

O-214-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2218969
BY NEC COMPUTERS INTERNATIONAL BV TO REGISTER
A TRADE MARK IN CLASSES 9, 16, 35, 36, 37, 38 & 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 80341
BY BELL IP HOLDING LLC**

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**IN THE MATTER OF Application No. 2218969
by NEC Computers International BV to register
a trade mark in Classes 9, 16, 35, 36, 37 38 and 42**

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**IN THE MATTER OF Opposition thereto under
No. 80341 by Bell IP Holding LLC**

BACKGROUND

1. On 8 January 2000 NEC Computers International BV applied to register the following trade mark –



Mark claim/limit:

The applicant claims the colour grey, red, green and purple, as an element of the mark.

2. The goods and services for which registration is sought are as follows:

Class 09:

Computer programs; computer software, computer hardware, including, but not limited to notebooks; instruments, parts and fittings for use with computers, peripheral equipment for computers and computer programs; data processing apparatus; sound and image transmitting, recordal, and reproducing apparatus; magnetic data media and phonograph records; diskettes, CD-Roms and DVD's, display terminals, modems; telephonic communication apparatus and instruments; telephones, cellular phones, paging and page-receiving apparatus and instruments, telephone answering machines; parts and fittings for all the aforementioned goods; calculators, cameras, including digital cameras, printers, scanners, joysticks, audio and video apparatus and instruments, radios, television and stereophonic apparatus and instruments; high fidelity apparatus

and videotape recorders; parts and fittings for all aforesaid goods.

Class 16:

Printed matter, magazines, teaching materials (except apparatus) and instructional devices with regard to computer programming, computer software, computer hardware, telecommunications, Internet, electronic mail, electronic commerce and services related thereto, such as training, help desk services, maintenance and support services.

Class 35:

Advertising and business management and organisation consultancy; business appraisals; professional business consultancy; business information; business services, including advertising agencies; distribution of promotional items such as, but not limited to, leaflets, brochures, printed matter and samples; organisation of exhibitions for commercial or advertising purposes; statistical information; bookkeeping; business enquiries; marketing and market research and analysis; opinion polls; business management and organisation consultancy; rental of business machines; computerised file management; the bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods from an Internet Website specialising in computer software and computer hardware, components, parts, accessories, networks, peripheral equipment and auxiliary equipment.

Class 36:

Financial services, lease, providing lease contracts, providing credits.

Class 37:

Installation, maintenance and repair of computer hardware, telecommunication apparatus and installations; information and consultancy on all aforementioned services.

Class 38:

Telecommunication, communication through computer terminals; interactive communication via Internet, cable network or other means of data transfer; Internet access services; computer aided transmission of messages and images; electronic mail services; rental of telecommunication equipment; information and consultancy on all aforementioned services.

Class 42:

Computer programming; consultancy in the field of computer programming and

computer hardware; providing electronic access to databases; programming for electronic data processing; updating of computer programs; recovery of computer data; technical advice; professional consultancy (non-business); rental of computer software; rental of data processing equipment and rental of computers; design and development of software for the benefit of Internet and Intranet applications.

3. The application was accepted by the Registrar and advertised in the Trade Marks Journal.

4. On 7 November 2001 Baron & Warren, on behalf of Bell IP Holdings LLC, filed a Notice of Opposition, In summary the grounds were:

- (i) Under Section 5(1), 5(2)(a) and Section 5(2)(b) of the Act because the mark applied for is identical with or similar to the following earlier trade marks owned by the opponent which cover identical and/or similar services and goods and a likelihood of confusion exists on the part of the public – UK Registration Numbers 1160682, 1410410, 1548390, 2062372 and European Community Trade Mark Application Numbers 1141332 and 1141308. Details of these trade marks are at Annex One to this decision.
- (ii) Under Section 5(3) of the Act because the marks applied for are identical with or similar to the above mentioned trade marks owned by the opponent and to the extent that the applicant's marks are to be registered for goods and services which are not similar to those for which the opponent's marks are registered and those trade marks have a reputation, use of the applicant's trade marks without due course would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier marks.
- (iii) Under Section 5(4)(a) by virtue of the law of passing off.
- (iv) Under Section 5(4)(b) because the opponent's trade marks are well known trade marks within the meaning of Article 6 bis of the Paris Convention and the provisions of Section 56 of the Act apply.

