

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 2377015 IN THE
NAME OF SIMON GROGAN**

**AND IN THE MATTER OF OPPOSITION NO. 93633 THERETO BY THE PROCTER
AND GAMBLE COMPANY**

**APPLICANT'S APPEAL TO AN APPOINTED PERSON FROM THE
DECISION OF MR MIKE FOLEY DATED 9 NOVEMBER 2007**

DECISION

Case history

1. On 30 October 2004 the Applicant, Simon Grogan, applied to register the following sign



as a trade mark in respect of the following goods:

- Class 3: Body and facial gels and serums for use with electrical beauty machines for beauty treatments in a place of business involving a qualified beauty therapist.
- Class 8: Electrical machines for beauty treatments (hand operated) including the use of ultrasound, micro-current and galvanic current, all for use in a place of business involving a qualified beauty therapist.

("the Application").

2. The Procter and Gamble Company (“the Opponent”) opposed the Application by Notice of Opposition (Form TM7) dated 29 July 2005 under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) based on two earlier trade marks, each having the same specification of goods, summarised in the table below:

| Trade mark | Sign | App./ reg. dates | Class/specification |
|----------------------|--------------|------------------------------------|--|
| UK TM no. 2244934 | SK-II | app. 07.09.2000 reg. 09.03.2001 | Class 3: Soaps, perfumery, essential oils, cosmetics, hair lotions, preparations for the cleaning, care and beautification of the skin, scalp and hair; antiperspirants and deodorants for personal use. |
| CTM no. 1569664 | SK-II | app. 22.03.2000 reg. 10.08.2001 | |

3. The Applicant defended the opposition by Notice of defence and counterstatement (Form TM8) filed on 17 November 2005. Only the Opponent filed evidence. Neither side asked for a hearing, but both filed written submissions.
4. Mr Mike Foley acting for the Registrar found in favour of the Opponent and rejected the Application in a written decision dated 9 November 2007 (O/333/07).
5. On 7 December 2007, the Applicant gave notice of appeal to an Appointed Person under section 76 of the Act. The appeal was limited to the refusal of the Application in respect of the goods in Class 8. For the purpose of the appeal, the Applicant also sought permission to submit additional evidence comprising “materials and documents explaining the nature of [the Applicant’s] goods as covered by class 8, and detailing how the trade mark is used thereon”.
6. On 25 March 2008 the Applicant filed a Notice of giving evidence (Form TM54) with a one paragraph witness statement from Bruce Marsh, a partner of the Applicant’s trade mark attorneys, Wilson Gunn, exhibiting some promotional leaflets for the Applicant’s goods.
7. The hearing of the appeal took place before me on 27 March 2008, at which the Applicant was represented by Bruce Marsh of Wilson Gunn and the Opponent was represented by Counsel, Douglas Campbell, instructed by D Young & Co.

Application to submit additional evidence

8. I record here my refusal to admit the Applicant’s further evidence, which I made following brief submissions from both advocates at the start of the hearing.

9. As mentioned above, the evidence had been submitted only two days before the hearing. Due to what appears to have been an administrative mishap, a copy had not been sent to the Opponent, which meant that Mr Campbell and those instructing him only viewed it for the first time at the hearing itself. (However, based on the warning in the Notice of Appeal that additional evidence was to be expected, Mr Campbell had dealt in his skeleton with the principles applicable to the acceptance of new evidence on appeal.)
10. Mr Marsh did not press very hard for the additional evidence to be admitted. He reiterated the point made in the Notice of Appeal that the evidence was intended to give a better idea of the nature of the Applicant's products to which the mark would be applied. By indicating how specialised the products were, he argued, it could be seen from the exhibited promotional leaflets that there was a clear difference between the Applicant's goods and those in Class 3 that are covered by the Opponent's earlier trade marks.
11. Mr Campbell reminded me that the discretion to admit new evidence on appeal is a wide one, which is not forced into a straitjacket by rules (*Du Pont Trade Mark* [2004] FSR 15 (CA)), but in relation to which the following list of factors (first identified by Laddie J in *Hunt-Wesson Inc's Trade Mark Application (SWISS MISS)* [1996] RPC 233) may be relevant:
 - (1) Whether the evidence could have been filed earlier and, if so, how much earlier.
 - (2) If it could have been, what explanation for the late filing has been offered to explain the delay.
 - (3) The nature of the mark.
 - (4) The nature of the objections to it.
 - (5) The potential significance of the new evidence.
 - (6) Whether the other side will be significantly prejudiced by the admission of the evidence in a way which cannot be compensated, for example by an order for costs.
 - (7) The desirability of avoiding a multiplicity of proceedings.
 - (8) The public interest in not admitting onto the Register invalid marks.
12. Mr Marsh stated at the hearing that the exhibited materials in the proposed evidence had become available because the Applicant had been re-printing his promotional materials. However, he did not claim that such materials could not have been submitted earlier, and no reason was given for delaying their submission until just

before the hearing, despite having indicated more than three months beforehand that additional evidence would be forthcoming.

