

O-139-05

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2349700  
BY DANIEL REID  
TO REGISTER THE TRADE MARK:**

**RALTEX**

**IN CLASS 6**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 92404  
BY EAP METALS LTD, TRADING AS FSC STAINLESS & ALLOYS**

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### BACKGROUND

1) On 22 November 2003 Daniel Reid applied to register the trade mark **RALTEX** (the trade mark). The application was published for opposition purposes in the "Trade Marks Journal" on 9 January 2004 with the following specification:

*common metals and their alloys, lift doors and architraves, metal building materials, architectural metal work.*

The above goods are in class 6 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 8 April 2004 EAP Metals Ltd, trading as FSC Stainless & Alloys, which I will refer to as EAP, filed a notice of opposition. EAP states the following:

- It is the authorised agent in the United Kingdom for Rigidized Metals Corporation, which I will refer to as Rigidized. Rigidized is the owner of the following two United Kingdom trade mark registrations:

No 796526 of the trade mark **Rigid-Tex**, which is registered for the following goods:

*rigid embossed stainless steel sheets, but not including sheets for use as coverings for expansion joints in the surfacing of roads, paths and the like, or any goods of the same description as such sheets.*

No 1226523 of the trade mark **RIGID-TEX**, which is registered for the following goods:

*rigid sheets of non-ferrous common metal.*

The goods of both registrations are in class 6 of the Nice Agreement concerning the International Classification of Goods and Services for the

Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

- EAP states that it has sold RIGIDTEX metal sheets in the United Kingdom for about twenty years. It states that it has used the trade mark RALTEX since May 2003 in relation to the sales and marketing of RIGIDTEX metal sheets which have been coloured using the RAL CLASSIC range of colours.
- EAP states that the trade mark is exactly the same as its trade mark and that the respective goods are the same. Consequently, registration of the trade mark would be contrary to section 5(4)(a) of the Trade Marks Act 1994 (the Act).
- EAP states that the trade mark is derived from and similar to RIGIDTEX. The respective goods are similar. Use of the trade mark by Mr Reid is likely to deceive or cause confusion. Consequently, registration of the trade mark would be contrary to section 5(2)(b) of the Act.
- EAP seeks the refusal of the application and an award of costs.

3) Mr Reid filed a counterstatement, which is reproduced below:

“1 WE ARE NOT IN DISPUTE WITH RIGIDIZED METAL CORPORATION REGARDING THEIR REGISTERED TRADEMARK 796526 AND 1226523; NOR ARE WE APPLYING FOR THE ‘RIGIDTEX’ TRADEMARK. WE ADMIT A SIMILARITY WITH PART OF THE ‘RIGIDTEX’ MARK AS WE DO WITH ‘MALTEX’ A TRADE MARK OF J STONE LTD, LONDON AND VARIOUS OTHER MARKS WITH THE WORD ‘TEX’ OR ‘RAL’ INCLUDED.

2 FSC (STAINLESS AND ALLOYS) LTD WERE PLACED INTO MEMBERS VOLUNTARY LIQUIDATION IN JUNE 2003 AND SUBSEQUENTLY CREDITORS VOLUNTARY LIQUIDATION IN JUNE 2004 AND NO TRADEMARK OF RALTEX WAS REGISTERED OR APPEARED ON ANY BROCHURES OR SALES LITERATURE. THEREFORE, AS THE OPPONENT (EAP METALS LTD) IS A NEW START-UP BUSINESS IN ITS FIRST YEAR OF TRADING, THEIR CLAIM TO HAVE ANY LONG TERM TRADING IN RIGIDTEX OR RALTEX IS UNTRUE.

3 FINALLY, WE CANNOT UNDERSTAND THE OPPOSITIONS CASE OR CONCERNS IN VIEW OR THEIR LACK OF INTEREST TO REGISTER THE ‘RALTEX’ MARK THEMSELVES AND CAN FIND NO REASON TO WITHDRAW OUR APPLICATION.”

4) Only EAP filed evidence.

5) Both sides were advised that it was believed that a decision could be made without recourse to a hearing. However, the sides were advised that they retained their rights to a hearing. Neither side requested a hearing, nor filed any written submissions.

#### **EVIDENCE OF EAP**

6) This consists of a statutory declaration made by Edwin McLean. Mr McLean is a director of EAP, he has been employed by EAP since 1971.