5. On 13 September 2002 the applicant filed a Counterstatement denying the above grounds.

6. Both sides ask for an award of costs in their favour and have filed evidence. The parties were content for a decision to be taken without recourse to a hearing and both parties forwarded written submissions for the Hearing Officer's attention.

7. The opponent evidence consists of two witness statements by James Maxwell Stacey dated 17 December 2002 and 31 March 2003 respectively. Mr Stacey is a partner in the firm Baron and Warren, the opponent's professional advisors in these proceedings.

8. Mr Stacey confirms that the opponent holds non United States of America intellectual property rights in the mark BELL and BELL with symbol for and on behalf of the Regional Bell Operating Companies which provide a wide range of telecommunications and internet related goods and services on a worldwide basis. He adds that the history of the ownership of BELL was addressed in High Court proceedings (No : CH 1998 B No 4245, *Bell Atlantic Corporation & Bell IP Holdings LLC v Bell Atlantic Communications PLC & Bell Atlantic Ltd*) and a copy of the decision in those proceedings and the order granted in the favour of the opponent are at Exhibit JMS1 to Mr Stacey's statement.

9. Mr Stacey explains that the Regional Bell Operating Companies (RBOCs) feature in the FORTUNE GLOBAL 500 list of companies as well as in the FORTUNE 50 GLOBALLY MOST ADMIRABLE list of companies. He attaches as Exhibit JMS2 and Exhibit JMS3 to his statement copies of extracts taken from the website found at www.fortune.com and he adds that Fortune magazine is an internationally circulating business orientated magazine well known for its listings of the largest companies in the UK and/or globally and that to be included in one of the FORTUNE 500 listings is considered prestigious. Exhibit JMS4 to Mr Stacey's statement consists of a copy of a current issue of FORTUNE magazine.

10. Mr Stacey states that the BELL trade mark has appeared in newspaper advertisements in circulation within the UK. This includes the Financial Times and the International Herald Tribune. Exhibit JMS5 to his statement consists of circulation figures for the aforesaid publications for the years 1997 to 2000 (which are considerable), together with an example of an advertisement which Mr Stacey states typically appeared therein during this period. He adds that the BELL name and mark has been used by UK companies including:

- (i) Sorbus UK Ltd (a subsidiary of Bell Atlantic (now Verizon) from 1988 to 1995) and attached as Exhibit JMS6 are materials relating to Sorbus UK Ltd which he states, was active in the field of computer support and maintenance.
- (ii) Bell Communications Ltd, another subsidiary of Bell Atlantic (now Verizon) from 1988 to 1995. Attached Exhibit JMS7 are materials relating to Bell Communications Ltd which he states, was active in the field of data collection and communications equipment.
- (iii) Bell Cablemedia which, Mr Stacey states, operated as a cable television and telecoms provider through the early and mid 1990s. Attached Exhibit JMS8 to his statement are copies of internet extracts which he says were available during this period. Bell Cable Media was combined with

Telewest Communications, Nynex Cablecomms to form Cable & Wireless Communications Plc in 1997.

11. At Exhibit JMS10 to his statement, Mr Stacey draws attention to a “potted history of the BELL name” found at www.sigtel.com/tel-hist-index.html.

