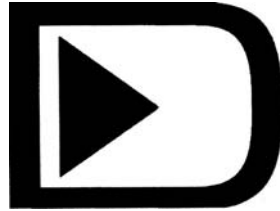


O-065-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2294911
BY DAMOVO GROUP S.A.
TO REGISTER THE TRADE MARK**

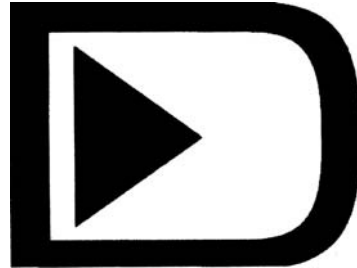


IN CLASSES 9, 37, 38 & 42

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 92518
BY ANALOG DEVICES INC.**

BACKGROUND

1) On 7 March 2002, Damovo Group S.A., of 3 Boulevard du Prince Henri, Luxembourg, L-1724, Luxembourg applied under the Trade Marks Act 1994 for registration of the following trade mark:



International priority claimed: 7 September 2001(Office for Harmonization in the Internal Market)

2) In respect of the following goods:

In Class 9: “Telecommunications and communications apparatus, instruments, systems and installations; mobile, wireless, cellular, electronic and optical telecommunications and communications apparatus and instruments; test instruments and installations; circuit switched and IP enabled telecommunication and communication apparatus, instruments and installations; apparatus and instruments for voice, data and/or video communications; apparatus and instruments for storing and/or transmitting voice, data, video, facsimile and/or text messages; telephone apparatus, instruments, systems and installations; data processing apparatus; message handling and switching apparatus, instruments and installations; switching, routing and metering apparatus for telecommunications systems; parts and fittings for all the aforesaid goods; computer software for use in connection with any of the aforesaid goods; computer software and computer systems for use in managing the operations of call centres; computer software for metering and/or charging usage of telecommunications systems; computer software for use in the statistical analysis and optimisation of telecommunications systems usage.”.

In Class 37: “Installation, maintenance and repair of telecommunications apparatus, instruments, systems and installations; consultancy service relating to the aforesaid.”.

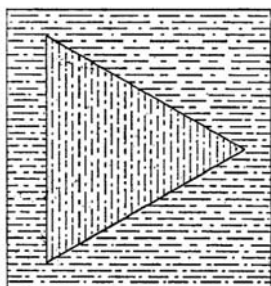
In Class 38: “Telecommunication and communication services; mobile and radio telecommunications services; provision of voice, data, video and/or text communication services; provision of call management information systems; consultancy services in relation to the use of telecommunications systems; providing contact centre services; providing voice portal services; leasing or providing access time to websites and bulletin boards; provision of communications facilities and managed communications services.”.

In Class 42: “Design of telecommunications systems and installations; design of computer and telecommunications networks and installations; design of computer software for use with telecommunications apparatus, instruments and

systems; rental of computers and of computer software; updating of computer software; leasing or providing access time to computer databases and home pages; computer consultancy services; computer programming; provision of computer services; advisory and consultancy service relating to all of the aforesaid.”.

3) On 26 May 2004 Analog Devices Inc. of One Technology Way, Norwood, Massachusetts, 02062, USA filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade mark:

Mark	Number	Effective date	Class	Specification
	954188	26.01.70	9	Incapsulated electronic modules, amplifiers; power supply units and active filter assemblies, all included in Class 9; and analog-to-digital and digital-to-analog converters.

b) The opponent claims that the goods and services are identical and/or similar and that the marks are confusingly similar. The opponent also claims to have used its mark in the UK in respect of all the goods registered. The mark therefore offends against Section 5(2)(b) and 5(3) of the Trade Marks Act 1994.

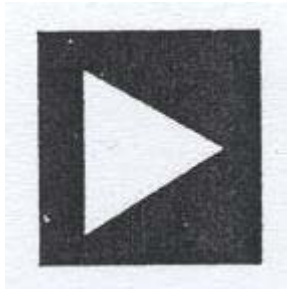
c) The opponent also claims to have made use of another device mark since 1971 on a variety of goods which will be clarified in the opponent’s evidence. The mark in suit therefore offends against Section 5(4)(a) of the Trade Marks Act.

4) The applicant subsequently filed a counterstatement denying the opponent’s claims and also puts the opponent to proof of use.

5) Only the opponent filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 7 November 2006 when the opponent was represented by Mr Edenborough of Counsel instructed by Messrs Venner Shipley and the applicant was represented by Mr Manaton of Messrs Bromhead Johnson.

