

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2163957
BY TNT HOLDINGS BV**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 50564
BY TURNER NETWORK TELEVISION INC.**

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**IN THE MATTER OF Opposition thereto under No. 50564
by Turner Network Television Inc.**

Background

1. On 14 April 1998, TNT Holdings BV applied to register a series of two trade marks in Classes 38 and 39 in respect of:

- Class 38** Transmitting messages by electronical means; telecommunications services.
- Class 39** Transportation and storage services; all included in class 39; but not including any such services relating to explosives.

The applicants claimed a priority date of 4 February 1998 based on Benelux trade mark number 909569.

The trade marks are as follows:



The circles and letters in the uppermost mark are depicted in orange on a white background.

2. On 22 December 1999, Turner Network Television Inc. filed notice of opposition to this application in which they say that they are the proprietors of an earlier trade mark. The grounds on which the opposition is based are as follows:

1. Under Section 5(2)

because the trade mark applied for is similar to that of the opponent's earlier trade mark, and covers services, at least in respect of Class 38, that are similar to those covered by the opponent's earlier trade mark such that there exists a likelihood of confusion.

2. Under Section 5(4)(a) by virtue of the law of passing off.

3. The applicants filed a counterstatement in which they deny the grounds on which the opposition is based. Both sides ask that an award of costs be made in their favour.

4. Both sides filed evidence in these proceedings. The matter came to be heard on 16 July 2002, but following a request for a postponement to allow for settlement negotiations, it was subsequently agreed that the case should be decided from the papers, and on the basis of written submissions.

Opponent's evidence

5. This consists of a Statutory Declaration dated 16 November 2000, from Rita J Peery, Assistant Secretary of Turner Network Television, Inc. Ms Peery confirms that the information contained in her Declaration is from her own knowledge or has been obtained from the records of her firm to which she has full access. Ms Peery details the merger of Turner Network Television Inc. with Wayne, LLC, effective from 31 December 1998, and two subsequent changes of name (exhibit RJP3). She introduces two exhibits; a Declaration sworn by her on 5 December 1996 (exhibit RJP1) and a Statutory Declaration dated 10 December 1996 from Linda J Harland (exhibit RJP2) both filed in earlier proceedings. All of the information referred to below comes from these Declarations.

6. Ms Peery says that her company adopted a TNT logo on 17 October 1982 for use in respect of cable and television broadcasting services and entertainment services, namely, the production of television programmes and motion pictures rendered through the medium of television. She goes on to give details of the use of the mark in the United States, which at exhibits 1 through to 4 includes articles relating to television ratings and subscriber lists, advertisements placed in newspapers, promotional literature and a copy of her company's US trade mark registration, respectively.

7. Ms Peery says that on 17 September 1993, her company began offering services in Europe, including in the United Kingdom, using the trade mark. Exhibit 5 consists of an announcement to this effect issued by Turner Network Television Inc. to affiliate cable television stations. She says that on the basis of an initial agreement with the UK cable systems her company expected to provide these services to 150,000 subscribers. Exhibit 6 consists of a news article dated 13

September 1993 announcing the agreement and confirming the access to the number of subscribers given by Ms Peery, with exhibit 7 being a further announcement issued on 20 September 1993 stating that the access had risen to 398,992. Exhibit 8 is a news article dated 10 January 1994 announcing that TNT and Cartoon Network “has quickly become one of the most-watched cable and satellite services in Britain”.

8. Ms Peery refers to her company advertising in various publications, inter alia, the December 1996 edition of Cable Guide, listing inter alia, the programming schedule for TNT and related advertisements. A further publication cannot be dated. Ms Peery asserts that knowledge of her company, its services and its trade mark goes beyond subscribers to cable and satellite television, and would have become known by UK visitors to the US.

9. Ms Peery mentions the fact that in the US, a company associated with the applicants uses the trade mark TNT in the provision of services for the delivery of freight and mail, exhibit 10 being samples of packaging and literature used in the course of trade. Exhibits 11 to 15 consist of details relating to the trade mark applications and/or registrations owned by the applicants (or associated companies), and those of the opponents. Ms Peery asserts that the applicants and the opponents co-exist in respect of their distinct services (both in terms of trade mark registrations and/or in the actual provision of services) in the US, Denmark, Germany and Canada.

10. Ms Peery refers to her company’s Internet site, exhibit 16 being a sample of the home page and other information available on the site. Ms Peery notes that the web site can be accessed worldwide. She concludes her Declaration saying that the company’s have co-existed on the Internet using their trade marks for their distinct services without there being any confusion, and that she believes cable and television broadcast services to be distinct from freight and mail delivery.