12. Mr Stacey’s second witness statement contains the following exhibits:

- (i) Exhibits JMS12 to JMS15, which are copies of the annual reports for BellSouth Corporation for the years 1998 to 2001 but contain no UK specific information other than BellSouth Corporation which is listed on the London Stock Exchange.
- (ii) Exhibits JMS16 to JMS19, which are copies of the annual reports for Bell Atlantic Corporation (now called Verizon Communications Corporation) for the years 1998 to 2001. The Annual Reports 2000 and 2001 of Verizon state that in the second quarter of 1997 interests in cable television and telecommunications operations in the UK were transferred to CWC in exchange for an 18.5% ownership interest in CWC.
- (iii) Exhibit JMS20, which contains information on the 1995 and 1996 circulation figures of the Herald Tribune including UK circulation.
- (iv) Exhibit JMS21, which consists of sample adverts from the internationally circulating Herald Tribune for May 9 1990, December 23 1992, March 9 1995, July 18 1996 and December 19 1997.

Applicant’s Evidence

13. The applicant’s evidence comprises two witness statements, one each from Terry Roy Rundle and Katie Arabella Oliver, dated 29 December 2003 and 30 September 2003 respectively.

14. Mr Rundle is employed by Marks & Clerk, the applicant’s professional advisors in these proceedings. He refers to Exhibit TRR1 to his statement, which is a copy of data tables which, he states represent PACKARD BELL brand sales volume 1998-2002 as compared with the applicant’s major competitors and he adds that throughout that period the applicant’s PACKARD BELL computers were the best sellers in the UK securing a market share of between 19% and 23%. While Exhibit TRR1 shows no information under PACKARD BELL, UK shipments for NEC C1 are shown. Mr Rundle explains that the source for Exhibit TRR1 is Dataquest, a division of Gartner Inc, an independent organisation specialising in market research and analysis in the field of IT.

15. Katie Arabella Oliver is also employed by Marks & Clerk.

16. Ms Oliver states that NEC Corporation, the parent company of NEC Computers International BV, is a world leader in the provision of internet solutions, including desktops, notebooks, servers and storage solutions. In 1996, Packard Bell and part of the NEC Corporation, merged to become Packard Bell NEC Inc. More latterly the European Division of Packard Bell NEC Inc; Packard Bell NEC Europe BV., underwent a change of name to NEC Computers International BV. She adds that NEC Corporation, with its in-house companies, employs more than 150,000 people worldwide. In the fiscal year 2000-2001, NEC Corporation had net sales of approximately US \$43 billion and in 2001-2002, net sales of 40 billion Euros. She attaches Exhibit KAO1, comprising extracts from the website www.packardbell.com to confirm this information.

17. Ms Oliver explains that the applicant is the world's sixth largest personal computer (PC) manufacturer, providing a complete range of internet and computer products to corporations, individuals and governments under the PACKARD BELL, NEC and Zenith Data Systems brands. By way of background she adds that the PACKARD BELL brand dates from 1926 when it was first used for radios and later, televisions.

18. Ms Oliver states that the applicant began designing and marketing personal computers for home uses under the PACKARD BELL brand in 1986 and since that date has supplied a broad range of desktop and notebook computer, monitors and servers. Exhibit KAO3 to Ms Oliver's statement is an extract from the company website to confirm this date of first use.

19. Ms Oliver goes on to state that the applicant is a word market leader through its PACKARD BELL trade mark and in support provides further extracts from the www.packardbell.com website. She adds that:

- (i) In 1994 worldwide sales of PACKARD BELL computers were \$3 billion with European sales topping \$400 million.
- (ii) In 1995 worldwide sales of PACKARD BELL computers were more than \$4 billion.
- (iii) In 1996 PACKARD BELL was the world's biggest seller of home PCs, shipping nearly 2.5 million systems worldwide.
- (iv) In 1997 PACKARD BELL was the number one seller of home PCs and in the UK held a 39.9% market share. To support this claim Ms Oliver at Exhibits KAO11 attaches an extract from the website www.packardbell-europe.com.
- (v) In 1998 PACKARD BELL was the number one seller of home PC's in Europe.