OPPONENT’S EVIDENCE

6) The opponent filed five witness statements. The first, dated 2 March 2006, is by Clare Angood of Analog Devices Inc. (UK) which she states is the European Sales and Distribution arm of the opponent company. Ms Angood is the European Marketing Programme Manager. She states that her company has provided semi-conductor products and related services in the UK “for many years”. She states that the company has used the “Triangle Logo” shown below in the UK since 1966, “as an indication of the origin of products and services provided by the company”.



7) I note from the exhibits provided that the opponent usually uses the triangle logo in conjunction with its name as shown below:



8) Ms Angood states that her company has advertised its products and services in a number of trade magazines and press releases “for many years and certainly prior to, and since, 2001”. She states that for many years there have been between 6-8 press releases per month. She claims that the company and the triangle logo have been the subject of press articles over this time although no records exist prior to 2004. At exhibit CA001 she provides a copy of press coverage in Europe. She states that none of the articles displayed the triangle logo but the products to which they refer did, and still do, bear the logo. However, there are no photographs of products to corroborate this assertion. Later exhibits which have photographs of the products show that they have both the device and company name on them. At exhibit CA002 she provides a copy of an article dated November 2002 from *Electronics Express* which shows the triangle logo alongside the company name in an article. At exhibit CA003 she provides a copy of the company’s current advertising campaign. This shows the name of the company and the triangle logo at the foot of the advertisement. Also within the advertisement there are a number of illustrations of switches, computer screens and remote controls. These have between one and four triangles or arrows and the one pointing to the right is framed in a coloured box. I do not consider this use of the triangle logo simpliciter.

9) The second witness statement, dated 2 March 2006, is by David Spragg the marketing Director of Arrow Electronics (UK) Ltd, a position he has held for over 10 years. He states that his company is part of a major global provider of products, services and solutions to the electronic component and computer product industries. He states that his company has distributed and sold the opponent’s products bearing the triangle logo from Jan 1991 to date. At exhibit 1 he provides copies of his company’s magazine “Arrow Designs” which includes, amongst a number of other company names and logos, the opponent’s name and triangle logo. Mr Spragg provides his opinion that the opponent’s logo is widely known and recognised in the industry.

10) The third witness statement, dated 8 March 2006, is by Christian Bangert the Manager of Technical Marketing of Silica which is an operating division of Avnet

Company in Germany. He states that his company is a major global provider of products, services and solutions to the electronic component and computer product industries. He states that his company has sold the opponent's products bearing the triangle logo in the UK since September 1999. He states that between September 2000 and December 2001 1,114,443 products bearing the triangle logo were sold by his company in the UK. He states that his company has attended trade fairs in the UK and has advertised products bearing the triangle logo, although records regarding this have not been retained by his company. Mr Bangert provides his opinion that the opponent's logo is widely known and recognised in the industry.

11) The fourth witness statement, dated 18 March 2006, is by Warwick Adams the Managing Director of Tioga Limited. He states that his company has substantial expertise in most areas of electronics with telecommunications, audio/visual and gaming products being specialities. He states that his company has purchased the opponent's products bearing the triangle logo since 1996. He states that "the products include processors, amplifiers, precision reference devices, power supply controllers, A/D's and D/A's, video decoders, ADSP's etc". He states that over 250 different parts and over 10,000 pieces bearing the triangle logo have been purchased since 1996. Mr Adams provides his opinion that the opponent's logo is widely known and recognised in the industry.

12) The fifth witness statement, dated 2 March 2006, is by Margaret Seif the Vice President, General Counsel and Secretary of Analog Devices Inc. She states that the opponent provides semi-conductor products and related services to over sixty thousand customers world-wide. She claims that her company is a world leader in the design, manufacture and marketing of high performance analogue, mixed signal and digital signal processing integrated circuits. She states that her company has used the triangle logo in the UK since 1966 as an indication of the origin of products and services provided her company. She provides turnover figures for goods and services in the UK and also advertising expenditure in the UK as follows:

Year	UK Turnover US \$ million	UK Advertising US\$ million	Worldwide Sales US\$ million	Worldwide advertising US\$ million
1996	50.8	0.1	1,207	11.9
1997	62.7	0.2	1,257	12.6
1998	65.2	2.2	1,228	16.3
1999	68.1	2.8	1,416	19.2
2000	87.4	3.9	2,616	25.1
2001	98.8	3.5	2,256	19.9
2002	49.0	4.3	1,649	19.3
2003	43.5	5.6	2,043	25.7
2004	40.6	5.7	2,671	27.6

13) Ms Seif states that the opponent has produced and distributed brochures, publications, bulletins, advertisements and promotional giveaways, bearing the triangle logo in the UK "for many years". She provides a number of exhibits of such material and confirms that it was distributed in the UK either as advertising or marketing material or as information or support relating to the company's products. She also states that where dates are not obvious on the exhibits the product code can

be used and she provides an example of how the information should be interpreted. I have used this in order to date the exhibits. The exhibits show the following:

- MS 001& 002: These provide a history of the opponent company, with photographic evidence of use of the logo from 1965-1995. The whole of this exhibit is dated prior to the relevant period. There are a few instances of use of the logo simpliciter on items such as accelerometers, RF mixers, linear regulators, multipliers and amplifiers.
- MS 003 & 004: Copies of the covers of the company magazine called “Analog Dialogue” from 1969-1979 and 1984 respectively. All show use of the triangle logo alongside the company name.
- MS 005: Copies of pages from product information binders dated 1982 – 2000. All show use of the triangle logo alongside the company name, with two exceptions. The logo simpliciter is used on a 14-Bit DAC and a buffered multiplying DAC. However, these both appear to be dated from 1987.
- MS 006-014: Copies of various pages from manuals and guides to electronic equipment published between 1989 and 2004. All show use of the triangle logo alongside the company name, with the following exceptions: MS007 shows use of the logo simpliciter in 1989 and at MS013 there are two examples of such use, one in February 1998 on an “Anycap” LDO and in February 2004 on a JFET amplifier.
- MS 015-016: Copies of parts of magazines, *Electronics Weekly* (Sept 2004) and *New Electronics* (June 2005). These show large advertisements for the opponent which includes the triangle logo alongside the company name. However, both are after the relevant date.
- MS 017: Copies of news releases sent out by the opponent, two dated 1999 and two dated 2005. All show use of the triangle logo alongside the company name.
- MS 018: Copies of awards from *Electronics Weekly*, dated 2001 -2005, which show part of the origin advertisement and state “In recognition of the Advertisement that achieved outstanding readership response. As measured against all other ads appearing in Electronics Weekly”. The advertisement shows use of the triangle logo alongside the company name.
- MS 019: Copies of two product boxes (undated) which show use of the triangle logo alongside the company name.
- MS 020: Copies of various stationery and promotional items (all undated) which show use of the triangle logo alongside the company name.
- MS 021: Copies of trade mark registrations from around the world showing that the opponent has registered both the triangle logo *simpliciter*, and the triangle logo alongside the company name in a variety of countries.

14) That concludes my review of the evidence. I now turn to the decision.

DECISION

15) The first ground of opposition is under section 5(2)(b) which reads:

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

(a)....

(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.”

16) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“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.”

17) The opponent is relying upon its UK trade mark No.954188 which has an effective date of 26 January 1970 and is clearly an earlier trade mark.

18) The opposition was filed on 26 May 2004. I must therefore consider the position under The Trade Marks (Proof of Use, etc.) Regulations 2004, paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.



(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

19) In the instant case the publication date of the application was 27 February 2004. Therefore, the relevant period for the proof of use is 28 February 1999 – 27 February 2004. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the mark has been made.

20) The opponent has shown use of a triangle mark both with and without the words “ANALOG DEVICES”. The opponent’s registered mark and the triangle mark which has been used are reproduced below:

Registered mark	Mark as used
	

21) The applicant accepted at the hearing that with regard to the registered mark “clearly what was intended was to show some kind of contrast between the two elements”. In his skeleton argument Mr Manaton accepts that “on a generous view” the mark as registered is probably meant to be the mark as used. I am therefore willing to accept that the mark as used is the mark as registered.

22) I now move on to consider the actual use of the mark. The opponent has shown some, albeit limited, use of its triangle device mark simpliciter on components. However, all such use occurred before the relevant date as set out in paragraph 19 above with a single exception. At exhibit MS013 there is a single example, dated February 2004, of the triangle device simpliciter being used. In all other instances within the relevant period the opponent has used the following trade mark:



23) I must therefore determine whether use of the mark above falls within the proviso of Section 46(2) which allows use of a mark “..in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered.”. In the recent case of *Biba + Pariscop Daud GmbH v Hachhel International Foundation* BL O/347/06 the Hearing Officer set out the relevant law as follows:

“53. ...In the judgement of the Court of Appeal in *Bud and Budweiser Budbrau Trade Marks* [2003] RPC 25, Sir Martin Nourse put the position as follows:

“10 It will have been observed that Mr Salthouse, without discussion, assumed that the average consumer's reaction was of paramount importance. For that he was criticised by the judge, on the ground that what is required is a determination of the elements that make up the distinctive character of the mark, being a matter which is to be viewed through the eyes of the registrar in assessing whether or not the mark should be registered. There was a debate before us as to whether the matter should be viewed through the eyes of the registrar or through the eyes of the average consumer. I agree with the approach of the judge so far as it goes. But it appears that he may not have given adequate weight to the consideration that the registrar, in assessing the distinctiveness of the mark, would necessarily have to view the matter through the eyes of the average consumer. Indeed, Mr Bloch Q.C., for AB, did not deny that the average consumer had a role to play. While emphasising that the registrar is required to carry out an exercise which the average consumer does not carry out, he accepted that, in assessing the distinctive character of a mark, she has to have regard to the way in which it would be perceived by the average consumer.

