

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATIONS No. 2023364A AND No. 2023364B BY
NEWS GROUP NEWSPAPERS LIMITED TO REGISTER TRADE MARKS IN
CLASSES 35 AND 36

AND IN THE MATTER OF OPPOSITIONS THERETO UNDER No. 47147 AND
No. 47148 BY SUN MICROSYSTEMS INC

DECISION

Introduction

1. On the 9th June 1995 News Group Newspapers Limited (“the Applicant”) applied to register the trade marks SUN and THE SUN in classes 35 and 36 in respect of following specification of services:

Class 35:

Business management and business administration services, consultancy services, business project planning, business advisory services, business support services, business management, advice and assistance, business research, business organisation, business acquisitions and business mergers; tax and taxation planning, advice, information and consultancy services; publicity services; services of publicity agency, advertising, preparation and dissemination of advertising matter, preparation and dissemination of publicity matter, organisation of exhibitions for commercial and advertising purposes, direct mail advertising services; arranging and conducting of trade shows and exhibitions; development of industry and commerce; marketing services and advertising services; book-keeping services; statistical information services; computerised business information storage and retrieval; but none of the aforesaid services relating to data processing services.

Class 36

Financial services relating to bank cards, credit cards, debit cards, cash disbursement, cheque verification and cheque

cashing, issuing and redemption of travellers' cheques and travel vouchers and advisory services relating thereto; all included in Class 36.

2. Each of the applications was accepted by the Registrar and published in the Trade Marks Journal. On the 1st July 1997 Sun Microsystems Inc. ("the Opponent") filed Notices of Opposition to the applications. So far as material to this appeal, the Opponent contended that registration of the marks applied for would offend against section 5(2)(b) of the Trade Marks Act 1994 ("the Act") in the light of the earlier registration by the Opponent of the trade mark SUN SITE under No. 1573491 in respect of the following specification of services:

Class 35

Business management services; computerised data base management, storage, retrieval and dissemination of computerised information relating to computer technology; all included in Class 35.

3. The matters came to be heard on the 16th July 2002 by Mr. MacGillivray, the Hearing Officer acting for the Registrar. In two written decisions dated 27th August 2002 the Hearing Officer found that the oppositions succeeded under section 5(2)(b) in relation to Class 35 only.

The Appeal

4. On the 24th September 2002 the Applicant gave notice of appeal to an Appointed Person under section 76 of the Act in relation to both applications. The appeals came on for hearing together. Mr. Birss, instructed by Heseltine Lake, appeared on behalf of the Applicant and Mr. Vanhegan, instructed by Field Fisher Waterhouse, appeared on behalf of the Opponent.

5. Both parties agreed as to the approach this tribunal should adopt on this appeal. As explained by the Court of Appeal in *Reef Trade Mark* [2003] RPC 5, the appeal is by way of review of the decision of the Hearing Officer. This tribunal should show a real reluctance, but not the very highest degree of reluctance, to interfere with the decision of the Hearing Officer in the absence of a distinct and material error of principle.
6. The two decisions of the Hearing Officer are in almost identical terms. Mr. Birss referred me in particular to the decision in respect of application No. 2023364B to register the mark THE SUN. He accepted that if the appeal in relation to this application did not succeed, then it could not succeed in relation to the other application either.
7. The Hearing Officer approached the issue under section 5(2) in the following way. First of all he set out the familiar guidance provided by the European Court of Justice in *Sabel BV v. Puma AG* [1997] E.C.R. I-6191, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1998] E.C.R 1-5507; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel BV* [1999] E.C.R 1-3819 and *Marca Mode CV v. Adidas AG* [2000] E.C.R I-4861. He noted, in particular, that the likelihood of confusion must be appreciated globally, taking account of all relevant factors; the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; and a

lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services, and vice versa.

8. The Hearing Officer then directed himself as follows:

“36. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgments of the European Court mentioned earlier in this decision. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the degree of similarity in the goods and/or services, the category of goods and/or services in question and how they are marketed. I must assume normal and fair use of the marks across the full range of goods and services included within the respective specifications.”