20. Turning to the promotion of the mark, Ms Oliver states that the company launched an extensive advertising campaign. However, the supporting information relates to the USA and American customers.

Opponent's Evidence in Reply

21. The opponent's evidence in reply consists of a further witness statement by James Maxwell Stacy dated 29 March 2004.

22. Mr Stacey makes the following observations:

- (i) the materials filed by the applicant almost entirely comprise of data relating to activities outside of the UK and such material is irrelevant;
- (ii) the applicant's arguments relate to sales of products relative to their competitors which is irrelevant to the issue of the likelihood of confusion between BELL and PACKARD BELL;
- (iii) the applicant has failed to provide any bona fide use of the PACKARD BELL mark within the UK;
- (iv) The data exhibited by Mr Rundle refers to NEC;
- (v) The witness statement of Ms Oliver states that the applicant uses a number of trade marks, namely PACKARD BELL, NEC and Zenith Data Systems;
- (vi) The use relied upon relates solely to computer products.

Written Submissions

23. In addition to filing evidence, both parties forwarded written submissions for the hearing officer's attention.

Opponent's Submissions

24. The opponent's submissions are attached to a letter dated 1 June 2004 from Baron & Warren, the opponent's professional representatives in these proceedings.

25. The opponent submits that its strongest prior rights are in UK registration number 2062372 and European Community Trade Mark application number 1141308 in that the key element is the word BELL and the word BELL forms one of the key and dominant elements of the mark applied for which has no linguistic or conceptual link to the word PACKARD.

26. Turning to the goods and services at issue, the opponent submits that, in relation to telecommunication goods and services, the mark applied for covers identical goods and services in Classes 9, 16, 35, 38 and 42. The opponent adds that the services in Class 37 that relate to telecommunications, must be self evidently similar to the telecommunications goods and services covered by the opponent's earlier marks.

27. The opponent goes on to criticise the evidence of the applicant on a similar basis to that contained in its evidence in reply (paragraph 22 of this decision refers).

28. The opponent states that its evidence demonstrates a long term connection between the word BELL and telecommunications and a worldwide repute in the word BELL in relation to telecommunications goods and services by virtue of the history of the BELL name and mark. Attention is drawn to Exhibit JMS1 to Mr Stacey's first witness statement which consists of a copy of the decision in "Bell Atlantic" in relation to the opponent's goodwill in passing off proceedings.

29. The opponent concludes that it has a clear case in relation to telecommunications goods and services.

Applicant's Submissions

30. The applicant's submissions are contained in letters dated 30 September 2003 and 2 June 2004 from Marks & Clerk, the applicant's professional advisors in these proceedings.

31. On the comparison of the respective trade marks, the applicant states that the mark in suit consists of three elements – a head device at the start of the trade mark; the word PACKARD as the prefix word element; and the word BELL as the suffix word element at the end of the mark. It adds that the composite mark applied for is a strong, readily recognisable and individual trade mark.

32. The applicant goes on to consider the earlier trade marks of the opponent. It points out that UK trade mark registration numbers 1548390, 1160682, 1410410 and European Community Trade Mark Registration Number 1141332, are device only marks and in summary states that these marks are dissimilar to the trade mark applied for. It adds that the respective marks have co-existed in their market sectors for many years without any evidence of confusion.

33. The applicant also contends that the remaining earlier marks of the opponent are dissimilar from the mark in suit and that it is inappropriate to consider the identity similarity of goods/services.

34. The applicant states that BELL is a highly common surname in the UK and adds that the opponent's evidence shows that there are numerous BELL companies in the telecommunications industry. In the applicant's view, the opponent cannot claim an enhanced distinctive character for the word BELL and its bell device.

35. The applicant goes on to submit that the distinctive and dominant components of the mark applied for are the “face” device and the word PACKARD, which is submitted to be an unusual surname. Considering the marks as a whole, the applicant believes that there would be no likelihood of confusion.