7) EAP is a supplier of patterned and decorative metal sheets, it conducts this business under the name FSC Stainless & Alloys. EAP is an agent for Rigidized of the United States of America. Rigidized owns the trade mark RIGID-TEX, which is used in relation to the range of patterned metals which it manufactures. EAP markets and supplies this range of patterned metals in the United Kingdom. A Rigidized brochure is exhibited; it would appear to be for United States usage. There is no reference to EAP, the brochure bears a copyright date of 1995.

8) One of the main uses of patterned metals is in the cladding of lift interiors and the associated doors and architraves. Around March 2003 EAP held discussions with Butler & Young Associates, building construction consultants, for the supply of patterned stainless steel sheet which had been powder coated in a distinctive colour and then polished. The product would be more readily seen by people with impaired vision, thereby helping the clients of Butler & Young Associates, British Rail, to satisfy the requirements of disability discrimination legislation.

9) Mr McLean states that the colour selected for the powder coating was chosen from “the internationally recognised RAL range of standardised colours”. A page from the website ral.de is exhibited. This page was downloaded on 6 April 2004. The page includes the following:

“The 4-digit RAL Colours have been the standard of choosing colours for more than 70 years now.”

10) Mr McLean states that the trade mark RALTEX was devised from the combining of RAL and RIGID-TEX. It was devised as the name of the new product.

11) Mr McLean states that from March 2003 EAP has manufactured sample sheets of its RALTEX product at a cost of over £1,000. He states that small sample swatches have been incorporated in sample packs which have been distributed to consultants, architects and specifiers, who are responsible for specifying the products included in the design of construction projects, throughout the United Kingdom. He states that it is in the nature of these projects that any orders for RALTEX goods will take many months and possibly years to materialise. Exhibited at exhibit C is a copy of specimen labels for attaching to the reverse of RALTEX swatches; these have the name and address of FSC Stainless & Alloys Ltd, and refer to stainless steel 5000, pattern no 6WL and RALTEX. Further copies of labels are exhibited at exhibit D, on these RALTEX is written in by hand.

Exhibited at exhibit E is a photocopy of a swatch which bears a label on the reverse, upon which RALTEX is written by hand. Exhibited at exhibit F is a photocopy of specimen entries from a log of sales literature and samples packs sent to prospective architects, consultants and specifiers. The entries record a RAL chart being sent to Butler & Young Associates on 24 April 2003 and a powder sample sent to Kone Elevator on 29 April 2003. There is no reference to RALTEX in the entries. Further copies from this log are exhibited at exhibit G. The entries for 25 June 2003, for London Borough of Islington, and 7 July 2003, for ASC Motors Ltd, refer to RALTEX. Exhibited at exhibit H are further copies from this log; an entry for 2 June 2003, for Squire & Partners, refers to RALTEX.

12) Mr McLean states that in May 2003 EAP created various logos for RALTEX. Exhibited at exhibit I are photocopies of various logos for RALTEX. Also included at exhibit I is a copy of a business card bearing RALTEX. This is for Jamie Gilligan of FSC Stainless & Alloys Ltd. The card states that FSC Stainless & Alloys Ltd is the United Kingdom agent for Isolamin Lift wall panels. It is somewhat surprising to note that Mr Gilligan is the representative of Mr Reid in this case. Exhibited at exhibit J is a copy of an invoice from Kingsford Imaging for development, proofs and final artwork for the RALTEX logo. The invoice is dated 30 June 2003. The invoice is addressed to FSC Steels, which has the same address as EAP and FSC Stainless & Alloys.

13) Mr McLean exhibits at exhibit K part of a document from Butler & Young Lift Consultants Ltd. The extract relates to the construction of a lift car. It specifies that the front returns should be “316 grade ‘Raltex’ patterned stainless steel, colour & texture to be agreed”. Mr McLean states that this product has been supplied by EAP as follows:

July 2003	7 sheets	£1,260
December 2003	12 sheets	£2,160
April 2004	6 sheets	£1,080

14) Mr McLean states that sales of RALTEX to other customers is as follows:

August 2003	8 sheets	£1,528
February 2004	8 sheets	£992

Exhibited at exhibit L is a photograph of RALTEX fabricated into a shop counter front for a sandwich shop in the West Midlands.

## DECISION

### Likelihood of confusion – section 5(2)(b) of the Act

15) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

Section 6(1)(a) of the Act defines an earlier trade mark as:

“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”

16) The trade marks upon which EAP relies are earlier trade marks as defined in the Act. (EAP is not the owner of these trade marks, however, an opponent can rely upon the trade marks of others. There is no requirement that it is the owner, or licensee, of the trade marks upon which it relies.)

17) In determining the question 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] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG and Adidas Benelux BV* [2000] ETMR 723.