11 The judge also criticised Mr Salthouse for having sought to ascertain what was the central message of the mark. For myself, I do not think that that was what Mr Salthouse did. Paraphrasing somewhat, I understand him to have said that the distinctive feature of the mark was the words Budweiser Budbräu and that the different fonts and the underlining of the word Budbräu

did not detract from, or add anything to, that distinctive feature. On that view of the matter Mr Salthouse was doing precisely what s.46(2) required him to do.

12 Mr Bloch accepted that, in relation to a particular mark, it is possible, as Mr Salthouse put it, for the words to speak louder than the device. However, he said that it does not necessarily follow that the entire distinctive character of the mark lies in the words alone. That too is correct. But there is yet another possibility. A mark may have recognisable elements other than the words themselves which are nevertheless not significant enough to be part of its distinctive character; or, to put it the other way round, the words have a dominance which reduces to insignificance the other recognisable elements. In my judgment, on a careful reading of Mr Salthouse's decision, it was into that category that he put the Budweiser Budbräu mark.”

54. The position, therefore, is that in assessing the distinctiveness of the mark as registered, the Registrar will necessarily have to view the matter through the eyes of the average consumer, and taking into account the dominance of the elements, must decide whether the differences in the used version of the mark detract from, or add anything to the distinctive character.

55. In the decision in *New Covent Garden Soup Company Ltd v Covent Garden Authority* BL O/312/05, the Hearing Officer considered whether use of a composite mark incorporating the words NEW COVENT GARDEN SOUP CO constituted use of the words alone. The composite mark is as follows:



56. Determining that the average consumer of the relevant goods, in this case soup, would regard the mark as a single, composite trade mark differing in elements to the words alone, he first contrasted the position in this case with that of the *Bud* case:

“24. In the *Bud* case, the application of s46(2) came into issue because certain features of the registered marks had been omitted from the marks used. The omission of a part of a registered mark inevitably gives rise to doubt as to whether the distinctive character of the registered mark has been retained when only some elements of it have been used.”

57. He then went on to pose the question of whether the addition of the other elements altered the distinctive character of the mark in the form in which it is registered:

“25. However, the main area of doubt with regard to the use of the composite mark arises in a rather different context in which the whole of the registered

mark has been used a) in form which differs from that in which it is registered...and b) with other elements added to it to form the composite mark.

26. ...It is possible for the addition of elements to alter the distinctive character of a mark. For example, I do not think that the mark JAMES has the same distinctive character as the mark JAMES & JOHNSON. But in this case I believe that the average consumer of soups would regard the words NEW COVENT GARDEN SOUP CO as having an independent distinctive role within the composite mark. These words have the same distinctive character when they are used as a part of the composite mark as they do when used alone. On that view of the matter, the use of the words as part of the composite mark shown above falls squarely within s46(2).”

58. The Hearing Officer found support for his conclusions in Case C-353/03, *Société des Produits Nestlé SA v Mars UK Ltd*, In this the ECJ had been asked to make a preliminary ruling on the meaning of Article 3(3) of the Directive, which is the basis for the proviso to section 3(1) of the Act. This allows for registration of a trade mark that lacks the necessary (inherent) distinctive character if it has acquired such a character through use. The referring court’s question was whether such a character could be gained as a result of the use of a trade mark in conjunction with, or as a part of, another trade mark. The ECJ’s answer was that it could. Accepting that this did not necessarily mean it is possible to sustain a trade mark registration through use of that mark as a part of another mark, at paragraph 28 he stated that he considered there to be “a certain logic in the proposition that if it is possible for a mark to acquire its own distinctive character as a result of its use as part of another mark, then it should also be possible for it to retain that distinctive character, even though it is always used with the other elements of the composite mark.” He considered this to have been the view of the Advocate General Kokott, who in paragraph 24 of her opinion in the *Nestlé* case stated:

“Structurally it would surely be wrong to recognise use for the acquisition of distinctive character but not to allow it to suffice in order to prevent loss of trade mark protection. Indeed, it is not precluded that use of a mark as part of another mark may also suffice in the context of Article 10. Under Article 10(2)(a) it also constitutes use if the trade mark is used in a form differing in elements which do not alter the distinctive character of the mark in the form in which it is registered. Use of a sign as part of a principal mark also comes within that definition.”

59. To my mind the combined effect of *Bud* and *Nestlé* means that having assessed the distinctiveness of the used mark, I must decide whether any differences in the used form detract from, or add anything to the distinctive character of the mark as registered, both inherent and in the likely perception of the consumer of the goods in question. I must also take account of the contribution that it makes as an element of the composite mark.