11. Turning to the Statutory Declaration by Linda J Harland. Ms Harland confirms that she is a partner in Reddie & Grose, the opponent’s representatives in these proceedings. Ms Harland recounts her being given instructions by the opponent’s US lawyers to find advertising materials relating to the opponents available in the UK. Ms Harland states that she visited two newsagents and purchased the copies of the publications, Cable Guide and Satellite Times shown as exhibit LJH1 and also as exhibit 9 to the Declaration by Ms Peery.

12. Ms Harland refers to exhibit LJH2 which consists of examples of use provided to her by the opponents. Although most show use of TNT, few have any means by which to date them although given that the covering letter is dated 5 December 1996 it is reasonable to infer that they were all available at that date. One example, an extract from a publication entitled Around Town is endorsed “1994”.

Applicant's evidence

13. This consists of a Witness Statement dated 9 August 2001 from John Thomas Yates, a Director of TNT UK Limited, a member company of the same group of companies as TNT Holdings BV, (the applicants). Mr Yates confirms that he has held this position within the company since 22 April 1991.

14. Mr Yates refers to exhibit JTY1 which consists of a copy of a Statutory Declaration dated 3 July 1996 by Gerard Francis Ginty, that had been filed in earlier proceedings. Mr Yates revises and updates some of the information given by Mr Ginty, which for convenience I will incorporate into my summary of that Declaration.

15. Mr Yates states that the TNT group of companies provide a business to business and national and international express delivery and logistics service, all operating under the TNT mark. Exhibit JTY2 consists of a company profile dated as 8 March 2001. This confirms the entry of TNT into the UK market in 1978 with the purchase of Inter-County Express but this does not establish that the use of TNT began at that date. It goes on to detail the launch of various delivery, storage and logistics services under the TNT umbrella in the years from 1980 onwards. Exhibit JTY5 consists of printed matter relating to the services provided by the applicants, none of which can be dated as originating prior to the relevant date in these proceedings.

16. Turning to the Statutory Declaration by Gerard Francis Ginty. Mr Ginty says that he is the Director of Administration, and Company Secretary of TNT Express (U.K.) Limited. The evidence that he gives insofar as it relates to the United Kingdom is as follows.

17. Mr Ginty says that his company first used the trade mark in the UK in 1978, exhibit A being an example of the form in which it has been used, He goes on to list the services in connection with which the mark has been used, namely, delivery of mail, freight and parcels, storage and distribution, post room and courier management, logistics, supply chain and just-in-time services, air charter for passengers and freight, vehicle fleet consultancy and maintenance, materials handling, security services, despatch and distribution computer services, data records archiving and retrieval and exhibition and event freighting and management. Mr Ginty says that his company is the market leader in the UK for the provision of nationwide door-to-door time sensitive delivery services and delivers 60% of the national newspapers, 50% of consumer magazines, and 50 million parcels bearing the TNT trade mark each year in the UK. Exhibit A consists of a map showing that the company provides its services throughout the UK. Mr Ginty states that his company has a fleet of 3,000 vehicles, all of which bear the trade mark, operating from 400 locations within the UK at which the trade mark is displayed.

18. Exhibits JTY3 and JTY4 to Mr Yate's Declaration give details of the applicant's trade mark registrations and applications. Turnover for the years ending June 1990 through to the year ending 31 December 2000 are provided and which are significant by any standard. The amounts

spent on promoting the applicants services have also been provided, again showing significant sums have been spent promoting the applicant's services under the trade mark. The applicants say that they send out annual mail-shots, making between 500,000 and 945,000 (in the last year prior to relevant date) contacts with current and potential customers. The applicants say that they display posters at various locations throughout the UK and also promote their services in management and transport journals.

19. Exhibits B to F and JTY5 consist of items of printed matter detailing the services provided by the applicants under the trade mark, and provide examples of the ways in which these are promoted to consumers. The exhibits show the applicants to have been recognised by industry for, inter alia, its marketing activities, and that they have nationwide use of TNT in Yellow Pages from 1995. The exhibits also show use of the trade mark on starter packs given to customers, on labels affixed, and paperwork relating to, items being transported, and on materials detailing the services provided. An example (undated) of a letter used in mail-shots is provided and shows use of TNT as part of the company name and in relation to various aspects of the services provided. Various advertisements promoting TNT Express can be dated as being prior to May 1996. Extracts from the May 1995 edition of a publication entitled UK Quality profiles TNT refer to the company being a joint winner of their quality award in 1994. A publication entitled "European Quality Award Special Report" profiles the applicants as a winner in 1995.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

20. In his written submissions on behalf of the opponents, Mr Michael Edenborough of counsel asserted that, as at the time the opposition was made the opponents did not exist, the opposition must be dismissed. Mr Edenborough makes reference to two cases; the *Aurora* trade mark case (0/090/00), and *Pharmedica GmbH's* trade mark application [2000] RPC 536 at 544.