13. Having reviewed the materials, Mr Campbell indicated that, if I was minded to admit them in evidence, the Opponent would not ask for time to respond with its own evidence, but would want to get on with the hearing in any event. Therefore, admitting the evidence would not have caused any delay or additional procedural hurdles.
14. Looking at the substance, however, it was not clear to me how the evidence could have really helped either the Applicant or me. The substantive issue in the appeal (expanded below) is whether the Hearing Officer was right to conclude that the goods in the Class 8 specification for the Applicant's mark are similar to the Class 3 goods of the Opponent's earlier trade marks. What the Applicant wants to show me through the additional materials is the goods on which the Applicant actually uses the mark in practice. While it might have been mildly helpful to the Hearing Officer to have seen concrete examples of what the Applicant intended to cover, his main focus had to be on the meaning of the words that appeared in the Class 8 specification. And my own task will be to see whether the Hearing Officer made the correct comparison between the goods covered by those words and the goods covered by the words of the Opponent's trade mark specifications, rather than to analyse the actual use that the Applicant has made of his mark.
15. Given the marginal relevance of the proposed additional evidence, as well as the failure to explain why it was not adduced at first instance and was further delayed following the Notice of Appeal, I refused to admit it and proceeded with the appeal on the basis of the evidence that had been before the Hearing Officer.

Section 5(2)(b) of the Act

16. Section 5(2)(b) of the Act provides as follows:

(2) A trade mark shall not be registered if because –

(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 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.

17. This provision implements 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 ("the Directive").

The Hearing Officer's decision

18. Paragraph numbers referred to in the text below are to the numbered paragraphs of the Hearing Officer's decision.
19. In the usual way, the Hearing Officer summarised the evidence, comprising just one witness statement (with exhibits) of Mr Shivesh Ram, General Manager of Procter and Gamble for the SK-II brand, filed by the Opponent. This dealt primarily with the use made of the Opponent's marks and sales of its SK-II products.
20. Before starting his analysis, the Hearing Officer stated that he would 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 B.V.* [2000] FSR 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, and he set out a number of principles derived from these authorities.
21. The Hearing Officer conducted a careful comparison of the Applicant's mark with the earlier trade marks, finding them to be similar visually and aurally and strongly similar conceptually (paragraphs 15-19). He concluded that the letters "SK" were the dominant component in each of the marks (paragraph 20) and that, overall, the marks had "strong similarity" (paragraph 29).
22. After dealing with similarity of the goods in Class 3, which is not in issue in this appeal, the Hearing Officer turned to the goods in Class 8. I set out the relevant part of his decision at this point in full:

25. Turning to the goods covered by Class 8 of the application. I propose to determine the question of similarity by adopting the guidelines formulated by Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] R.P.C. 281 (pages 296, 297), and the *Canon* judgement. The criteria in *Treat* clearly indicates that consideration should be given to the nature of the goods, and the circumstances of the trade. Evidence from or relating to the manner in which the market in the respective goods is conducted can be of considerable help in determining whether goods should be considered similar. This does not, however, mean that absent such evidence the registrar cannot make a judgment based upon his knowledge of the types of goods that fall within the class(es) in which the respective goods have been applied for or registered (as required by *Altecnic's* application [2002] RPC 34). The notional extent of the specifications is based upon what is the usual and ordinary meaning of the descriptions.

26. The respective goods may notionally be used in beautification treatments and applied by beauticians, but are very different in their physical nature. The opponents' earlier marks cover substances that are applied in the treatment, whereas the application is in respect of an apparatus. I have no evidence that substances and apparatus for use in beauty treatment pass through the same trade channels. It would not seem unreasonable to infer that by seeking registration in respect of both types of goods, the applicant is typical of a trade that manufactures both the apparatus and the substances. I also do not see any reason why a beauty

parlour would not use both substances and apparatus in their treatments. That the applicant's goods are for use in a business environment suggests that these are not goods bought in the high street. That said, the opponents' goods are not limited in a way that excludes them from also being for use by beauticians as part of their business. I see no reason why the respective goods should not be considered complementary; the opponents' substances may be used as part of the applicants' mechanical treatment. They may also be used as an alternative. I have no evidence as to how the relevant trade classifies such goods, or whether they consider them to be in the same market sector. They are capable of being used in the same market sector at the retail end.