9. In considering the question whether the services covered by the application were similar to those covered by the earlier trade mark, the Hearing Officer recited the observations formulated by Jacob J. in *British Sugar Plc v. James Robertson & Sons Limited* [1996] RPC 281 and continued:

“43. Both the applicant’s and opponent’s Class 35 specifications are widely drafted in that they both specifically cover “business management” services at large. These services are obviously identical. Furthermore, the opponent’s Class 35 specification also includes “computerised database management” which is in effect identical to the applicant’s computerised business information and retrieval. Staying with the respective Class 35 specifications I go on to consider whether the opponent’s and applicant’s specifications include similar services. I have no hesitation in concluding that “business management services” in the opponent’s specification share a similarity with the applicant’s other services in Class 35. While I have no evidence before me on the point, it seems to me that it would be normal in trade for the providers of business management services to also be in the field of providing other business services e.g. business advice,

consultancy, business support and business research. Such advice could well encompass or be allied to other activities which impact upon business e.g. taxation, advertising and statistics. These services could well be targeted at the same potential customers and would be connected in the market place. I do not believe that the other three “best case” registrations further assist the opponent given that the same and closely similar services are covered by their Class 35 registration. However, I do not believe that the opponent’s Class 9 goods have a similarity with the Class 35 services specified by the applicant.

10. The Hearing Officer went on to compare the marks. He said:

“46. The mark in suit comprises the obvious dictionary words THE SUN while the opponent’s registration consists of the words SUN SITE. Both marks have no reference to the services at issue and I have previously commented upon the inherent strength of the opponent’s registration in this decision.

47. The respective marks must be compared as a whole and by reference to overall impression but, as recognised in *Sabel v. Puma AG* (mentioned earlier in this decision), in any comparison reference will inevitably be made to the distinctiveness and dominance of individual elements. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how marks would be perceived by customers in the normal course and circumstances of trade and I must bear this in mind when making the comparisons.

48. On a visual and aural comparison of the respective marks, the similarity and differences are plain in that both marks contain the word SUN, but the opponent’s mark also contains the different words THE and SITE which has a visual and aural impact.

49. Turning to a conceptual comparison, the applicant’s mark has an obvious connotation. In my view while the opponent’s mark could be perceived as referring to a sunny sight or location or perhaps a computer site relating to the sun, the reference to the sun is nevertheless both strong and memorable.”

11. Finally, the Hearing Officer reached his conclusion:

“50. In assessing the degree of similarity between the marks and whether it is sufficient to give rise to a likelihood of confusion I must consider who the average customer is and make appropriate allowance for imperfect recollection.

51. The applicant’s and opponent’s Class 35 specifications generally relate to services which would be provided to businesses as opposed to the public at large. Accordingly, it seems to me that the prospective customer for the services is likely to be relatively careful and discerning. While this mitigates against a likelihood of confusion it does not follow that confusion will not occur given that identical and closely similar services are involved in Class 35 and that the word SUN, contained in both marks, is a highly distinctive element in relation to the services at issue.

52. On a global appreciation, notwithstanding the differences in the marks and that the average customer for the services is likely to be relatively discerning, it seems to me that the word SUN is a strong distinctive element within the opponent’s registration. Given that identical and closely similar services are involved in Class 35, it is my view that the applicant’s mark would capture the distinctiveness of the opponent’s SUN SITE mark in normal and fair use in the market place in relation to the Class 35 services specified by the applicant. I am of the opinion that the Class 35 services would be assumed to come “from the same stable”.

53. In reaching a decision in relation to the likelihood of confusion I have particularly borne in mind the following comments of the European Court of Justice in Canon:

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

54. The opposition under Section 5(2)(b) of the Act is successful in relation to Class 35 of the application in suit but fails in relation to Class 36.”

12. Mr. Birss made a number of criticisms of the reasoning of the Hearing Officer.

First of all he submitted that the Hearing Officer had failed to consider in sufficient detail the variety of services the subject of the application. In particular he drew my attention to the following four categories:

- publicity services;
- services of publicity agency, advertising, preparation and dissemination of advertising matter, preparation and dissemination of publicity matter, organisation of exhibitions for commercial and advertising purposes, direct mail advertising services;
- arranging and conducting of trade shows and exhibitions;
- marketing services and advertising services.

In relation to all these services he submitted that the Hearing Officer had neglected to consider the extent to which they were similar to the services protected by the earlier trade mark. Rather, he submitted, the Hearing Officer had treated all the services as one group. He also submitted that the conclusion of the Hearing Officer in paragraph 51 of the decision that the respective services were “closely similar” was not reflected in the analysis of the services carried out by the Hearing Officer in paragraph 43 of the decision. Accordingly, he submitted, the Hearing Officer failed properly to consider the degree of similarity between the respective services in reaching his conclusion as to the likelihood of confusion.