21. In the *Aurora* case the Hearing Officer considered the non-existence of an opponent to be a fatal deficiency in the proceedings, but distinct from this case, the opponent's in the *Aurora* case were not just trading under a different name or as a different entity; they did not exist at all.

22. In the *Pharmedica* case, Pumphrey J reached a different conclusion to that of the Hearing Officer, although as Mr Edenborough pointed out, in that case the opposition had been properly commenced.

23. On my reading of the *Pharmedica* case, Pumphrey J advocates adopting a pragmatic approach. He cited with approval a Registry practice that had allowed (subject to certain conditions) for an opponent to be substituted, and that subject to the substituting party taking on the original proceedings and accepting all actions that had gone before their involvement, the

substitution would not offend against the requirement that an opposition be commenced within three months of publication. He later went on to say:

“A number of other considerations arise. I should be exceedingly reluctant to hold that the Act and Rules were so constructed that in the event that an opponent disposed of the interest which he was seeking to protect to some other person the only choice would be between an uninterested opponent, albeit subsidised by the assignee and abandonment of the opposition, with the consequent duplication of expense and increase in delay if the assignee wished, himself, to challenge the mark under opposition. Such a result is, in the highest degree, contrary to the requirements of a quick, efficient and cheap way of disposing of disputes in intellectual property matters, and I should require to be driven to this conclusion by clear words which I do not find in the provisions of the Trade Marks Act and Rules to which I have referred.”

24. In this case the opponents did not dispose of their interest, they have retained it but changed their corporate identity. It could be argued that they are the same opponents, albeit of a different colour, but there can be no getting away from the fact they are a different legal entity to the one named as the opponents. As I see it I have a number of options available to me. I could allow, subject to comments by the applicants, for Wayne, LLC. to be substituted as opponents, but what purpose would that serve other than to delay the determination of this dispute. The most drastic course of action would be to accept Mr Edenborough’s submission and dismiss the opposition, but that would most likely result in further proceedings being launched, causing delay and expense to both parties.

25. Whilst I fully understand the basis of Mr Edenborough’s submission, to accept his argument would result in my deciding these proceedings, not on their relative merits, but on the basis of a technicality raised for the first time in written submissions in lieu of the hearing, a position I find unattractive. Had the issue been raised earlier I could have called the parties before me for the matter to be openly discussed and/or called for additional evidence or information. These proceedings are at the stage where the dispute can be determined on its facts, and in the absence of clear words that drive me to dismiss the opposition, I consider that the matter should go on and be decided on its merits.

26. Turning first to the ground under Section 5(2)(b). That section reads as follows:

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

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

(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 of the Act as follows:

“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. 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-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, and that of Jacob J. in *British Sugar Plc v James Robertson & Sons Ltd* (1996) RPC 281. 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-Mayer Inc* page 7, paragraph 17;
- (f) in assessing the similarity (or otherwise) of the respective goods or services, regard should be taken of:

- (i) The nature of the goods or services;
 - (ii) The end-users of the goods or services;
 - (iii) The way in which the goods or services are used;
 - (iv) Whether the respective goods or services are competitive or complementary. This may take into account how those in trade classify goods and the trade channels through which the goods or services reach the market;
 - (v) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; *British Sugar Plc v James Robertson & Sons Ltd*, page 296;
- (g) In determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account. *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 133, paragraph 24;
 - (h) 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;
 - (i) 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;
 - (j) 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;
 - (k) 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.

29. The opponents rely on one trade mark, number 1525090 which is registered in Class 38 in respect of “Cable television and broadcasting services, but not including any such services relating to explosives”. The mark is as follows:



30. Although both marks have some degree of stylisation that creates a difference in appearance, in neither case is it of such significance that the marks would be seen as anything other than the letters TNT. The position, therefore, is that although the marks are not identical in all respects, they are visually similar and aurally identical in respect of the distinctive and dominant component.

31. Insofar as both marks are composed of letters, and the same letters, they are also conceptually identical. But the letters are not without meaning, being the acronym or abbreviation for 2,4,6-trinitrotoluene, an explosive. Whilst I doubt whether many would know the full description, the relevance of the letters would, in my view, be known to a significant proportion of consumers, but used in the manner of a trade mark in relation to the respective services, I am not sure that this meaning would readily come to mind; there would be no reason for the consumer to see a connection with explosives.

32. I do not consider that the services covered by Class 39 of the application are in any way similar to those of the opponent's earlier trade mark. The application, insofar as it relates to Class 38, and the opponent's earlier trade mark are in the same class, albeit in respect of different descriptions of services. In considering whether the respective services are the same or similar I have regard to 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."

33. The application is for services for the transmission of messages by electronic means, and telecommunications services. Television, be it cable, satellite or terrestrial, is an electronic means capable of broadcasting and receiving, amongst other things, information. Whilst I do not see it as unreasonable to take this to be capable of including the sending of messages, the primary purpose of television is not as a means of messaging. I do not, therefore, consider the uses of the services to be the same.