36. The applicant refers to page 9 of Exhibit JMS1 of (the “Bell Atlantics” decision) Mr Stacey’s witness statement of 17 December 2002, wherein the Deputy Judge states:

“In particular, I am presently minded to think that paragraph 2(b) is too widely worded in that it prevents the Defendants from using a name which includes the word “BELL” at all; that may not be impermissible as long as that word is included in a combination which sufficiently distinguishes it from plain “BELL” or “Bell Atlantic””

37. In relation to the Section 5(4)(a) ground, the applicant contends that the opponent’s evidence fails to show that its goodwill extends to the word BELL per se. Furthermore, it states that the presence of the word PACKARD and the “face” device in the mark in suit, serves to distinguish the respective marks.

38. Turning to Article 6 bis and “well-known trade marks”, the applicant states that in Case C-375/97 (“Chevy”) the ECJ held in relation to marks with a “reputation” that:

“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 service, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers,”

and as the Advocate-General in his opinion in that case, it was a more stringent test for marks claiming “well-known” status than for marks with a “reputation”. Accordingly, the applicant submits that the opponent’s case cannot succeed.

39. This completes my summary of the evidence filed in this case and the submission of the parties. I turn now to the decision.

DECISION

Section 5(1) and 5(2)(a)

40. These read:

“**5.**-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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, or
- (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.”

41. An earlier right is defined in Section 6 of the Act which reads:

"6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks;
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK); or
- (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.

(3) A trade mark within subsection (1)(a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later mark for a period of one year after the expiry unless the registrar is satisfied that there was no *bona fide* use of the mark during the two years immediately preceding the expiry."

42. Both Section 5(1) and Section 5(2)(a) turn on the respective marks being found to be identical. The ECJ has recently given the following guidance on the approach to be

adopted in assessing whether marks are identical in *S.A. Societe LTJ Diffusion v Sadas Vertbaudet SA*, Case C-291/100, [2003] FSR 34:

“... in answer to the question referred Article 5(1)(a) Of the Directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer.”

43. The applicant’s mark contains an additional word to the marks of the opponent ie the word PACKARD, and a “face” device. It seems to me that this constitutes an addition to the opponent’s marks and this addition or difference would be noticed by the average consumer. It follows that the objections under Section 5(1) and 5(2)(a) must fail.

Sections 5(2)(b)

44. In my considerations under Section 5(2)(b) I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (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*, 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 224;
- (g) account should be taken of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it was registered; *Lloyd*, paragraph 29.
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*, paragraph 41;
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*, paragraph 29.

45. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) consideration in that it may enhance the distinctive character of the mark(s) at issue and widen the penumbra of protection of such a mark. The opponent has filed evidence in relation to the reputation of its marks covered by the earlier registrations. While it is clear that the Regional Bell Operating Companies have a global presence and that Verizon Communications, SBC Communications and Bell South are among the worlds major corporations in the telecommunications field, the evidence filed by the opponent in these proceedings does not provide any indication of the turnover or sales of goods/services in the UK under the opponent's earlier registered trade marks. There is no indication of market share in the UK, nor any specific examples of sales to UK customers under the marks. Furthermore, there is no supporting evidence from the trade or third parties. While there are a small number of examples of advertising of BELL SOUTH (and not the prior registered marks) in the Financial Times and the International Herald Tribune, also evidence showing activity in the UK by Sorbus UK, Bell Communications Ltd and Bell Cablemedia from the late 1980s to the mid 1990s, there is no indication of the total spent by the opponent in relation to the promotion of its marks in the UK and no indication of the impact of this advertising on UK customers.

