLOW SUBMARINE from the time of its initial launch in 1987 to its relaunch in 1999. Reference has been made to merchandising goods with a list of UK licensees for goods such as T-shirts, mugs, figurines, posters, models belt buckles and greetings cards being provided. However, no evidence of sales of any merchandising in the UK has been provided. The opponent has made much of the enduring popularity of the song Yellow Submarine with the UK public, claiming that the song is still regularly played on radio and television stations. The song has also featured on Beatles compilation albums.

Effect of evidence under Section 5(2)(b)

30) As per *Sabel BV v. Puma AG* [1998] RPC 199 and *Canon Kabushiki Kaisha v. Metro-Goldwyn-Meyer Inc.* [1999] RPC 117 the reputation of a trade mark has to be taken into account in the global appreciation of likelihood of confusion. In *Sabel* the European Court of Justice (ECJ) held that:

“In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact the two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public.”

31) In *Canon* the ECJ held that:

“The distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion.”

32) Consequently, the reputation of a trade mark can assist where it is not particularly inherently distinctive or where there is a low degree of similarity between the respective goods or services.

33) The opponent’s evidence is mainly directed towards establishing the fame of the song and the film. I accept that the song and film are well known. Whilst there is evidence of the sales of records, videos and DVDs there is no evidence of any other goods being offered for sale in the UK. Evidence of promotional or advertising activity all relates to the re-release of the record and film under both of the marks shown above. The question is whether as a result of such sales and publicity the name “YELLOW SUBMARINE” has an enhanced distinctive character in a trade mark sense. The evidence that the song and film are well known will, without evidence of an expectation by the average UK consumers of a single trade source, not have enhanced the trade mark character of the earlier mark.

34) From the evidence before me I do not consider that the opponent can claim an enhanced distinctive character based on use, although the mark is inherently highly distinctive. In respect of section 5(2)(b) the issue before me is a simple comparison of the respective trade marks and

services on the basis of notional and fair use.

Effect of evidence under Section 5(3)

35) In *General Motors Corporation v. Yplon SA* Case C-375/97 the European Court of Justice established the parameters for claiming a reputation in relation to Section 5(3):

“Article 5(2) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks is to be interpreted as meaning that, in order to enjoy protection extending to non-similar products or services, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the Benelux territory, it is sufficient for the registered trade mark to be known by a significant part of the public concerned in a substantial part of that territory, which part may consist of a part of one of the countries composing that territory.”

36) The applicant’s specification in classes 35 & 42 is such that “the public concerned” must be regarded as the general public, and not restricted to businesses as contended by the applicant. The opponent has to show that his trade mark is known to a significant part of the public concerned in a substantial part of the United Kingdom. Whilst I accept that a substantial part of the concerned public in the UK will be aware of the song and film title “Yellow Submarine” they will not be aware of it as a trade mark. The evidence before me does not establish a reputation in the words Yellow Submarine as a trade mark.

Effect of evidence under Section 5(4)

37) In relation to passing off the opponent needs to establish that at the relevant date, 11 November 1999, it enjoyed goodwill/reputation.

38) In *South Cone Inc. v. Jack Bessant, Dominic Greensmith, Kenwy House, Gary Stringer (a partnership)* [2002] RPC 19 Pumrey J. in considering an appeal from a decision of the Registrar to reject an opposition under Section 5(4)(a) said:

“There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (see *Smith Hayden (OVAX)* [1946] 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus, the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date.”

39) This cannot be interpreted in a prescriptive fashion. There will be occasions when the evidence does not fall within the above parameters but still establishes goodwill for passing off purposes - see the decision of Professor Annand, sitting as the Appointed Person, in *Loaded* BL 0/191/02.

40) In the instant case the opponent has shown that at the relevant date it enjoyed a reputation in the words YELLOW SUBMARINE as the title of a song and a film. I have no evidence before me that the opponent's reputation goes beyond this.