27. I come to the view that there is a marked degree of overlap in the "notional" trade circumstances between the goods covered by Class 8 of the application, and those covered by the opponents' earlier marks, and I find these to also be the same or similar.

23. In considering the likelihood of confusion, the Hearing Officer stated (at paragraph 28) that the relevant consumer of the Applicant's goods was the beauty therapist rather than the public at large, because the specification was limited to goods "for use in a place of business by a qualified beauty therapist". While the Opponent's specification was not similarly limited, it notionally covered goods intended for sale to professional beauty therapists as well as those for general retail to the public, and were thus aimed in part at the same consumers.

24. He concluded his analysis with the following two paragraphs:

29. It seems reasonable to infer that a professional is likely to be better informed and more circumpet and observant than a member of the public at large. This could be taken to mean that the relevant consumer will either be aware that two competing products are being sold under similar marks, or will be better placed and more likely to see the differences in the respective marks. This could swing the balance against a finding of a likelihood of confusion if the question of the similarity of the marks and/or the goods was marginal. That is not the case here; there is a strong similarity in the marks, identity in respect of the goods in Class 3, and reasonable similarity in respect of the goods in Class 8 of the application.

30. Taking a balanced view of all of the factors and adopting the global approach advocated, I come to the view that if the applicant was to use his mark in respect of the goods for which registration is sought, this would causes the relevant public to wrongly believe that the respective goods come from the opponents or an economically linked undertaking. On my assessment there is a likelihood of confusion and the ground under Section 5(2)(b) succeeds.

The Appeal

25. An appeal from the decision of a Registry Hearing Officer is not a re-hearing, but a review. As a case in which there was no oral evidence, I should show "a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle": *REEF Trade Mark* [2002] EWCA Civ 763, [2003] RPC 5 at [28]. A decision does not contain an error of principle merely because it could have been better expressed.

26. The only ground of appeal set out in the Applicant's Notice of Appeal is that, at paragraphs 25 to 29 of the decision, the Registrar "incorrectly concluded that there is a similarity of goods in class 8, and in relation to the opponent's earlier rights".
27. Mr Marsh expanded on this ground in the skeleton argument and at the hearing, with a number of specific complaints about the Hearing Officer's decision, which I summarise as follows:
- (1) In finding that the respective goods were "very different in their physical nature", the Hearing Officer effectively conceded that they could not be similar. He was thus inconsistent and made an error when he found similarity of goods.
 - (2) Similarly his statement that he had "no evidence that substances and apparatus for use in beauty treatment pass through the same trade channels" was not only wrong, because there was evidence of how the Opponent's mark was used, but it was also effectively an admission that there was a difference between the goods. Again, the conclusion of similarity was internally inconsistent and manifestly wrong.
 - (3) The Hearing Officer erred when he stated that "it would not seem unreasonable to infer that by seeking registration in respect of both types of goods, the applicant is typical of a trade that manufactures both the apparatus and the substances". There could be all manner of reasons why an applicant might wish to register its mark in more than one class, and it was an irrelevant factor in determining similarity of goods that are in different classes.
 - (4) The Hearing Officer did not correctly understand the usual and ordinary meaning of "electrical machines for beauty treatments". Even if they could possibly be used in conjunction with the applicant's goods in a similar place of business to that where the applicant's goods are used, that does not make them similar.
 - (5) Even if the Hearing Officer was correct in finding that the respective goods were aimed at the same users and were sold through the same trade channels, or were otherwise complementary, these factors could not overcome the plain fact that the goods were physically different.
 - (6) The Hearing Officer seems to have carried over his finding of similarity of goods and likelihood of confusion in relation to the Applicant's Class 3 specification to the Class 8 specification, without correctly considering the actual nature of the Class 8 goods.
 - (7) The decision displayed muddled and inconsistent thinking in the approach to similarity of goods, with a lack of clear explanation as to how the conclusion of likelihood of confusion was reached.