46. The onus is upon the opponent to prove that its earlier marks enjoy a reputation or public recognition and on the basis of the evidence filed in this case I do not believe the opponent has discharged this onus. In *DUONEBS* (BL O/048/01) a decision of Simon Thorley QC sitting as the Appointed Person, it was said:

“In my judgement I believe what the ECJ had in mind was the sort of mark which by reason of extensive trade had become something of a household name so that the propensity of the public to associate other less similar marks with that mark would be enhanced. I do not believe that the ECJ was seeking to introduce into every comparison required by Section 5(2), a consideration of the reputation of a particular existing trade mark.”

47. I conclude that the opponent cannot claim an enhanced distinctive character for its marks. However, even if I am wrong in relation to reputation of the opponent’s marks I would point out that reputation is only one element which forms part of a global consideration under Section 5(2). It was held in *Marca Mode v Adidas AG* [2000] ETMR 723:

“The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character (*Canon*, paragraph 18). Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense.”

48. In essence the test under Section 5(2) is whether there are similarities in marks and services and/or goods which would combine to create a likelihood of confusion. 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 differing elements, taking into account the degree of similarity in the services and/or goods, the category of services and/or goods in question and how they are marketed. Furthermore, in addition to making comparisons which take into account the actual use of the respective marks, I must compare the mark applied for and the opponent’s registrations on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the services and/or goods within the respective specifications.

49. I turn first to a consideration of the respective goods and services covered by the specifications of the mark in suit and the opponent’s earlier registrations, in particular whether these goods and services are identical or similar.

50. In determining whether the services covered by the application are similar to the goods and services covered by the opponent’s trade marks I have considered the guidelines formulated by Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 (Pages 296, 297) as set out below:

“The following factors must be relevant in considering whether there is or is not similarity:

- (a) The respective uses of the respective goods or services;

- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of services;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in particular 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;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

51. Whilst I acknowledge that in view of the CANON-MGM judgement by the European Court of Justice (3-39/97) the Treat case may no longer be wholly relied upon, the ECJ said the factors identified by the UK government in its submissions (which are listed in TREAT) are still relevant in respect of a comparison of goods and/or services.

52. In its written submissions the opponent makes it clear that it believes its strongest prior rights to be UK registration number 2062372 and European Community Trade Mark application number 1141308 – see paragraph 25 of this decision. I agree. Accordingly, my comparisons take into particular account the opponent’s application number 1141308 which contains the widest specifications of goods and services.

53. As pointed out by the opponent (see paragraph 26 of this decision) in relation to telecommunication goods and services, the mark applied for covers identical goods and services in Classes 9, 16, 35, 38 and 42 and that the applicant’s Class 37 services that relate to telecommunications must be self-evidently similar to the telecommunications goods and services covered by the opponent’s earlier mark.

54. I have no hesitation in concluding that the application includes goods and services (in all classes applied for) which are identical and/or similar to those covered by the opponent’s earlier marks, insofar as they relate to apparatus for use in telecommunications and also telecommunications services.

55. I go on to compare the mark in suit with the opponent’s earlier marks. I bear in mind that the opponent’s best case lies with European Community Trade Mark application number 1141308 which is for the word BELL (solus) and for practical purposes I will limit my comparisons of the respective marks accordingly.

56. As mentioned above, the opponent’s strongest case rests with its trade mark BELL,

which is an obvious dictionary word with a well known meaning and to my own knowledge (confirmed by the evidence with its references to Graham Bell), a relatively well known surname. The applicant's mark comprises a device element (which in my view is obvious within the mark but relatively non-descript) and the words PACKARD BELL, Packard having no obvious meaning being likely to be perceived in a surnominal context.

57. The guiding authorities make it clear that I must compare the marks as a whole and by reference to overall impression. However, as recognised in *Sabel BV v Puma AG* (mentioned earlier in this decision) in my 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 the marks would be perceived by customers in the normal course and circumstances of trade. I must bear this in mind when making the comparisons.