60. In the *Bud* case, Sir Martin Nourse accepted that in a composite mark it is possible for “words to speak louder than a device” but that it did not necessarily

follow that the entire distinctive character of the mark rested in the words alone. He went on to say that it is also possible for the words to have “a dominance which reduces to insignificance the other recognisable elements.” Neither the Hearing Officer in *New Covent Garden Soup Co*, or the ECJ in *Nestle* made any suggestion that for the use of one mark as part of another to be taken as sufficient to allow the acquisition of a distinctive character, the elements other than that mark must be devoid of distinctive character. I take the view that this is because the question is not one of balancing the distinctiveness of the component parts, but of determining whether an element used within a composite mark is in a form which does not alter the distinctive character of the registered version, and has a prominence so as to have been the significant contributor to what makes the composite mark work as a badge of origin.

61. Whether or not a graphical element in a composite mark is of itself distinctive, if the word element is distinctive and prominent, (although not necessarily dominant), the consumer will come to know the mark by the words to the extent that if they were used independent of any other matter, they will function as a badge of origin. The more distinctive the words, the stronger will be their capacity to function as a trade mark independent of the graphical elements. In effect, it is the words that make the mark distinctive in the minds of the consumer, and provided the word(s) as used, and the word(s) forming a registered mark do not differ in their distinctive make-up, I would agree with the Hearing Officer that it would seem logical to accept such use as falling within the provisions of Section 46(2).

62. The nature of the graphical element and the manner in which it is used may also have a bearing. A graphical element that a trade mark practitioner considers to be distinctive may be no more than a fancy design in the perception of a consumer used to seeing embellishments on the goods, labels or packaging of the relevant goods.

24) At the hearing Mr Edenborough invited me to presume that the opponent had continued use of the triangle device mark on its own after the relevant date just as it had shown in its evidence that it had used its mark prior to the relevant date. In the event that I felt that I could not make such a presumption he contended that the opponent had indeed shown use of the triangle device mark during and after the relevant date on a range of goods albeit with a version of the company name alongside it. He invited me to consider that what was described as a composite mark by the applicant was in fact two distinct marks simply being used alongside each other.

25) The mark which includes the company name is not, Mr Edenborough contends, a composite mark but the mark as originally registered and in addition the company name minus the “INC” element. Whilst considering the evidence of use supplied by the opponent it seemed to me that in recent years the opponent had sought wherever possible to use both its name and the triangle device on its goods and literature. However, some of the items are so small that it is only possible to use the device mark simpliciter. Therefore, I am willing to accept that on the balance of probabilities the opponent has continued during the relevant period to use the triangle mark on very small components whilst utilising both the triangle device and company name on slightly larger components.

26) Mr Edenborough also contended that having used the triangle device simpliciter for many years the average consumer had grown accustomed to seeing the device element as an indicator of the origin of the product. When, at a later date, the company name was added this did not affect the manner in which the original trade mark was viewed. I accept this contention. In considering this issue the average consumer was accepted by both parties at the hearing as being the general public, rather than a more specialised group such as manufacturers of products which include transistors etc as the more restricted the group the more advantageous it would be to the opponent. The applicant referred me to the case of *Viacom International Inc v. Nottingham Group Limited* (BL O/474/01) [Arnold]. In this case the Appointed Person upheld a decision that the mark NES ARNOLD was materially different to ARNOLD and so use of the former did not constitute use of the latter. To my mind this case does not differ in its interpretation of the law to those cases shown above.

27) I accept the adage that “words speak louder than devices”, but in the instant case the words are the name of the company. Therefore, whilst the name is the only part capable of being pronounced, the triangle device retains enough prominence to function as a badge of origin. Its continued use on its own on components would reinforce the message to consumers. Having determined that the “composite” mark falls within the proviso of Section 46(2) I must now consider the use made of the mark. The issue is whether the opponent has made genuine use of its mark. The issue of genuine use was considered in the judgement in Case C40/01 *Ansul BV v Ajax Brandbeveiliging BV* where the European Court of Justice, on 11 March 2003, stated at paragraphs 35-42:

“35. Next, as Ansul argued, the eighth recital in the preamble to the Directive states that trade marks ‘must actually be used, or, if not used, be subject to revocation’. ‘Genuine use’ therefore means actual use of the mark. That approach is confirmed, *inter alia*, by the Dutch version of the Directive, which uses in the eighth recital the words ‘werkelijk wordt gebruikt’, and by other language versions such as the Spanish (‘uso efectivo’), Italian (‘uso effettivo’) and English (‘genuine use’).

36. ‘Genuine use’ must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of origin of goods or services to the consumer or the end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that ‘genuine use’ of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability *viv-a-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations for by the

undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or services at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or services concerned on the corresponding market.

