

O-161-09

**TRADE MARKS ACT 1994**

**IN THE MATTER OF INTERNATIONAL REGISTRATION  
No. 855906 AND A REQUEST BY NOWHERE CO LIMITED  
TO PROTECT IN CLASSES 18 & 25 THE TRADE MARK**



**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 71288 BY CONVERSE INCORPORATED**

## BACKGROUND

1) On 7 December 2004, Nowhere Co. Ltd on the basis of a Japanese registration requested protection in the United Kingdom under the terms of the Madrid Protocol for the following trade mark:



2) Protection is sought in respect of the following goods:






**Class 18:** Vanity cases (not fitted); bags and the like; pouches and the like; rucksacks; boston bags; wallets, not of precious metal; purses, not of precious metal; beach bags; briefcases; suitcases; travelling bags; handbags; knapsacks; sports bags; waist bags; backpacks; tote bags; shoulder bags; carry-on bags; shopping bags; coin purses, not of precious metal; card cases; key cases; umbrellas.

**Class 25:** Shoes and boots; leather shoes; half-boots; beach shoes; sandals; slippers; inner soles (for shoes and boots); sports shoes; clothing; coats; overcoats; jackets (clothing); jumpers (shirt fronts); blousons; anoraks; slacks; suits; waistcoats; overalls; pants; jeans (clothing); breeches (for wear); children's wear; infant wear; liveries; parkas; Aloha shirts; shirts; sport shirts; polo shirts; underwear; underpants; undershirts; underclothing; swimming caps; swimsuits; swimming wear; sweaters; pullovers; sweat shirts; sweat pants; jerseys (clothing); cardigans; tank tops; pajamas; Tee-shirts; clothing of leather; clothing of imitations of leather; collar protectors; bandanas (neckerchiefs); scarfs; ear muffs (clothing); gloves (clothing); mittens (clothing); socks; headgear for wear; fur hats; caps (headwear); hats; sun visors; turbans; belts (clothing).

3) The United Kingdom Trade Marks Registry considered that the request satisfied the requirements for protection in accordance with Article 3 of the Trade Marks (International Registration) Order 1996 and particulars of the international registration were published in accordance with Article 10 in Trade Marks Journal No.6606 on 4 November 2005.

4) On 3 February 2006, Converse Inc. filed notice of opposition to the conferral of protection on this international registration. The grounds of opposition are in summary.

a) The opponent is the proprietor of the following registrations:

Trade Mark	No.	Date of application and registration	Goods
 <p>Registration of this mark shall give no right to the exclusive use of the words "Taylor" and "All Star".</p>	1486517	02.01.92 & 20.07.93	Class 18: Leather and imitations of leather and goods made of these materials; bags; travelling bags; luggage; trunks; back packs; all included in Class 18.
 <p>Registration of this mark shall give no right to the exclusive use of the words "All Star" and "Chuck Taylor". Advertised before acceptance by reason of special circumstances. Section 18(1)(proviso).</p>	1309095	06.05.87 & 9.11.90	Class 25: Footwear included in Class 25.
 <p>Registration of this mark shall give no right to the exclusive use of the words "All Star" and "Chuck Taylor".</p>	1491118	15.02.92 & 26.11.93	Class 25: T-shirts, shirts, vests, singlets, sweatshirts, shorts, trousers, trunks, pants, jumpers, jackets, tops; anoraks, parkas, raincoats and coats; headwear, hats, hoods and caps; footwear; all included in Class 25.
	1046939	23.05.75 & 11.02.76	Class 25: Footwear.
 <p>By consent No 1460102 (5968,2008).</p>	1556023	08.12.93 & 29.12.95  USA International priority claim 6.12.93 Surrendered 24.07.06	Class 25: Articles of clothing; footwear; all included in Class 25.

b) The opponent states that it has reputation worldwide for its marks, with a turnover of some US\$1billion. The opponent has used a five pointed star in the UK since 1990 in relation to footwear and 1980 in relation to clothing. The opponent has a turnover in the UK and Ireland of approximately US\$20 million.

c) Objection is said to arise under sections 5(2)(b), 5(3) & 5(4)(a) of the Act against all the goods of the international registration. The opponent relies upon all the above marks for its 5(2)(b) ground, upon 1309095, 1491118, 1046939 and 1556023 under its 5(3) ground, and a five pointed star device for its 5(4)(a) ground, which is identical to the star device in mark 1491118.

5) On 8 May 2006, the applicant filed a counterstatement in which they deny the grounds on which the opposition is based.

6) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 22 April 2009 when the opponent was represented by Ms Clark of Counsel instructed by Messrs Marks & Clerk. The applicant was represented by Mr Wilson of Queen's Counsel instructed by Davenport Lyons.

#### **OPPONENT'S EVIDENCE**

7) The opponent filed a witness statement, dated 23 July 2007, by Laura W Kelley the Vice President Legal of the opponent company. She states that her company has made extensive use of its trade marks in the UK in relation to footwear, clothing, headgear, bags and sports bags. In particular it has used them on sporting clothes and footwear. She is unable to state when each mark was first used as her company does not have these records but she states:

“5.....However, I can confirm that the five pointed star device trade mark, the words STAR and ALL STAR relied upon by my company have been used in the United Kingdom no later than 1980 in relation to footwear, no later than 1990 in relation to clothing and headgear, and no later than 2003 in relation to bags.”