58. I turn to a visual comparison of the respective marks. Both the applicant's and opponent's marks contain the word BELL but the marks differ in that the applicant's mark contains a device and the word PACKARD before the word BELL. It seems to me that the differing elements are highly prominent within the applicant's mark and are at least as dominant and probably more distinctive than the BELL element, as the word BELL has an obvious dictionary meaning and is well known as a surname. I see no reason why the device element and the word PACKARD would be overlooked as marginalised in use. They have an obvious impact upon the eye and in my view the marks are visually distinct in their totality.

59. In relation to aural use the opponent's position is stronger in that the device element in the mark in suit is unlikely to be referred to as, in composite marks, "words speak louder than devices". However, the different word appearing in the applicant's mark ie PACKARD, has a strong oral as well as visual impact and in totality the marks sound different.

60. Next, I turn to a conceptual comparison of the marks. Both marks contain the word BELL which could be perceived as a surname or as an object which transmits a ringing sound. However PACKARD BELL would probably be perceived as either a name (different from BELL solus) or as a particular type or name of BELL ie an object transmitting a ringing sound. I am not convinced that the marks are conceptually similar overall.

61. In relation to my findings on similarity of marks I am fortified by the following comments of Mr Hobbs Q.C., The Appointed Person in the McQueen Clothing Co/Alexander McQueen (BL O/120/04), paragraph 37:

"My difficulty is that in these passages of his decision the Hearing Officer has concentrated on the similarities to the exclusion of the differences between the marks in question. That might not have mattered if the marks differed only in respect of elements to which the average consumer would have attached little, if

any, significance. However, that was not the case. The finding that the distinctive character of the mark ALEXANDER McQUEEN resided in the forename/surname combination necessarily recognised that the word ALEXANDER contributed to the distinctiveness of the mark as a whole. By not addressing the significance of its presence in the opponent’s mark and its absence from the applicant’s mark, the Hearing Officer effectively excised it from the earlier trade mark.”

62. In the present case I believe I have recognised that the words PACKARD and BELL and the device element, contribute to the distinctiveness of the applicant’s mark as a whole and that each of these elements impacts upon the totality and the comparison with the opponent’s earlier mark.

63. In my considerations relating to the global appreciation of a likelihood of confusion I must consider the goods and services at issue and the average customer for the goods. It seems to me that the respective specifications cover a wide range of goods and services which would include goods and services purchased by the general public and also specialised goods and services for business customers. However, in general it seems to me that in the present case I must take the view that the relevant customer would be relatively careful and discerning. While this could mitigate against confusion, it does not follow that there is not a likelihood of confusion and all relevant circumstances must be taken into account.

CONCLUSION

64. I now turn to my conclusion as to whether there is a likelihood of confusion on the part of the public in relation to the application in suit. On a global appreciation, notwithstanding that identical and similar goods and services are involved and that the customer could be the public at large, the overall differences in the respective marks are such that the average customer would not be likely to confuse the applicant’s marks with the opponent’s earlier registrations or believe that the goods or services emanated from the same undertaking. The opposition under Section 5(2)(b) fails.

Section 5(4)(a)

65. Next, the Section 5(4)(a) ground. Section 5(4)(a) of the Act states:

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

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

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.”

66. I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *WILD CHILD* case [1998] 14 RPC 455. In that decision Mr Hobbs states that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purpose of distinguishing the goods of interest to the applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.”

“A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

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

67. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matter of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been “acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed” the relevant date is therefore the date of the application for the mark in suit.

68. Earlier in this decision I found that the application in suit and the opponent's registrations were not confusable. Accordingly it is my view that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) therefore fails.

Section 5(3)

69. I turn to the grounds of opposition under Section 5(3) of the Act which states:

“5.(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.”

70. The term “earlier trade mark” is defined in Section 6 of the Act, which is set out earlier in this decision.

71. Earlier in this decision I found that the opponent had no significant reputation in the UK in its earlier trade marks and that the public would not confuse the respective marks. In the light of my earlier findings in relation to Section 5(2)(b), the Section 5(3) ground cannot succeed and it places the opponent in no stronger position. The opponent's evidence does not demonstrate that the relevant public would associate the respective marks.