40. Use of the mark may also in certain circumstances be genuine for goods in respect of which it is registered that were sold at one time but are no longer available.

41. That applies, *inter alia*, where the proprietor of the trade mark under which such goods were put on the market sells parts which are integral to the make-up or structure of the goods previously sold, and for which he makes actual use of the same mark under the conditions described in paras [35] to [39] of this judgement. Since the parts are integral to those goods and are sold under the same mark, genuine use of the mark for those parts must be considered to relate to the goods previously sold and to serve to preserve the proprietor's rights in respect of those goods.

42. The same may be true where the trade mark proprietor makes actual use of the mark, under the same conditions, for goods and services, which, though not integral to the make-up or structure of the goods previously sold, are directly related to those goods and intended to meet the needs of customers of those goods. That may apply to after-sales services, such as the sale of accessories or related parts, or the supply of maintenance and repair services.”

28) The opponent has provided evidence of substantial sales under the combined marks and also considerable expenditure on promotional materials. The opponent 's mark is registered for the following specification:

“Incapsulated electronic modules, amplifiers; power supply units and active filter assemblies, all included in Class 9; and analog-to-digital and digital-to-analog converters.”

29) Whilst I accept that the opponent could have particularised its evidence more thoroughly the statements of Ms Seif, in particular, have not been challenged. In my view the opponent has shown use of the mark as registered on all of the above and so

the full specification will be used in the global assessment of the marks of the two parties.

30) 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] 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 and Adidas Benelux B.V.* [2000] E.T.M.R 723.

31) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods or services which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods and services, the category of goods and services in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods and services covered within the respective specifications.

32) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

33) I also have to consider whether the mark that the opponent is relying upon has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The mark as registered has a degree of inherent distinctiveness. The device mark does not appear to signify anything in relation to the goods included in the specification. The mark has been used in conjunction with the name of the company and sales in the UK have been significant. The amount spent on advertising in the UK is also substantial. Even if I were to accept the contention of the applicant that the dominant feature of the combined/conjoined mark is the company name, there must be some overspill of reputation which would reside in the triangle device element, although I do not believe that the opponent has shown enough evidence of reputation in the triangle device mark simpliciter for the opponent to benefit from an enhanced level of protection due to reputation.

34) I shall first consider the specifications of both parties. For ease of reference these are as follows:

Applicant's specification	Opponent's specification
<p>In Class 9: "Telecommunications and communications apparatus, instruments, systems and installations; mobile, wireless, cellular, electronic and optical telecommunications and communications apparatus and instruments; test instruments and installations; circuit switched and IP enabled telecommunication and communication apparatus, instruments and installations; apparatus and instruments for voice, data and/or video communications; apparatus and instruments for storing and/or transmitting voice, data, video, facsimile and/or text messages; telephone apparatus, instruments, systems and installations; data processing apparatus; message handling and switching apparatus, instruments and installations; switching, routing and metering apparatus for telecommunications systems; parts and fittings for all the aforesaid goods; computer software for use in connection with any of the aforesaid goods; computer software and computer systems for use in managing the operations of call centres; computer software for metering and/or charging usage of telecommunications systems; computer software for use in the statistical analysis and optimisation of telecommunications systems usage."</p>	<p>In Class 9: Incapsulated electronic modules, amplifiers; power supply units and active filter assemblies, all included in Class 9; and analog-to-digital and digital-to-analog converters.</p>
<p>In Class 37: "Installation, maintenance and repair of telecommunications apparatus, instruments, systems and installations; consultancy service relating to the aforesaid."</p>	
<p>In Class 38: "Telecommunication and communication services; mobile and radio telecommunications services; provision of voice, data, video and/or text communication services; provision of call management information systems; consultancy services in relation to the use of telecommunications systems; providing contact centre services; providing voice portal services; leasing or</p>	

providing access time to websites and bulletin boards; provision of communications facilities and managed communications services.”	
In Class 42: “Design of telecommunications systems and installations; design of computer and telecommunications networks and installations; design of computer software for use with telecommunications apparatus, instruments and systems; rental of computers and of computer software; updating of computer software; leasing or providing access time to computer databases and home pages; computer consultancy services; computer programming; provision of computer services; advisory and consultancy service relating to all of the aforesaid.”	

35) In carrying out the comparison of the specifications of the two parties I take into account the factors referred to in the opinion of the Advocate General in *Canon* [1999] ETMR 1. In its judgement, the ECJ stated at page 6 paragraph 23:

“23. In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, intended purpose and their method of use and whether they are in competition with each other or are complementary.”