Section 5(2)(b) - Likelihood of confusion

41) In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel Bv v Puma AG* [1998 RPC 199], *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer 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* page 224;

(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 224, 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.* 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 224;

(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 224;

(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-Meyer 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 224;

(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-Meyer Inc.* page 9, paragraph 29.

Comparison of goods and services

42) The opponent's trade marks 2154478A, 2154478B and 773051 are, effectively, registered for identical specifications. At the hearing Mr Speck identified the goods and services registered under these marks which he felt were identical and/or similar to those of the applicant. These are as follows:

Applicant's specification	Opponent's specification for marks 2154478A, 215447B & 773051
Class 35: "Advertising, promotional, publicity and marketing services; public relations services; dissemination of advertising and promotional literature."	Class 16: "Printed matter; printed publications; pamphlets; magazines." Class 41: "Musical entertainment; production, presentation, distribution, exhibition and rental of radio and television programmes; production, presentation, distribution, exhibition and rental of motion pictures, films, sound recordings, video recordings and multimedia entertainments; themed entertainment; live band performances; discotheque services; club entertainment services; night club services; organisation of musical events; sound and video recording modifying and editing services; publishing; publication of printed matter, books and periodical publications."
Class 42: "Preparation of food and drink; restaurant, café, cafeteria, coffee shop, bar, snack bar and catering services."	Class 41: "Musical entertainment; production, presentation, distribution, exhibition and rental of radio and television programmes; production, presentation, distribution, exhibition and rental of motion pictures, films, sound recordings, video recordings and multimedia entertainments; themed entertainment; live band performances; discotheque services; club entertainment services; night club services; organisation of musical events; sound and video recording modifying and editing services; publishing; publication of printed matter, books and periodical publications."

43) The European Court of Justice held in *Canon* in relation to the assessment of the similarity of goods and/or services that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with

each other or are complementary.

44) I also take into account the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

45) Mr Speck contended, in relation to the applicant’s class 35 specification, that:

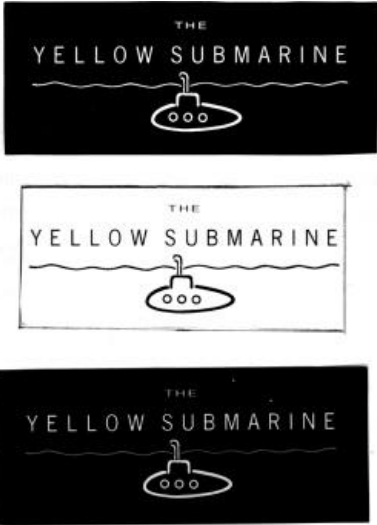

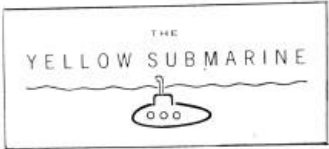

- “Booklets and pamphlets must be particularly close to advertising because adverts are often placed in those.”
- “We have organization of competitions, because that is often done as a way of marketing and promoting, so that is pretty close to class 35.”
- “Sound and video recording, modifying and editing services. That is quite important because that is exactly what you would do if you were making an advertisement.”
- “The services cover advertising services and materials which utilise cartoon images or animation and the dissemination of advertising by radio television and cinema.”

46) Whilst I accept that the goods and services outlined above may well be utilised in an advertising office that is not the same as providing an advertising service. Most services require the use of stationery but that does not mean that they are similar to the provision of pens and paper. An advertising service offers a bespoke service to its clients which is primarily concerned with creative thinking of a theme for an advertising campaign. The actual drawing / recording of the advertisements is an ancillary activity not necessarily carried out in-house. To my mind the applicant’s services in Class 35 are not similar to the goods and services of the opponent.

47) I now turn to the applicant’s services in Class 42. The opponent’s Class 41 specification covers “themed entertainment; live band performances; discotheque services; club entertainment services; night club services”. The opponent’s services could be categorised as entertainment services, many of them musically related, whereas the applicant’s specification is oriented towards the provision of food and drink. However, it is common for bars and restaurants to have entertainment and for nightclubs and discotheques to serve food and drink. The applicant’s services in Class 42 are clearly similar to the opponent’s Class 41 services.