13. Mr. Birss coupled this criticism with two further criticisms. He drew attention to the fact that the Hearing Officer does not refer in his decision to the fact that the services the subject of the application are limited to exclude

services relating to data protection services. Further, in comparing the marks, the Hearing Officer does not appear to have drawn any distinction between the two different marks applied for, namely THE SUN in the one case and SUN in the other.

14. I have come to the conclusion that the Hearing Officer did not take into account all relevant factors in assessing the likelihood of confusion across the range of services the subject of the application. In particular, I believe that there is force in the criticism that the various services the subject of the application do not bear the same degree of similarity to those the subject of the Opponent's earlier trade mark. I believe the Hearing officer fell into error in that he failed to take into account the different degrees of similarity between the various services of the Applicant and those of the Opponent when he assessed the risk of confusion.

15. Moreover, in seeking to assess the likelihood of confusion between, on the one hand, the mark SUN SITE and, on the other, the marks THE SUN and SUN it seems to me that it is important that the Applicant's services do not include services relating to data processing. I believe that the use of the element SITE in the earlier trade mark is likely to be perceived as a reference to a location or computer web site, particularly in the light of the services for which it is registered. Accordingly I believe that the exclusion from the Applicant's services of any services relating to data processing is a matter which bears on the likelihood of confusion and is something that the Hearing Officer should have taken into account.

16. I should briefly mention the final criticism that the Hearing Officer failed to distinguish between the two marks SUN and THE SUN. I did not find this persuasive. It is apparent from paragraphs 46 and 48 of each of the decisions that the Hearing Officer did have the difference between the two marks in mind.

17. Nevertheless, for the reasons set out in paragraphs 14 and 15 of this decision, I have come to the conclusion that the Hearing Officer has fallen into error and accordingly I must proceed to make my own assessment of the objection under section 5(2)(b). I will begin by considering application No. 2023364B in respect of the mark THE SUN. I agree with the assessment of the Hearing Officer that the respective specifications are widely drafted in that they both specifically cover “business management” services at large. Further, the Opponent’s specification includes “computerised database management” which is, in effect, identical to the Applicant’s “computerised business information storage and retrieval”. In respect of the Applicant’s other services, I believe they fall into essentially two categories. The first comprises those services which I believe are closely similar to the business management services, the subject of the Opponent’s mark. In this category I include the following:

- business administration services, consultancy services, business project planning, business advisory services, business support services, business management, advice and assistance, business research, business organisation, business acquisitions and business mergers;

- tax and taxation planning, advice, information and consultancy services;
- development of industry and commerce;
- book-keeping services;
- statistical information services.

18. The second category comprises services which, although they have some similarity to the business management services of the Opponent, are not so similar as those in the first category. In this category I include the following:

- publicity services;
- services of publicity agency, advertising, preparation and dissemination of advertising matter, preparation and dissemination of publicity matter, organisation of exhibitions for commercial and advertising purposes; direct mail advertising services;
- arranging and conducting of trade shows and exhibitions;
- marketing services and advertising services.

19. The Hearing Officer correctly noted, in my judgment, that the parties' respective specifications generally relate to services which would be provided to businesses as opposed to the public at large. I agree with the Hearing Officer that the average consumer of such services is likely to be relatively careful and discerning.

20. Turning to consider the marks themselves, it is important to have in mind that the average consumer normally perceives a mark as a whole and does not

proceed to analyse its various details and that the similarities between the marks must be assessed by reference to the overall impressions created by them bearing in mind their distinctive and dominant components.

21. I accept the conclusion of the Hearing Officer that on an aural and visual comparison of the respective marks, the similarity between them is plain in that they both contain the word SUN, but so also are the differences in that the earlier mark contains the word SITE, while the later mark contains the word THE. These differences do have a visual and aural impact.
22. At the conceptual level I accept that both marks contain the word SUN as a distinctive element, but I consider that the word SITE is also an important component of the earlier mark. As I have indicated, I believe this introduces the notion of a location or computer website.
23. In comparing the marks I was invited by the Applicant to take into account the extensive reputation and goodwill associated with THE SUN newspaper. The Applicant certainly does have a substantial and extensive goodwill in connection with THE SUN newspaper, which is one of the best known newspapers in the United Kingdom. Nevertheless I am not persuaded by the evidence of Mr. Hutson, upon which the Applicant relied, that the Applicant has established that it has a reputation which extends to all the services the subject of the application.