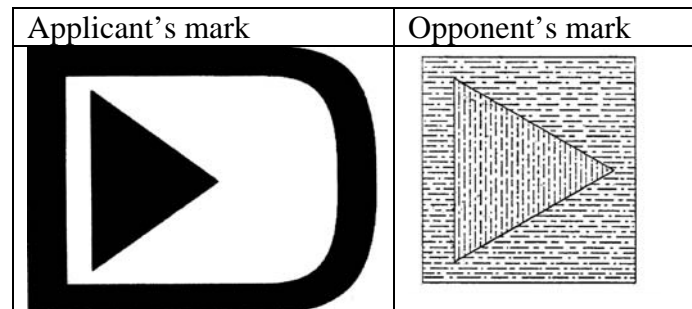
36) To my mind the opponent’s goods in Class 9 would, at the very least be incorporated into the applicant’s Class 9 products (*Ansul*). The applicant’s specification would also allow it to offer identical goods to those of the opponent. The applicant was provided with an opportunity to revise its specification within the week following the hearing but subsequently decided against any amendments. The Class 9 goods of both parties must therefore be regarded as identical for the purposes of the global assessment.

37) The opponent contended that with regard to the services for which the registration is sought, “they are so closely related to the goods in Class 9, that they too must be held to be similar to the goods for which the earlier mark is registered”. The services are all closely related to the goods in Class 9 and must be regarded as similar.

38) I must also consider the average consumer for the types of goods covered by the specifications of both parties. In my opinion, they fall into two distinct camps. Firstly there are those who purchase individual electronic components in order to manufacture items for sale to the general public. Then there is the general public who, for the most part, will not purchase small electrical components which need to be incorporated with others to form discrete unit, but who will purchase the discrete units. Both groups must be considered to be reasonably well informed and reasonably circumspect and observant. In my view, electronic components or goods are not purchased without some consideration. In the case of small components they need to be of exactly the right type to be compatible with the other items forming the end product. In the case of the electronic end product the consumer will consider a number of things such as the number and type of features available in the product. Also the

price of such items usually means that additional consideration is given. Although I must take into account the concept of imperfect recollection.

39) I now move onto consider the marks of the two parties which are as follows:



40) Mr Edenborough contended:

“My learned friend accepts that there is the common element of a triangle but you see that rather diminished the fact that the triangle is basically the same in a large number of unique ways. If you think one could easily draw many, many different triangles that would actually be quite fundamentally different one from the other, they would actually give quite a different strong visual impression, but here what one has is a solid triangle that is standing up on one vertex, that has one side arranged vertically, that the two sloping sides are of equal length. Their triangle is actually an equilateral triangle whereas ours is an isosceles triangle, the difference of course being that all three sides or only two sides are equal, but the point being here is that the two sloping sides are of equal length. That of course means that the third point is at mid height and actually points in one direction or t'other: more than that; they point in the same direction. They point, as you look at it, to the right.

There is actually a remarkable amount of similarity between the two triangles, which could be different. Also they are bordered by a border obviously. That border is characterised in its top left and bottom left-hand corner as being at a right angle. Now there is a difference, yes. On the right-hand side of that border the mark for which the registration is sought is curved, rounded slightly. Also that border has been moved slightly further away from the apex that is pointing to the right. In some senses those are smaller differences, bearing in mind the use that I have shown you of the triangular logo per se on a little back transistor. If you imagine the marks applied for on the top of a little black transistor, you can see really the differences really do diminish. I am not actually really relying upon the fact that it is a small usage. That is a trivial point. You just think what is the thing that captures your attention. The thing that captures your attention is this strong triangular motif pointing to the right against the background that is contrasting in tone, in colour. I am using colour there as black and white.”

41) Whist I accept the contention that the opponents' mark as registered provides for a contrasting background and so would emphasise the triangle element, I do not accept that the border included in the applicant's mark would be so readily ignored. I do not accept that it is a rectangle that has two curved corners, it is, to my mind, very clearly

an elongated letter “D”. There are also, as Mr Edenborough acknowledged differences in the actual shapes of the triangles.

42) Further I do not accept the contention put forward by the opponent that the marks are device marks and therefore aural considerations are irrelevant. In my opinion the applicant’s mark will be seen as a letter “D” and as such it can be oralised. It therefore has visual, conceptual and aural differences, which in my opinion far outweigh the visual similarities.

43) Taking account of all of the above when considering the marks globally, I believe that there is not a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore fails.

44) I now turn to the ground of opposition under Section 5(3) of the Act which in its original form reads:

"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 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."