Comparison of signs

48) For ease of reference the signs of both parties are reproduced below:

Applicant's mark	Opponent's marks
	<p data-bbox="821 271 962 302">2154478A</p> 
	<p data-bbox="821 772 962 804">2154478B</p> 
	<p data-bbox="821 1285 922 1317">773051</p> <p data-bbox="821 1323 1158 1355">YELLOW SUBMARINE</p>

49) Mr Hamer, for the applicant accepted that there is a similarity in the marks in that “they have the same words”. The applicant’s mark and the opponent’s mark 2154478B also have a submarine device, although they are very different in character. However, it is accepted that “words speak louder than devices” and all the opponent’s marks must be considered to be very similar visually to the applicant’s mark. All the opponent’s marks are also identical aurally and conceptually to the applicant’s mark. The opponent’s three marks must be considered as very similar to the applicant’s mark.

Conclusion

50) I have found that the applicant’s services in Class 42 are similar to the opponent’s services in Class 41 and that the signs of the two parties are very similar. In relation to these services I have no hesitation in finding that there is a likelihood of confusion.

51) The applicant's services in Class 35 covers advertising and public relations services. These services are not, I would suggest, chosen without some consideration and face to face meetings. These services tend to be expensive and the average consumer of such services would, in my opinion, exercise some care in the selection. The opponent's mark is well known as the title of a song and film and would be associated with the Beatles. However, there is no evidence that the Beatles have a reputation for advertising services or that the average consumer for such products would believe that there was any economic link with the opponent. Despite the similarity of the marks there is no likelihood of confusion in relation to these services.

52) Consequently, the opposition under Section 5(2)(b) is successful in relation to the services in Class 42 but fails in relation to the services in Class 35.

Section 5(3)

53) To succeed under this ground the opponent must show that it enjoys a reputation in the earlier right. I have found earlier in this decision that the opponent has no reputation in the trade marks, other than as the title of a song and a film. However, the applicant's services in Class 35 are so far removed from songs or films that use of the applicant's mark on these services would not be such as to take unfair advantage or be detrimental to the repute or distinctive character of the earlier mark. This ground of opposition therefore fails.

Section 5(4)(a) - Passing off

54) To succeed under this ground the opponent must show that it enjoyed goodwill at the relevant date. The relevant date for passing off purposes relates to the commencement of the behaviour complained of. This will normally be the date of the filing of the application. It could be an earlier date if it is shown that the behaviour complained of commenced prior to this. In this case the applicant has shown that it has been using its mark since 1993 in respect of advertising services.

55) I have found earlier in this decision that the opponent has no goodwill or reputation in its trade marks other than as the title of a song or a film. However, the applicant's services in Class 35 are so far removed from songs or films that use of the applicant's mark on these services would not amount to misrepresentation. This ground of opposition therefore fails.

56) Lastly, I turn to the ground of opposition under section 5(4)(b) which reads:

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

- (a)
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.”

57) Unfortunately, neither the statement of grounds or Mr Speck referred me to a specific section of the Copyright, Design and Patents Act 1988. The opponent merely claims that the application in suit infringes the opponent's copyright. At the hearing Mr Speck referred to the image of a submarine in the applicant's mark. He described the applicant's mark in the following terms:

“The drawing of a simple rather childlike cartoon of a submarine with periscope up - which is rather unusual anyway - and also portholes, submarines do not have portholes. My friend takes the point that they have a different number on theirs, but all of these are features which, given that they had our song and film and animation in mind, the inference that the drawing was influenced by ours, is irresistible and noticeable that it is not denied in evidence.”

58) It therefore appears that the opponent is basing its case on the drawing of a submarine as an artistic work. I believe that this would indeed give the opponent its best chance of success.