### Comparison of trade marks

18) The earlier trade marks are **Rigid-Tex** and **RIGID-TEX**, I do not consider that anything turns upon one being in block capitals. Mr Reid’s trade mark is **RALTEX**.

19) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG*). 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*). Consequently, I must not indulge in an artificial dissection of the trade marks, although taking into account any distinctive and dominant components. 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 and he/she is deemed to be reasonably well informed and reasonably circumspect and observant (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*). “The analysis of the similarity between the signs in question constitutes an essential

element of the global assessment of the likelihood of confusion. It must therefore, like that assessment, be done in relation to the perception of the relevant public” (the Court of First Instance (CFI) in *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02).

20) The goods of the earlier registration are *rigid embossed stainless steel sheets* and *rigid sheets of non-ferrous common metal*. These goods are not finished goods. They are goods that will be used to make other products. I consider the relevant public for these goods is almost certain to be in the trade and not the public at large and that their purchase will be the result of a careful and educated purchasing decision. The goods of the earlier registration cover a wider area: *common metals and their alloys, lift doors and architraves, metal building materials, architectural metal work*. However, they are still the types of goods that will involve a reasonably careful purchasing decision.

21) Both trade marks begin with the letter R and end with TEX, these elements are visually and phonetically identically. In the clothing and cloth trade TEX is commonly identified as meaning textile. However, there is no indication that in the metal trade that TEX has any conceptual meaning. Taking into account the nature of the goods, and the absence of any evidence to the contrary, I do not consider that TEX will have any conceptual meaning for the average consumer of the goods.

22) The word RIGID is a well-known dictionary word. It has a clear conceptual meaning, one which the hyphenation of the trade marks makes sure is not lost. This meaning creates a strong conceptual dissonance with the trade mark RALTEX. The well-known nature of the word RIGID means that the relevant public will have a clear recollection of the sound and appearance of this element of the earlier trade marks, it strengthens the phonetic and visual differences with the RAL element of RALTEX. The European Court of First Instance (CFI) in *Phillips-Van Heusen Corp v Pash Textilvertrieb und Einzelhandel GmbH* Case T-292/01 [2004] ETMR 60 held:

“54. Next, it must be held that the conceptual differences which distinguish the marks at issue are such as to counteract to a large extent the visual and aural similarities pointed out in paragraphs 49 and 51 above. For there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. In this case that is the position in relation to the word mark BASS, as has just been pointed out in the previous paragraph. Contrary to the findings of the Board of Appeal in paragraph 25 of the contested decision, that view is not invalidated by the fact that that word mark does not refer to any characteristic of the goods in respect of which the registration of the marks in question has been made. That fact does not prevent the relevant public from immediately grasping the meaning of that word mark. It is also irrelevant that, since the dice game Pasch is not generally known, it is not certain that the word mark PASH has, from the point of view of the relevant public, a clear and specific meaning in the sense referred to above. The fact that one of the marks at issue has such a meaning is sufficient - where the other mark does not have such a meaning

or only a totally different meaning - to counteract to a large extent the visual and aural similarities between the two marks.”

23) Mr Hobbs QC, sitting as the appointed person, in *Torremar* [2003] RPC 4 stated:

“At this point it is necessary to observe that marks which converge upon a particular mode or element of expression may or may not be found upon due consideration to be distinctively similar. The position varies according to the propensity of the particular mode or element of expression to be perceived, in the context of the marks as a whole, as origin specific (see, for example, *Wagamama Ltd v City Centre Restaurants Plc* [1995] FSR 713) or origin neutral (see, for example, *The European Ltd v The Economist Newspaper Ltd* [1988] FSR 283).”

In considering the respective trade marks I need to consider the effects of the differences as well as the similarities (see *Croom’s Trade Mark Application* [2005] RPC2).

24) I have no hesitation in this case in coming to the conclusion that the respective trade marks are not similar, indeed that they are distinctively dissimilar.

### **Conclusion**

25) The ECJ in *Vedial SA v Office for the Harmonization of the Internal Market (marks, designs and models)* (OHIM) C-106/03 P held:

“51 For the purposes of applying Article 8 (1)(b) of Regulation No 40/94, the likelihood of confusion presupposes both that the mark applied for and the earlier mark are identical or similar, and that the goods or services covered in the application for registration are identical or similar to those in respect of which the earlier mark is registered. Those conditions are cumulative (see to that effect, on the identical provisions of Article 4(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 22).

52 Contrary to Vedial’s claim, the Court of First Instance did not rely on the visual, aural and conceptual differences between the earlier mark and the mark applied for in deciding that there was no likelihood of confusion.