45) By virtue of regulation 7 of the Trade Mark (Proof of Use, etc) Regulations 2004, Section 5(3)(b) has now been repealed. The equivalent provision in Section 10 of the Act dealing with infringement has also been amended. As the explanatory note indicates:

"These amendments implement the decision of the European Court of Justice in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* of 9th January 2003 (C-292/00) which was confirmed by its decision in *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* of 23rd October 2003 (C-408/01). Those decisions determined that Article 5(2) of the Directive, which on the face of it, grants a right to the proprietor of a trade mark to prevent third parties from using an identical or similar trade mark in relation to goods or services which are *not similar* where the earlier trade mark has a reputation and use of that sign takes unfair advantage or is detrimental to the distinctive character of that earlier trade mark, also applies to goods or services which are similar or identical to those for which the earlier trade mark is registered."

46) The opponents' claim here is based on the fact that the respective goods are similar, which I have already accepted in paragraph 36 above.

47) The scope of the Section has been considered in a number of cases notably *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* 2001 [RPC] 42, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* 2000 RPC 484, *Valucci Designs Ltd v IPC Magazines (Loaded)* O/455/00, *Mastercard International Inc and Hitachi Credit (UK)Plc* [2004] EWHC 1623 (Ch) and *Electrocoin Automatics Limited and Coinworld Limited and others* [2004] EWHC 1498 (Ch).

48) In relation to reputation under Section 5(3), *General Motors Corporation v Yplon SA* [2000] RPC 572 paragraphs 26 & 27 indicate the standard that must be reached:-

“26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

49) This test sets out a high threshold, and the onus is upon the opponent to prove that its trade mark enjoys a reputation or public recognition. At paragraph 33 above I have accepted that the registered mark would benefit from a degree of overspill of reputation from the mark as used. Therefore, whilst I am prepared to accept that there is likely to be some awareness and recognition of the opponent's trade mark in relation to the goods for which it is registered, I am unable to say with any confidence that the opponent's device mark is known by a significant part of the public concerned. This is despite the very substantial turnover and advertising figures provided for the combined mark as used. Only a small element would reflect onto the mark as registered and the opponent has not filed evidence which overcomes this. The witness statements provided by customers of the opponent do not, in my opinion, enable the opponent to overcome what is acknowledged as a high threshold.

50) Taking into account the strict requirements which need to be satisfied under Section 5(3) to expand the parameters of “normal” trade mark protection I cannot find that the opponent has shown reputation under Section 5(3) of the Act and the opposition under Section 5(3) must fail on this basis.

51) However, in case I am wrong on this I will go onto consider the opponent's contentions regarding detriment.

52) I note the following comment from Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2004] EWHC 1498 (Ch):

“ 102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence

in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

53) It seems to me that the opponent has singularly failed to show that the use of the mark in suit on the goods which are identical to its own would cause detriment. I believe that this is a case where use of the mark in suit on electrical goods or components would not call to mind the opponent’s mark and its claimed reputation for such items. However, even if it did I do not believe that it would affect the consumer’s economic behaviour or damage the opponent’s mark by tarnishing or blurring. The opposition under Section 5(3) of the Act would also fail on this basis.

54) I now turn to consider the opposition under section 5(4)(a) which reads:

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

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

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

55) In deciding whether the registered mark or the indicia as used offend against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes 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] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 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 the 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.”

56) 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 matters of doubt arising from the wording of equivalent provisions of the Act. The relevant date may therefore be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced – as per the comments in *Cadbury Schweppes Pty Limited v. The Pub Squash Co Pty Ltd* [1981] RPC 429. The applicant has not provided any evidence of use and so the relevant date must be regarded as 7 March 2002.

57) With these considerations in mind I turn to assess the evidence filed on behalf of the parties in the present proceedings as set out earlier in this decision.

58) I have accepted earlier in this decision (paragraph 33) that the opponent has a degree of goodwill and reputation, albeit overspill, in its registered trade mark. In that same paragraph I also accepted that the opponent enjoyed considerable goodwill and reputation in the combination of two trade marks that the opponent appears to use in most instances. The opponent therefore overcomes the first hurdle.

59) I have already found earlier in this decision (paragraph 42) that the opponent’s triangle device *simpliciter* is not similar to the mark in suit. There is therefore no question of misrepresentation which is a necessary element in the tort of passing off. However, the opponent has made far more extensive use of the following indicia:



60) I must therefore consider whether use of the above indicia is likely to cause consumers to mistakenly infer from the use of the mark in suit that the goods or business of the applicant and the opponent are from the same source or are connected. To my mind use of the above combined mark/indicia will not cause such misrepresentation as the mark in suit is even more dissimilar to the opponent’s combined mark than it is to the opponent’s triangle mark *simpliciter*. The mere fact that it, effectively, contains the opponent’s company name is, of itself, enough to assist the process. The devices of each party are not similar, merely adding the company name does not make them any the more similar. There is no likelihood of misrepresentation and so the opposition under Section 5(4)(a) fails.

COSTS

61) As the opponent was unsuccessful the applicant is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £2,000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28th day of February 2007

**George W Salthouse
For the Registrar,
the Comptroller-General**