24. In assessing the likelihood of confusion, I must have regard to the degree of similarity between the marks and the degree of similarity between the services. It is established clearly by the *Canon* case that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the services, and vice versa. I must also take into account that the average consumer 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.
25. Taking into account all these matters and, in addition, the fact that the Applicant's specification contains the limitation that none of the services relate to data processing services, I have come to the conclusion that there is no real risk of confusion if the mark THE SUN is used in relation to the services which I have identified in paragraph 18 above, comprising as they do, essentially publicity, advertising and marketing services. I do not believe that the use of the mark THE SUN in relation to these services, but not including services relating to data processing services, would be likely to lead consumers to believe that they come from the same source as business management services provided under the mark SUN SITE. Nor do I believe that consumers would be likely to think that the providers of these different services are in any way economically linked undertakings.
26. In relation to business management services, computerised business information storage and retrieval services and the other services within the first category which I have identified in paragraph 17 above, I believe the

position is rather different. In this case I believe that the services are either identical or closely similar to the business management services the subject of the Opponent's trade mark. In these cases and notwithstanding the limitation to the specification of the Applicant's mark, I believe the similarities between the marks are such that there is a real likelihood of confusion. I have come to the conclusion that there is a real risk that consumers might believe that the services in question come from the same undertakings or from economically linked undertakings.

27. I must now consider the other application, namely No. 2023364A, for registration of the trade mark SUN. This application is made in respect of the same services as those the subject of application No. 2023364B and, so far as relevant, the opposition succeeded under section 5(2)(b) on the same basis. Mr. Birss accepted, rightly in my view, that his strongest case lay in relation to the application for registration of the mark THE SUN. Insofar as this failed, he accepted that he could not succeed in relation to the application for the mark SUN. Accordingly and for the reasons I have given, the appeal must fail in relation to the application to register the mark THE SUN in respect of "business management" services, "computerised business information storage and retrieval" and the other services which I have identified as falling within the first category, set out in paragraph 17 above. It remains, however, to consider the application in respect of the services the subject of the application and contained within the second category set out in paragraph 18 above.

28. To my mind there is a significant and material distinction between the two marks the subject of the applications. The mark SUN does not include the important element THE and, moreover, is wholly comprised within the Opponent's mark SUN SITE. I have accepted that the services within the second category, albeit sharing some similarity with the business management services the subject of the Opponent's earlier mark, do not share the same degree of similarity as those falling within the first category. Nevertheless, I have come to the conclusion that the greater similarity between the marks in issue in the case of this application more than offsets the lesser degree of similarity between the services. In my judgment the Hearing Officer was right to conclude in the case of these services that consumers might believe that they come from the same or economically linked undertakings. In reaching this conclusion I have taken into account the limitation to the Applicant's specification.

Conclusion

29. Accordingly I have come to the conclusion that in the matter of application No. 2023364B the appeal succeeds in relation to the following services:

- publicity services;
- services of publicity agency, advertising, preparation and dissemination of advertising matter, preparation and dissemination of publicity matter, organisation of exhibitions for commercial and advertising purposes, direct mail advertising services advertising services;
- arranging and conducting of trade shows and exhibitions;

- marketing services and advertising services.

But none of the aforesaid services relating to data processing services.

30. The appeal is dismissed insofar as it relates to the other services the subject of application No. 2023364B.
31. The appeal in relation to application No. 2023364A is dismissed.
32. The Hearing Officer concluded that both sides had achieved a measure of success and in the circumstances he made no order as to costs. Before me I believe the position is much the same. The appeals were brought against the decisions in their entirety. At the hearing attention focused primarily on the appeal in respect of application No. 2023364B. In all the circumstances I have come to the conclusion that it is appropriate to make no order in relation to the costs of either of the appeals. However, if the Applicant does not amend the specifications on the basis set out in this decision and the decisions of the Hearing Officer insofar as they still apply, then the Opponent will be free to lodge an appropriate claim for costs.

David Kitchin QC

29th April 2003