53 After making a comparative study, at paragraphs 48 to 59 of the judgment under appeal, of the two marks in the visual, aural and conceptual senses, the Court of First Instance concluded, as stated at paragraph 65 of the judgment, that the marks could in no way be regarded as identical or similar for the purposes of Article 8(1)(b) of Regulation No 40/94.

54 Having found that there was no similarity between the earlier mark and the mark applied for, the Court of First Instance correctly concluded that there was no



likelihood of confusion, whatever the reputation of the earlier mark and regardless of the degree of identity or similarity of the goods or services concerned.”

This judgment confirms the position of the CFI which stated:

“63. In those circumstances, it must be held that, even though there is identity and similarity between the goods covered by the conflicting marks, the visual, aural and conceptual differences between the signs constitute sufficient grounds for holding that there is no likelihood of confusion in the mind of the targeted public.

64. The finding by the Board of Appeal that the earlier mark is widely known in France and enjoys a definite reputation in that Member State (paragraphs 28 and 33 of the contested decision) consequently has no bearing on the application of Article 8(1)(b) of Regulation No 40/94 in this case.”

26) In his opinion in relation to the case Advocate General Ruiz-Jarabo dealt with the effects of the global appreciation where there was an absence of similarity of the signs:

“59. This claim is, at best, to no avail. From the moment that the Court of First Instance reached the conclusion, in paragraphs 48 to 59 of the judgment under appeal, that the signs were not similar to each other (as it categorically states in paragraph 65), there is neither the likelihood of confusion nor the likelihood of association to which the appellant refers. In the absence of such similarity, it is pointless to wonder whether the public would think that products identified by the new mark originate from an undertaking which is economically linked to the proprietor of the earlier mark. In addition, the judgment at first instance stated, also in paragraph 62, that, ‘Consequently, there is no risk that the targeted public might link the goods identified by each of the two marks which evoke different ideas’.

60. The second error is in paragraph 63, in which it is stated that, ‘even though there is identity and similarity between the goods covered by the conflicting marks, the visual, aural and conceptual differences between the signs constitute sufficient grounds for holding that there is no likelihood of confusion in the mind of the targeted public’, when, according to the appellant, the correct path would have been to take as a parameter the global assessment of the sign in question and to decide whether the identity or similarity are such that they may cause a likelihood of confusion.

61. This argument must be rejected, for reasons similar to those set out in respect of the first complaint: the Court of First Instance considered that the signs display no similarity and the appellant has not properly challenged on this premiss. Therefore, it is pointless to investigate the circumstances in which two different signs may give rise to a likelihood of confusion.

62. The third error which the appellant claims to discern in the judgment under appeal consists in the misapplication of the rule of interdependence. Vedral explains that, if the Court of Justice considered that the Court of First Instance observed a certain similarity, at least phonetic, between the signs, it should require it to regard that slight similarity as offset by the identity between the products and the strong distinctive character of the earlier mark, and to find that there was a likelihood of confusion.

63. This part of the plea is manifestly unfounded, since it starts from a false assumption, because the Court of First Instance never found the alleged phonetic similarity between the signs. Quite the contrary, it stated that those signs cannot be regarded as identical or similar (paragraph 65), a point which the appellant does not challenge. Consequently, this claim must be rejected.

64. Finally, Vedral complains that paragraph 62 of the judgment under appeal infringes the concept of likelihood of confusion by taking the relevant public to be those consumers likely to purchase the products identified and not all persons who might notice the mark.”

27) In this case the differences between the respective trade marks are such that no other factors will lead to there being a likelihood of confusion; factors such as: the reputation of the earlier trade marks (for which there is no evidence), the distinctiveness of the earlier trade marks, imperfect recollection or the proximity/identity of the goods.

**28) The ground of opposition under section 5(2)(b) of the Act is dismissed.**

#### **Section 5(4)(a) of the Act**

29) Section 5(4)(a) of the Act states:

“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,”

30) EAP has not specified the law of passing-off in its grounds of opposition. However, based upon its quotation of section 5(4)(a) of the Act and the reference to its use of RALTEX, I consider that it is clear that EAP is relying upon the law of passing-off. I intend to adopt the guidance given by Geoffrey Hobbs QC, sitting as the appointed person, in the *Wild Child case* [1998] RPC 455. In that decision Mr Hobbs stated that:

“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] R.P.C. 341 and *Erven*

Warnink BV v. J. Townend & Sons (Hull) Ltd [1979] A.C. 731 is (with 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 of 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.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.””

