

O-237-05

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2315342  
BY KEITH HOWARD TRADING AS BAYONET VENTURES  
TO REGISTER THE TRADE MARK:**



**IN CLASS 35**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 91585  
BY TERRA LYCOS INTANGIBLES, SA  
BASED UPON THE EARLIER TRADE MARK:**

**TERRA**

## Trade Marks Act 1994

**In the matter of application no 2315342  
by Keith Howard trading as Bayonet Ventures  
to register the trade mark:**



**in class 35  
and the opposition thereto  
under no 91585  
by Terra Lycos Intangibles, SA**

### BACKGROUND

1) On 8 November 2002 Keith Howard trading as Bayonet Ventures applied to register the trade mark:



The application was published for opposition purposes in the "Trade Marks Journal" on 29 January 2003 with the following specification:

*Advertising; auctioneering; the bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail store specialising in crockery, kitchenware, electrical equipment, furniture, IT equipment, stationery, software, telecommunications, equipment and white electrical goods.*

The above services are in class 35 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 25 March 2003 Terra Lycos Intangibles, SA, which I will refer to as Lycos, filed a notice of opposition to the registration of the application. Lycos stated that it was the owner of Community trade mark application no 2770840 for the trade mark **TERRA**. The application has now been registered for the following goods and services:

*printed publications, magazines and books;*

*publicity; business management; business administration; office functions.*

The above goods and services are in classes 16 and 35 respectively 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. The trade mark application was filed on 13 October 1999 and registered on 3 December 2004.

3) Lycos claims that the services of the registration are identical or similar to those of the application. It also contends that the respective trade marks are similar. Consequently, there is a likelihood of confusion and registration of the trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act).

4) Lycos seeks the refusal of the application and an award of costs.

5) Mr Howard filed a counterstatement. He states that the respective trade marks are immediately and clearly distinct as his trade mark includes the word TRADING and a “distinctive image i.e. a large, three-dimensional object, perhaps a cabinet, casting a visible shadow”. He states that there is not a single common word in the respective specifications. He claims that the respective services/goods are immediately and clearly distinct. Consequently, Mr Howard denies that there is a likelihood of confusion.

6) Mr Howard seeks the dismissal of the opposition and an award of costs. He states that Lycos failed to contact him before the filing of the opposition, contrary to the guidance notes for opposition proceedings before the registrar. Mr Howard also states that he telephoned Lycos’s London agents on two occasions but the agents have failed to ever communicate with him.

7) Neither side filed evidence. 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. Both sides stated that they were content for a decision to be made from the papers.

## **DECISION**

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

8) The registration upon which Lycos relies is now in the name of Terra Networks SA. There has been no request to change the opponent or any indication of the relationship between Lycos and the current recorded proprietors of the Community trade mark. Rule 13(1) of the Trade Mark Rules 2000 (as amended) states:

“ Any person may, within three months of the date on which the application was published, give notice to the registrar of opposition to the registration on Form TM7 which shall include a statement of the grounds of opposition.”

Consequently, there is no requirement for an opponent to own a prior right upon which it bases an opposition. The change of ownership, therefore, does not affect the opposition.

9) 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”

The earlier trade mark upon which Lycos relies is an earlier trade mark within the terms of section 6(1)(a) of the Act.

10) 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, *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 services**

11) In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(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 service;
- (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 practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (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.”

In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* the European Court of Justice held in relation to the assessment of the similarity of goods that the following factors, inter alia, should be taken into account: their nature, their intended purpose (the original incorrect translation of ‘Verwendungszweck’ in the English version of the judgment has now been corrected), their method of use and whether they are in competition with each other or are complementary. In relation to the terms used in specifications Jacob J, in *British Sugar Plc v James Robertson & Sons Limited*, stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). Although it dealt with a non-use issue, I consider that the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32 are also useful to bear in mind:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

In considering the cover of the services I take into account the comments of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16:

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

12) Lycos has only claimed that the services of the registration are similar to those of the application. The services of its application are:

*advertising; auctioneering; the bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail store specialising in crockery, kitchenware, electrical equipment, furniture, IT equipment, stationery, software, telecommunications, equipment and white electrical goods.*

The services of the earlier registration are:

*publicity; business management; business administration; office functions.*

In his counterstatement Mr Howard has stated that the two specifications use entirely different words and so the services are “immediately and clearly distinct”. If services are similar, rather than identical, it is inevitable that the wording of the services will be different. Synonyms mean that services can be identical without using the same wording. In this case, *publicity* and *advertising* are synonymous and, consequently, identical. In relation to the other services of the application, I cannot see how they coincide in any meaningful way on the basis of the criteria outlined above. Lycos has put in no argument as to why it considers the remaining services of the application are similar to those of its registration.

**13) I find that *advertising* of the application is identical to *publicity* of the earlier registration and that the remaining services are neither identical nor similar.**

#### **Comparison of trade marks**

14) The trade marks to be compared are:

**Earlier registration:**

**TERRA**

**Trade mark of Mr Howard:**

The logo for Terra Trading, featuring the words "Terra Trading" in a bold, sans-serif font. The word "Terra" is in a larger font size than "Trading". The logo is set against a dark, rectangular background.

15) 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” (Judgment of the Court of First Instance (CFI) in *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02 [2005] ETMR 22).

16) The services I need to consider in relation to the average consumer are those which are identical or similar; in this case *advertising* services. For these services the average consumer could be a large undertaking, advertising on television for instance, or the man or woman in the street, eg someone making use of classified advertisements or a sandwich board carrier. The former is likely to make a far more careful, educated and lengthy purchasing decision than the latter. However, the latter is likely to take some care in the purchasing decision; the advertiser will want to know where the advertisement will be seen and by whom. The preparation of an advertisement is also likely to take some effort. Consequently, I consider that the purchasing decision of the man or woman in the street will be reasonably careful and informed and most importantly keep the trade before him for some time. It is not like

popping into a stationer and picking up a cheap pen or pencil but neither, for the man or woman in the street, is it on a par with purchasing a car or computer.

17) Mr Howard, in his counterstatement, comments on the differences between the trade marks. There is a device element (image in Mr Howard's words) in the background, Mr Howard is not sure what this represents. I have scrutinised the trade mark for some time and cannot discern that it is a representation of any object. The average consumer is unlikely to spend time in an analysis of the trade mark. Trading is a word that is more an identifier of the nature of the business than an indicator of origin. In my view, it has little more impact than such words as international and company. In *José Alejandro SL v Office for Harmonization in the Internal Market (Trade Marks and Designs), Anheuser-Busch Inc Intervening* (Case T-129/01) [2004] ETMR 15 the CFI stated:

“The Court notes that the public will not generally consider a descriptive element forming part of a complex mark as the distinctive and dominant element of the overall impression conveyed by that mark.”

This is a view that the CFI has also upheld in *Koubi v OHIM – Flabesa (CONFORFLEX)* Case T-10/03, paragraph 60; *Grupo El Prado Cervera v OHIM – Debuschewitz (CHUFADIT)* Case T-117/02, paragraph 51. Terra is a Latin word meaning land and most commonly known in English for its occurrence in terra firma. It does not have any meaning in relation to the services and appears distinctive for the services and is the distinctive and dominant component of the trade mark.