59) In order for copyright to subsist in an artistic work it must be “original” - Section 1 of the Copyright, Designs and Patents Act 1988 (CDP). In *Bookmakers Afternoon Greyhound Servicers v. Wilf Gilbert (Staffs) Limited* [1994] FSR 723, Mr Justice Aldous (as he then was) said that:

“It is settled law that the word “original” does not require original or inventive thought but only that the work should not be copied and should originate from the author.”

60) The applicant has not disputed the opponent's claim that the submarine depicted in the opponent's trade mark 2154478B was originally created by Heinz Edelmann. I note that Section 4 of the CDP includes within the definition of “artistic work” a “graphical work.....irrespective of artistic quality”. I conclude that this artistic work is capable of copyright protection in the UK.

61) However, Section 153 of the Copyright, Design and Patents Act 1988 sets out certain qualification requirements relating to the author of the work (Section 154), or the country of first publication (Section 155) which must be satisfied before any copyright can subsist. Section 153 reads as follows:

“153. - (1) Copyright does not subsist in a work unless the qualification requirements of this Chapter are satisfied as regards -

(a) the author (see section 154), or

(b) the country in which the work was first published (see section 155), or

(c) in the case of a broadcast or cable programme, the country from which the broadcast was made or the cable programme was sent (see section 156).

(2) Subsection (1) does not apply in relation to Crown copyright or Parliamentary copyright (see sections 163 to 166) or to copyright subsisting by virtue of section 168

(copyright of certain international organisations).

(3) If the qualification requirements of this Chapter or section 163,165 or 168, are once satisfied in respect of a work, copyright does not cease to subsist by reason of any subsequent event.”

62) Clearly subsections 1(c) and 2 are not applicable in this case. Sections 154 and 155 read as follows:

“154. - (1) A work qualifies for copyright protection if the author was at the material time a qualifying person, that is -

(a) a British citizen, a British Dependent Territories citizen, a British National (Overseas), a British Overseas citizen, a British subject or a British protected person within the meaning of the [1981 c.61.] British Nationality Act 1981, or

(b) an individual domiciled or resident in the United Kingdom or another country to which the relevant provisions of this Part extend, or

(c) a body incorporated under the law of a part of the United Kingdom or of another country to which the relevant provisions of this Part extend.

(2) Where, or so far as, provision is made by Order under section 159 (application of this Part to countries to which it does not extend), a work also qualifies for copyright protection if at the material time the author was a citizen or subject of, an individual domiciled or resident in, or a body incorporated under the law of, a country to which the Order relates.

(3) A work of joint ownership qualifies for copyright protection if at the material time any of the authors satisfies the requirements of subsection (1) or (2); but where a work qualifies for copyright protection only under this section, only those authors who satisfy those requirements shall be taken into account for the purposes of -

section 11(1) and (2) (first ownership of copyright; entitlement of author or author’s employer),

section 12(1) and (2) (duration of copyright; dependent on life of author unless work of unknown authorship), and section 9(4) (meaning of “unknown authorship” so far as it applies for the purposes of section 12(2)), and

section 57 (anonymous or pseudonymous works: acts permitted on assumptions as to expiry of copyright or death of author).

(4) The material time in relation to a literary, dramatic, musical or artistic work is -

(a) in the case of an unpublished work, when the work was made or, if the making of the work extended over a period, a substantial part of

that period;

(b) in the case of a published work, when the work was first published or, if the author had died before that time, immediately before his death.

(5) The material time in relation to other descriptions of work is as follows -

(a) in the case of a sound recording or film, when it was made;

(b) in the case of a broadcast, when the broadcast was made;

(c) in the case of a cable programme, when the programme was included in a cable programme service;

(d) in the case of the typographical arrangement of a published edition, when the edition was first published.

155. - (1) A literary, dramatic, musical or artistic work, a sound recording or film, or the typographical arrangement of a published edition, qualifies for copyright protection if it is first published -

(a) in the United Kingdom, or

(b) in another country to which the relevant provisions of this Part extend.

(2) Where, or so far as, provision is made by Order under section 159 (application of this Part to countries to which it does not extend), such a work also qualifies for copyright protection if it is first published in a country to which the Order relates.