31) The first matter that I have to decide is the material date. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

So the material date cannot be after the date of the application. In this case there is no evidence of use of RALTEX by Mr Reid. So the material date in this case is the date of application, 22 November 2003. EAP needs to establish a protectable goodwill in relation to the sign RALTEX at this date.

32) Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to

reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

Professor Annand, sitting as the appointed person, in *Loaded* BL0/191/02, accepted that proof of goodwill could be accomplished by other means.

33) The evidence is limited. The seven sheets sold in July 2003 and the eight sheets sold in August 2003 are the only actual sales upon which EAP can rely. However, it is to be taken into account that samples under the name RALTEX were also circulated prior to the material date. EAP has also established that it commissioned the logo for RALTEX. The extract from the document exhibited at exhibit K shows the recognition of the name by Butler & Young Lift Consultants Ltd. There is no evidence to cast doubt upon the fact that EAP was conducting a business in relation to patterned stainless steel under the name RALTEX by the material date. The extent of the goodwill at the material date is clearly limited. However, the fact that the business in relation to use of RALTEX is limited does not mean that it is not protectable (see *Stacey v 2020 Communications* [1991] FSR 49, *Teleworks v Telework Group* [2002] RPC 27 and *Stannard v Reay* [1967] RPC 589). I have considered the comments of Jacob J in *Hart v Relentless Records Ltd* [2003] FSR 36 about goodwill of a trivial extent:

"In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see *per* Upjohn L.J. in *BALI Trade Mark* [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used "but had not acquired any significant reputation" (the trial judge's finding). Again that shows one is looking for more than a minimal reputation. Turning back to the present case, the minimal nature of the alleged goodwill reflects itself in a different way too - there is simply no damage. A few DJs thought the claimant company had put out the defendant's records. When they inquired they were disabused. Nothing more happened. There was a claim of financial loss in the pre-action correspondence and in Mr Hart's witness statement. That came completely to bits on cross-examination. Mr Fernando does not seek to rely upon it or indeed on any actual damage."

The evidence of EAP shows sales, if limited ones. It shows that swatches have been distributed bearing the sign RALTEX, it shows that it will be known to at least some

buyers of steel, it shows that a logo was commissioned for the sign. I consider that the use puts it above a mere trivial goodwill. I find that EAP had at the material date a protectable goodwill in relation to the sign RALTEX for patterned stainless steel.

34) The sign of EAP and that of Mr Reid are the same. The goods that EAP has supplied under the sign have been used for lifts. Taking into account the goods of the application and the identity of the sign and trade mark, I consider that there would be confusion or deception if Mr Reid were to use the trade mark.

35) Taking into account the identity of the sign and trade mark and the identity/high degree of similarity of the goods, I have no doubt that certain of the classic causes of damage would occur:

- Diverting trade from EAP to Mr Reid.
- Potentially injuring the trade reputation of EAP if there were any failings in the goods of Mr Reid.
- By the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business.

(See *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1)

**36) I find that use of the trade mark is liable to be prevented by virtue of the law of passing-off. The ground of opposition under section 5(4)(a) of the Act is upheld and the application is to be refused in its entirety.**

37) I have noted Mr Reid's comments in his counterstatement about the liquidation of FSC (Stainless and Alloys) Ltd. However, no evidence has been furnished in relation to this matter. It is also the case that the opponent is EAP. Consequently, the allegations in the counterstatement have not, and could not, affect the outcome of this opposition.

## **COSTS**

38) EAP Metals Ltd having been successful is entitled to a contribution towards its costs. In *Adrenalin Trade Mark*, BL 0/040/02, Simon Thorley QC, sitting as the appointed person, observed that:

“ It is correct to point out that the Registrar's practice on costs does not specifically relate to litigants in person but in my judgment it could not be that a litigant in person before the Trade Mark Registry could be placed in any more favourable position than a litigant in person before the High Court as governed by the CPR. The correct approach to making an award of costs in the case of a litigant in person is considered in CPR Part 48.6.”

Part 48.6 of the Civil Procedure Rules referred to in the above passage provides as follows:

“48.6—(1) This Rule applies where the court orders (whether by summary assessment or detailed assessment) that costs of a litigant in person are to be paid by any other person.

(2) The costs allowed under this Rule must not exceed, except in the case of a disbursement, two-thirds of the amount which would have been allowed if the litigant in person had been represented by a legal representative.”

EAP has not been professionally represented during the opposition and so its award of costs (with the exception of the opposition fee) will be reduced by one third.

**39) I order Daniel Reid to pay EAP Metals Ltd the sum of £700. 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 May 2005**

**David Landau  
For the Registrar  
the Comptroller-General**