Section 5(4)(b)

72. Finally, I turn to the opponent's claims that their trade marks are entitled to protection as well known marks under Article 6 of the Paris Convention and Section 56 of the 1994 Act.

73. Section 56 of the Act states:

"56.(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -

- (a) is a national of a Convention country, or

- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to Section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section."

74. On the evidence filed and in the light of my earlier findings in relation to Section 5(2)(b), the opponent cannot succeed on this ground. The opposition under Section 5(4)(b) must fail.





COSTS


75. The applicant is entitled to a contribution towards its costs and I order the opponent to pay the applicant the sum of £1200 which take into account the fact that no hearing took place on this case. This sum is 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 19th day of July 2004

**JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General**

ANNEX ONE

NUMBER	MARK	EFFECTIVE DATE	SPECIFICATION OF GOODS/SERVICES
UK Registration No. 1160682		4 September 1981	Class 9 – Telecommunications apparatus and parts thereof included in Class 9
UK Registration No. 1410410		11 December 1989	Class 42 – Consultancy services relating to telecommunications, included in Class 42
UK Registration No. 1548390		21 September 1993	Class 38 – Communication services; all included in Class 38
UK Registration No. 2062372	 BELL	21 March 1996	Class 9 – Telecommunication apparatus and instruments; parts and fittings therefore Class 38 – Communications services

<p>European Community Application No. 1141332</p>		<p>16 April 1999</p>	<p>Class 9 – Telecommunications installations, apparatus and equipment; telephones; telephone apparatus and equipment; smart cards, magnetically encoded telephone calling cards and SIM (Subscriber Identity Module) cards.</p> <p>Class 16 – Telephone directories and classified advertising directories; calling cards without magnetic coding.</p> <p>Class 35 – Clearing house services, namely, collection, exchange and settlement of roaming and billing information for wireless telecommunication carriers; advertising services for others, namely designing and placing advertising for others in classified directories.</p> <p>Class 38 – Telecommunications services; voice data, image and video communications transmission services (digital and analog); television broadcasting and entertainment services; providing communications access and gateway services to global computer networks for information, electronic mail and bulletin board services (internet); long distance telephone services; wireless roaming transmission services.</p> <p>Class 41 – Entertainment services; providing television and video entertainment;</p>
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			<p>production of television, video and website content.</p> <p>Class 42 – Provision of access to databases; rental and leasing of access and/or access time to databases; provision of online access and gateway services to computer networks; provision of online access and gateway services to the Internet; providing online multiple user access to computer information networks for dissemination of business, entertainment, education and consumer information on range of topics and classified directory information.</p>
European Community Registration No. 1141308	BELL	16 April 1999	<p>Class 9 – Telecommunications installations, apparatus and equipment; telephones; telephone apparatus and equipment; smart cards, magnetically encoded telephone calling cards and SIM (Subscriber Identity Module) cards.</p> <p>Class 16 – Telephone directories and classified advertising directories; calling cards without magnetic coding.</p> <p>Class 35 – Clearing house services, namely, collection, exchange and settlement of roaming and billing information for wireless telecommunication carriers; advertising services for others, namely designing and placing advertising for others in classified directories.</p>

		<p>Class 38 – Telecommunications services; voice data, image and video communications transmission services (digital and analog); television broadcasting and entertainment services; providing communications access and gateway services to global computer networks for information, electronic mail and bulletin board services (internet); long distance telephone services; wireless roaming transmission services.</p> <p>Class 41 – Entertainment services; providing television and video entertainment; production of television, video and website content.</p> <p>Class 42 – Provision of access to databases; rental and leasing of access and/or access time to databases; provision of online access and gateway services to computer networks; provision of online access and gateway services to the Internet; providing online multiple user access to computer information networks for dissemination of business, entertainment, education and consumer information on range of topics and classified directory information.</p>
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