(3) For the purposes of this section, publication in one country shall not be regarded as other than the first publication by reason of simultaneous publication elsewhere; and for this purpose publication elsewhere within the previous 30 days shall be treated as simultaneous.”

63) These Provisions of the Copyright, Designs and Patents Act 1988 were amended by the Copyright (Application to Other Countries) Order 1999 (S.I. 1999 No.1751) which extended aspects of the protection granted by the 1988 Act to countries party to specified international conventions and agreements, that are part of the European Community or considered to have adequate legislation. The extension is subject to certain provisions set out in paragraph 2(2) of the Order. The relevant paragraphs read as follows:

“2. - (1) In relation to literary, dramatic, musical and artistic works, films and the typographical arrangements of published editions, sections 153,154 and 155 of the Act (qualification for copyright protection) apply in relation to-

(a) persons who are citizens or subjects of a country specified in Schedule 1 to this Order or are domiciled or resident in the United Kingdom;

(b) bodies incorporated under the law of such a country as they apply in relation to bodies incorporated under the law of a part of the United Kingdom; and

(c) works first published in such a country as they apply in relation to works first published in the United Kingdom;

but subject to paragraph (2) and article 5 below.

(2) Copyright does not subsist-

(a) in a literary, dramatic, musical or artistic work by virtue of section 154 of the Act as applied by paragraph (1) above (qualification by reference to author) if it was first published-

(i) before 1st June 1957 (commencement of Copyright Act 1956 [2]); or

(ii) before 1st August 1989 (commencement of Part 1 of the Act) and at the material time (as defined in section 154(4)(b) of the Act) the author was not a relevant person; or

(b) in any work by virtue of paragraph (1) above if-

(i) a date is, or dates are, specified in Schedule 1 to this Order in respect of the only country or countries relevant to the work for the purposes of paragraph (1) above, and

(ii) the work was first published before that date or (as the case may be) the earliest of those dates;

and for the purposes of sub-paragraph (a)(ii) of this paragraph, a “relevant person” is a Commonwealth citizen, a British protected person, a citizen or subject of any country specified in Schedule 1 to this Order, or a person resident or domiciled in the United Kingdom, another country to which the relevant provisions of Part 1 of the Act extend or (subject to article 5 below) a country specified in Schedule 1 to this Order.”

64) Turning first to the question of the author of the work, Heinz Edelmann. There is nothing in the evidence which establishes that he qualifies under the Copyright, Designs and Patents Act 1988 by virtue of nationality, citizenship, residence or domicile as required by Section 154 of that Act.

65) Nor is there any evidence of where the works originated. It is therefore unclear whether the opponent can claim protection under the Copyright (International Conventions) (Amendment) Order 1989 (S.I. 1989 No157) or the Copyright (Application to Other Countries) Order 1999 (S.I. 1999 No.1751). The evidence shows that the digitally enhanced version of the film was relaunched on 30 August 1999 with the world premier being held in the UK. However, it has not been claimed or shown that the image of the submarine differed

from that originally used. It would, therefore, not appear to be an original work.

66) In my opinion the opponent has failed to show any right in which copyright subsists. However, in case I am wrong in this I will consider the position as though a copyright in the image of a submarine existed prior to the applicant's first use of its mark.

67) The question I must therefore consider is whether the applicant's use of its mark would infringe the opponent's copyright. The correct approach to the determination of copyright infringement is well established and was set out in *Designers Guild Ltd v. Russell Williams (Textiles) Ltd* [2001] FSR 113 at 124 where Lord Hope of Craighead stated:

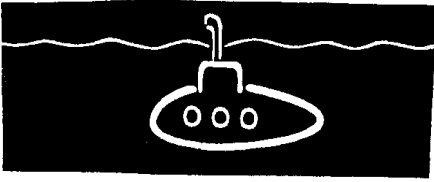
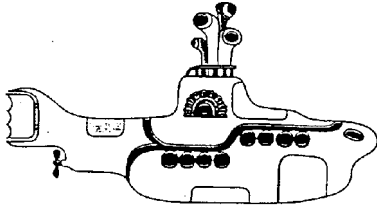
“The first step in an action for infringement of artistic copyright is to identify those features of the defendant's design which the plaintiff alleges have been copied from the copyright work. The court undertakes a visual comparison of the two designs, noting the similarities and the differences. The purpose of the examination is not to see whether the overall appearance of the two designs is similar, but to judge whether the particular similarities relied upon are sufficiently close, numerous or extensive to be more likely the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal, or consist of general ideas. If the plaintiff demonstrates sufficient similarity, not in the works as a whole but in the features which he alleges have been copied, and establishes that the defendant had prior access to the copyright work, the burden passes to the defendant to satisfy the judge that, despite the similarities, they did not result from copying.”

68) In that case the claim of copyright infringement related to only part of the defendant's overall design, and it is in this context that Lord Hope stated that the purpose of the enquiry is not to see whether there is similarity as a whole but in the features alleged to have been copied.

69) The opponent claims that the applicant's mark infringes its copyright in three ways:

- a) it is a simple childlike cartoon of a submarine;
- b) it has its periscope up; and
- c) it has portholes, unlike real submarines.

70) For ease of reference the submarine devices of both parties are reproduced below:

Applicant's submarine	Opponent's Submarine
	

71) The opponent alleges that the applicant's drawing is a simplistic childlike cartoon of a submarine. It is certainly a simple outline drawing showing a submarine shape. In my opinion, the average person would, if asked to draw a submarine produce an outline of a cigar tube with, in the middle of the top line, a square section representing a conning tower. If it is childlike in its simplicity then it is unlike the highly detailed rendition of the opponent. The applicant's drawing shows it below the water with its periscope above the waves. The opponent claims that showing an erect periscope is unusual, however, no evidence of other drawings of submarines has been provided so it is unclear if this is a valid claim. Given the reason for periscopes being fitted to submarines is precisely that they can stay submerged whilst seeing above the waves I see nothing unusual in this depiction. Again, in my view the average person would regard a drawing of a submarine with one periscope as reflecting real life. The opponent's version has four periscopes which would, I suggest, be regarded as highly unusual and distinctive. Lastly, the opponent claims that real submarines do not have portholes whereas both versions shown above clearly have portholes. Whilst I accept that portholes on submarines are an unusual feature they are not unknown. Although no evidence on this matter is before me I am aware, from television documentaries, that submarines involved in marine studies or in certain theme parks have portholes. Even if I were to regard such a feature as being highly unusual the applicant's drawing shows three round portholes in a line. The opponent's mark shows two lines of four round portholes and an arched window. Traditionally portholes are usually shown as round, so little rests upon the shape, it is their presence which is commented on.

72) In my view the applicant's drawing is a normal depiction of a submarine and, save for the portholes, quite unlike the opponent's drawing. Accordingly, I come to the view that the mark applied for cannot be said to have been copied from that which could clearly be said to be the work of Heinz Edelmann, and consequently, the ground under Section 5(4)(b) fails accordingly.

73) During the course of this opposition the applicant amended its specification in Class 42 so as to exclude "night club services". The opposition to the applicant's mark in relation to the remaining services in Class 42 has been successful, whilst the opposition to the services in Class 35 has failed on all grounds. As grounds for refusal exist only in respect of Class 42 services the application will be allowed to proceed to registration if, within one month of the end of the appeal period for this decision, the applicants file a TM21 restricting the specification solely to the services under Class 35 and exclude all Class 42 services.

74) If the applicants do not file a TM21 restricting the specification as set out above the application will be refused in its entirety.

75) The opposition has been partly successful in one of the grounds of opposition. The opponent is entitled to a contribution towards costs. I order the applicant to pay the opponent the sum of £335. 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 23rd day of September 2002

George W Salthouse
For the Registrar
The Comptroller General

Annex A: Available as 'order a copy'