34. Television broadcasting and message sending are distinct fields, and although I am aware that developments in technology have facilitated an overlap (it now being possible to send an e-mail or text-messages from a television linked to satellite or cable networks) I do not know whether this was the position at the relevant date. But in any event, the sending of messages via a television is very much ancillary to the core business of television broadcasting and by no means in serious

competition with companies engaged in communications per se. It is a means of messaging from equipment available to a significant number of consumers that at best could be considered to be complementary to the specific messaging services available.

35. Television is a service that most consumers will, if not use, be aware of. It is freely available, and as neither specification is limited in any way, I must notionally assume the respective consumers to be one and the same. I have no evidence relating to the trade, but as far as I am aware there is a clear distinction between those traders whose primary business is to facilitate communication and those engaged in the provision of television and broadcasting services. For example, British Telecom may provide the means of connecting a television transmission to the viewers' television, but they do not, as far as I am aware, broadcast themselves. There is nothing in the evidence that I can see that establishes that it is usual for television companies to also be engaged in the sending of messages (or vice versa), nor that such a connection has been established in the minds of the consumer.

36. In respect of "telecommunication" I take judicial note of Collins English Dictionary which gives the ordinary meaning as "the telegraphic or telephonic communication of audio or video information over a distance by means of radio waves, optical signals, etc, or along a transmission line.", which in my view is a definition that would include cable television and/or broadcasting services.

37. Trade marks comprising three letters are not usually regarded as possessing a particularly strong distinctive character, but there is no dispute in this case that in relation to the services at issue, these letters are distinctive. The opponents first used the mark TNT in the UK in September 1993, providing a channel on a cable television network. Television broadcasting provides immediate access to consumers and can quickly establish a reputation. However, the opponents are not a mainstream terrestrial television channel, but a provider through cable television networks with limited access, stated to stand at 398,992 subscribers within one week of its launch. There must be countless millions of television viewers in the UK and although the opponent's TNT and Cartoon Network was stated to have "quickly become one of the most-watched cable and satellite services in Britain." they had only accessed a small proportion of the viewing public. It is also not entirely clear whether this success was in respect of the mark TNT, the Cartoon Channel, or both. The opponents also make reference to use of the mark in various publications, and to the fact that UK consumers can access their web site, and that those visiting the US may have encountered their TNT channel in their hotels, but the information lacks the detail that would be required if it is to be given any weight. On the evidence before me I do not consider that the opponents have established that at the relevant date they possessed a significant reputation within the UK such that their earlier mark is deserving of a wider penumbra of protection.

38. There is the matter that the evidence shows the applicants to have made long and extensive use of the mark, to the extent that it is not unreasonable to assume that it is likely to have established a significant reputation. But on the strength of the evidence before me it would be

going too far to say that this use has extended their reputation beyond services connected with the physical transportation and storage of goods, and accordingly I do not consider that concurrent use is a factor for consideration.

39. Taking all of the above into account and adopting the “global” approach advocated, I come to the position that in respect of Class 39 the opposition fails. In respect of Class 38 I see no real likelihood of consumers being led into wrongly believing that the message sending services provided by the applicants are those of the opponents, provided by some undertaking linked to them, or even that the two parties have collaborated. However, the applicant’s specification does not only cover message sending, it also includes telecommunications which in my view encompasses the self-same services for which the opponents seek to register their mark. I therefore find the opposition to have been successful in respect of telecommunication services.

40. Turning to the ground under Section 5(4)(a). That section 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

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.”

41. Section 5(4)(a) of the Act offers protection to the goodwill and reputation built up by a trader through the use of a sign, In my determination of the ground under Section 5(2)(b) I highlighted weaknesses in the opponent’s claim to a reputation within the United Kingdom, and they are in no better a position with respect to goodwill. The evidence at best gives a snapshot taken soon after they started providing television services, showing them to have very limited access to the consumer group available. The opponents are only able establish use of the mark in respect of their cable television channel which is where any reputation and/or goodwill that they have will subsist. As I see it the opponents are in no better position under Section 5(4)(a) than under Section 5(2)(b), and given my findings under that section I see no advantage to be gained by giving full consideration to the ground under Section 5(4)(a).

42. Given my findings under Section 5(2)(b), if the applicants file a Form TM21 within one month from the end of the appeal period to reduce the specification of their application in respect of Class 38 to

“Transmitting messages by electronical means”

I will, in the event of no appeal, allow this application to proceed to registration. The specification for Class 39 stands unaffected. However, if the applicants fail to file a TM21 within one month from the end of the appeal period the application will be refused.

43. The opposition having been successful, the opponents are entitled to an award of costs. I order the applicants to pay the opponents the sum of £935 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 06 day of March 2003

**Mike Foley
for the Registrar
For the Comptroller General**