28. The Applicant did not dispute the methodology used in concluding that the Applicant's mark and the earlier trade marks were similar. While the Applicant disagreed with the conclusion, it did not challenge it.
29. At the hearing, Mr Marsh submitted that the Applicant's appeal boiled down to an argument that the Hearing Officer made an error of fact when he found similarity of goods in relation to the Class 8 specification. Mr Campbell, for the Opponent, submitted that this was fatal to the appeal, since it was an admission that the Hearing Officer made no error of principle, and that the appeal rested merely on a complaint about a finding of fact that was taken into account when assessing the likelihood of confusion. Mr Marsh responded that the error of fact complained of was itself the error of principle. The Hearing Officer made a fundamental error in finding that goods of a particular physical nature were confusingly similar to goods of a completely different nature: specifically, the Applicant's goods are very specialised, non-commonplace machines, while the Opponent's goods are general toiletries, cosmetics and the like.
30. In support of his overall submission, Mr Marsh stated that he was not aware of any significant Registry or national Court precedents where goods in different classes had been found to be similar to each other for the purposes of section 5(2)(b). He slightly pulled back from this position during the course of the hearing to focus specifically on what he claimed to be radical differences between the classification of goods under Class 8, which broadly covered machinery, and Class 3, which related to toiletries, cosmetics and cleaning products.
31. The class system referred to here is of course the system of classification of goods and services under the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, last amended on 28 September 1979. The latest version of the International Classification List is the ninth edition, which came into force on 1 January 2007, though the Application in this case is governed by the eighth edition. The International Classification system is used to classify goods and services for the purposes of registration of United Kingdom trade marks pursuant to section 34(1) of the Act and rule 7(2) of the Trade Marks Rules 2000 (as amended).
32. The International Classification system also applies to Community trade marks. Rule 2(4) of Commission Regulation 2868/95/EC implementing the Regulation on the Community trade mark (40/94) states as follows:
 - (4) The classification of goods and services shall serve exclusively administrative purposes. Therefore, goods and services may not be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification, and goods and services may not be regarded as being dissimilar

from each other on the ground that they appear in different classes under the Nice Classification.

33. It is thus made plain under the Community trade mark system that class numbers are irrelevant to the question of similarity of goods and services.
34. There is no similarly plain provision in the Act or the Directive. The Court of Appeal has held that, although the purpose of classifying goods and services is primarily administrative, that does not mean that the class numbers in an application have to be totally ignored in deciding, as a matter of construction, what is covered by the specification: *Altecnic Ltd's Trade Mark Application (CAREMIX)* [2001] EWCA Civ 1928, [2002] RPC 639. But neither the Court of Appeal, nor the ECJ, nor any other court or tribunal in the United Kingdom, has gone so far as to state that class numbers are determinative of the question of similarity of goods in the case of national trade marks. On the contrary, they are frequently ignored.
35. In *British Sugar PLC v James Robertson & Sons Ltd* [1996] RPC 280 (“*TREAT*”), Jacob J said (at 289):

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.

36. He went on (at 295) to set out the following factors as being relevant to the question of similarity (insofar as relevant to goods), without reference to the classes in which they fell:

- (a) The respective uses of the respective goods;
- (b) The respective users of the respective goods;
- (c) The physical nature of the goods;
- (d) The respective trade channels through which the goods 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;
- (f) The extent to which the respective goods are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies put the goods in the same or different sectors.

37. Subsequently, in *Canon Kabushiki Kaisha v MGM Inc.* (referred to above), the ECJ stated the following:

23. In assessing the similarity of the goods or services concerned, ..., all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

38. None of these authorities supports the Applicant's contention that goods in different classes should be considered to be dissimilar. Nor do they support the contention, which it seems to me underlies the Applicant's central submission, that lack of similarity in the physical nature of goods overrides all other factors.
39. The three authorities that I have referred to immediately above are the three to which the Hearing Officer referred for guidance when considering similarity of the goods in Class 8 of the Application. His summary set out at paragraph 25 of the decision shows that he understood the guidance. Both his summary and the authorities themselves make it plain that the physical nature of the goods is just one of the factors to take into account when considering similarity, and that the Hearing Officer was correct to approach his analysis on this basis.
40. To deal briefly with the submission that there is no significant authority for the proposition that goods in different classes may be considered similar to each other, there are numerous reported examples of cases where similarity has been found across classes. In *Canon* itself, the classification of the goods and services seems to have been deemed so insignificant that the relevant classes of goods and services for which the applicant's mark was to be registered and for which the opponent's mark was registered were not even mentioned. Nevertheless, since the application related to both goods and services, it is clear that different classes were involved and that the ECJ did not see that as giving rise to an absolute bar to a finding of similarity. At the hearing, Mr Campbell referred me to a list of examples in *Kerly* (14th edition at paragraphs 9-062 to 9-066) where goods had been found to be similar despite in some cases being in different classes. In other cases, lack of similarity has been found between goods despite being in the same class. All this goes to show that it is necessary to examine the particular goods in issue, albeit bearing in mind the class in which they are listed, in order to determine similarity. This is precisely what the Hearing Officer did.
41. Turning to the specific criticisms listed at sub-paragraphs 27(1) to (7) above:
- (1) I reject the submission that the Hearing Officer's finding that the respective goods were "very different in their physical nature" was a concession that the goods could not be similar. The Hearing Officer was simply analysing one of the factors (physical nature of goods) to be taken into account in the assessment of similarity.
 - (2) The Hearing Officer's statement that he had no evidence that substances and apparatus for use in beauty treatment pass through the same channels was an introductory comment about the state of the evidence before he considered the relevant factor of the respective channels of trade for the goods in the specifications for the respective trade marks. It was not (as the Applicant