18) Terra in Mr Howard's trade mark is in title case and in upper case in the earlier trade mark but I do not consider that anything turns upon this. To all intents and purposes Terra in the application is identical to TERRA of the earlier trade mark. These components are conceptually and aurally identical. In viewing this component the average consumer will be viewing a word; it is the word, its sound and meaning that are key to the memory and perception. I consider, therefore, that the terra elements of the two trade marks will be perceived as visually similar. The CFI has held recently that “in general terms, that two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more relevant aspects” (*Faber Chimica Srl v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-211/03). This approach has appeared in other recent judgments of the CFI. This issue was dealt with by Richard Arnold QC, sitting as the appointed person, in *Buffalo Creek* BL O/169/05. Having surveyed the case law Mr Arnold came to the following conclusion (at paragraph 37):

“The conclusion I draw from this review of the case law is that there are no special rules to be applied when comparing a composite mark which includes an earlier mark with the earlier mark. The principles laid down in *SABEL*, *Canon*, *Lloyd* and *Marca Mode* remain the applicable principles. In particular, the tribunal must consider the overall impression given by each mark as a whole bearing in mind its distinctive and dominant components. In some cases the overall impression given by a composite mark may be dominated by one component of that mark.”

In comparing the trade marks I start on the basis of that set out by Mr Arnold, and that of the CFI in relation to non-distinctive elements of trade marks. Geoffrey Hobbs QC, sitting as the appointed person, stated in *Torremar* [2003] RPC 4:

“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* [1998] FSR 283).”

The device element and the word Trading are alien to the earlier trade mark. However, the respective trade marks converge upon the distinctive and dominant element of Mr Howard’s trade mark. 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). I consider that the differences are not such that they will have any great impact upon the average consumer. I am of the view that the respective trade marks are distinctively similar, indeed that they are similar to a high degree.

**19) I find that the respective trade marks are similar to a high degree.**

### **Conclusion**

20) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In this case I have found that *advertising* and *publicity* are identical. However, I have also found that the respective trade marks are highly similar. It is necessary to consider the distinctive character of the earlier trade mark, the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (CFI Case T-79/00 *Rewe Zentral v OHIM (LITE)* [2002] ETMR 91). In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, the judgment of 4 May 1999 of the ECJ in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ETMR 585). As I have stated above I consider that TERRA is distinctive for the services of the earlier trade mark, indeed it strikes me as being highly distinctive. The imperfect recollection of the consumer needs to be taken into account. In this case I consider that little turns upon imperfect recollection as the trade marks are so similar. Even if the consumer was indulging in the highly unlikely activity of directly comparing the trade marks, I consider that he or she



would think that they indicated services emanating from the same undertaking. I have no hesitation in coming to the conclusion that in relation to *advertising* there is a likelihood of confusion. To succeed under section 5(2)(b) of the Act the services have to be similar or identical; that is what the European Directive states, it is what the Act states. It is what is pointed out in *Sabel BV v Puma AG* [1998] RPC 199:

“it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if by reason of the identity or similarity both of the marks and of the goods or services which they designate, “there exists a likelihood of confusion on the part of the public.”

I have decided that the remaining services are not similar or identical. As I have indicated above I cannot see where they coincide according to the criteria set out by the case law; this position is reinforced when taking into account Jacob J’s comments in *Avnet Incorporated v Isoact Ltd*. The opposition must, therefore, fail in relation to the other services.

**21) I find that there is a likelihood of confusion in relation to advertising. Mr Howard should file, within one month of the expiry of the appeal period from this decision, a form TM21 (available on the Patent Office website) to amend the specification so that *advertising* is deleted. If form TM21 is not filed within the period set the application will be refused in its entirety. (If an appeal is filed the period for filing form TM21 will be one month from the final determination of the case, if the appeal is unsuccessful.)**

## **COSTS**

22) In *Adrenalin Trade Mark*, BL O/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.”

Mr Howard has not been professionally represented during the opposition and so any award to him will be reduced by one third.

23) The specification of the application effectively falls into three parts: advertising, auctioneering and what is a retail service. So, Lycos can be considered to have been successful in a third of its case and Mr Howard in two thirds of his. I take note of the fact that Lycos did not give notice of intention to oppose. In these circumstances I consider that Mr Howard should get his full award of costs as per the scale (subject to the one third reduction).

**24) I order Terra Lycos Intangibles, SA to pay Mr Keith Howard the sum of £333. 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 30<sup>th</sup> day of August 2005**

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