submits) an admission that there was a difference between the respective goods. He went on correctly to take account of the limitation in the Application to electrical machines “all for use in a place of business involving a qualified beauty therapist” when considering whether the Opponent’s goods might also be used by beauticians in their business.

- (3) While the Applicant is correct in stating that there could be all manner of reasons why an applicant might wish to register its mark in more than one class, the Hearing Officer’s inference from the content of the Class 3 and Class 8 specifications that the Applicant was typical of a trade that manufactures both substances and apparatus for their treatments was reasonable in the light of the Opponent’s evidence and his general knowledge of the goods in issue. This point was not relied on heavily by the Hearing Officer, but was just one of a number of factors that pointed to similarity of goods.
- (4) In relation to the complaint about the Hearing Officer’s reliance on his finding that the Applicant’s and Opponent’s goods could be used in a beauty parlour, this again was not the decisive factor in the conclusion of similarity. It was just one of the several factors taken into account, and I reject the suggestion that it indicated that the Hearing Officer had misunderstood the meaning of the words used in the Class 8 specification of goods. Further, as Mr Campbell pointed out, there was in evidence (in exhibit HF4) a magazine article in *Cosmetics International* dated 12 September 2003 which showed how the Opponent’s SK-II skin foundation was marketed in cartridges that were inserted in a battery operated ioniser, which was used to spray the product onto a subject’s skin. This example of use of goods covered by the Opponent’s Class 3 specification in a hand operated machine for beauty treatment that would fall within the Applicant’s Class 8 specification was not specifically referred to by the Hearing Officer. However, it supports his finding that the goods may be considered complementary.
- (5) The fifth complaint in the list is effectively a return to the overall submission that significant physical differences between the goods overrides all other factors such as users, trade channels and the complementary nature of the goods, which I have already rejected.
- (6) I also reject the complaint of failure to consider the actual nature of the Class 8 goods. The Hearing Officer carefully considered the Class 8 goods separately from those in Class 3 and concluded that – in the light of the factors to be considered under the *TREAT* and *Canon* tests – the goods were reasonably similar. When combined with the strong similarity between the marks (a finding

which the Applicant did not challenge), his overall assessment was that there was a likelihood of confusion.

(7) To the extent that the complaint of inconsistent and muddled thinking goes beyond the particular complaints considered above, this amounts to no more than an objection to the manner in which the Hearing Officer expressed his analysis and findings. As stated at the start of this section, that is not a sufficient basis for an appeal, even if it were made out.

42. Having found that the Hearing Officer applied the correct principles in relation to his assessment of similarity of goods and likelihood of confusion under section 5(2)(b) of the Act, and being unable to discern any material error in his application of those principles, I conclude that he was clearly entitled to reach the decision that he did.

Conclusion and Costs

43. The result is that I dismiss the appeal.

44. The Hearing Officer ordered the Applicant to pay the Opponent the sum of £2,150 towards its costs of the first instance proceedings. I leave that order in place in view of the outcome of the appeal.

45. Although the appeal was confined to a single issue in relation to only one class of goods, the Opponent also had to consider the Applicant's application for permission to rely on additional evidence, which I refused. I order the Applicant to pay the Opponent an additional sum of £1,000 by way of contribution to the costs of that application and the appeal.



ANNA CARBONI

24th June 2008

The Applicant (Appellant) was represented by Mr Bruce Marsh of Wilson Gunn.
The Opponent (Respondent) was represented by Counsel, Douglas Campbell, instructed by D Young & Co.