8) She provides the following estimates of turnover in the UK:

Year	Turnover US\$ million	Clothing and headgear turnover US\$
1997	3.9	n/a
1998	4.3	n/a
1999	n/a	n/a
2000	n/a	n/a
2001	2.9	140,300
2002	10.2	327,600
2003	9.5	957,358
2004	17.7	1,354,488

9) Ms Kelley states that the products are sold via retail outlets such as department stores, sports stores, shoe shops as well as via the Internet and mail order catalogues. She states that 5% of turnover is spent on promotions such as advertisements in magazines, newspapers, point of sale and the Internet.

10) Ms Kelley states that the above shows that the opponent enjoys a reputation amongst the public at large within the UK. She states:

“The prominence of the word STAR and of the five pointed star device within the trade mark applied for are such that members of the trade and public are likely to perceive a link or connection with my company’s trade marks.”

11) She also includes the following exhibits:

- Exhibit LWK2: Copies of UK and EU catalogues for 1999-2004 inclusive. A large number of the shoes and boots shown in these had trade mark 1491118 shown on them. Another significant group featured only a star device upon their sides with what appeared to be the word converse around their heel and a further, unreadable word/mark on the tongue. Most of these also had an arrowhead or chevron device in the same contrasting colour as the star and would appear to be use of trade mark 1046939. A few shoes pictured had no visible trade mark on their sides. Virtually every page had a star device and the word “converse”. The clothing carried the 1491118 mark but also had the words “Converse” and/or “all star” and “Chuck Taylor” liberally printed across them. There were also a number of sports bags and rucksacks pictured in the catalogues. These only appeared to have a star device on them, as far as could be seen in the pictures. However, the pages of the catalogue that the bags were shown on did have the mark 1491118 used upon it.
- Exhibit LWK3: Photographs of, and actual packaging. These have a combination of one, some or all of the following the star device, the words “Converse”, “One star” or trade mark 1491118 upon them
- Exhibit LWK4: Invoices for various goods to UK national retailers. These predominantly show use of the words “All star” & “A/S”, although other words such as “ROADSTER” “ROADSTORM” & “ROADSTAR” all appear as the description of the shoe alongside the size and price. The names used tie in with those in the catalogues at LWK2.
- Exhibits LWK5-7: Examples of advertisements in magazines, newspapers, internet and point of sale. These show use of trade marks 1491118, 1046939 and a lone star device. No use is shown of trade mark 1556023,

## **APPLICANT’S EVIDENCE**

12) The applicant filed a witness statement, dated 26 May 2008, by Mr Toby Feltwell the Legal Counsel to the applicant company. He states that he has access to the records of the applicant company and is responsible for the overseas operations of the company. He states that the applicant company was founded in 1993 and he describes it as a company which “specialises in high-end casual fashion”. He explains how the

company, via the founder nicknamed “Nigo” is famed for its “BAPE”, “A BATHING APE” and “BAPESTA” marks which have been used in collaboration with numerous well known companies. He states that in addition to these marks his company also used what he describes as a comet device (the mark in suit). He states that the device mark was first used in the UK in April 2001 and it has been used continuously since on goods in Classes 18 & 25 including footwear. The goods are sold via a shop in London. He states that:

“12. Nowhere’s goods sold under the Comet device are pitched at the premium end of the market and are made in relatively small quantities (an average of around 300 pairs per style). Further, sales of these goods are only made under particular circumstances. For example, due to the limited amount of shoes available and to prevent customers buying our shoes to resell at a premium, we often prevent customers from buying shoes which are not in their own size or from buying more than one pair of each style.”

13) He provides examples of the cost of items in the store e.g. trainers £130, sweatshirts £175, belts £55, T-shirts £95, Jeans £175, jackets £480. The annual turnover is as follows:

Year	Turnover £
1/10/03 – 30/09/04	578,959
1/10/04 – 30/09/05	900,090

14) He states that approximately 20% would have been sold under the comet device, although accurate figures are not available. At exhibit TF3 he provides a number of photographs of shoes and clothes within the store with the mark in suit upon them. His company does not advertise but relies upon celebrities being photographed wearing the items. He provides examples of magazines which had photographs or editorials where the goods were mentioned. He also states that the applicant’s website has attracted a huge number of hits. He states that the applicant has registered its Comet device in Japan, Italy, Switzerland, Russia and Australia. He refers to a decision in Korea, but I note from the papers filed at exhibit TF-7 that the marks of the two parties were not the same as in the instant case, and the parties also appear to be different. He also provides his views on the grounds of opposition which I shall refer to as and when required in my decision.

### **OPPONENT’S EVIDENCE IN REPLY**

15) The opponent filed a second witness statement, dated 25 September 2008, by Ms Kelley. She disputes the applicant’s assertion that the mark in suit is well known as the use shown is very small and the goods sold from a single outlet. She also points out that the goods are not available on-line and they have not been promoted. She continues:

“3. Mr Feltwell also states that the Applicant’s products would not be confused with my company’s products nor erode the distinctiveness of my company’s trade marks. However, this is clearly not the case since the Applicant appears to have been deliberately seeking to associate the Applicant’s products with my company. My company has learned that an employee at the Applicant’s BAPE

store in New York has referred to the Applicant's footwear as "Chuckie T's" and/or "Chucks".

16) She also provides exhibits, which are as follows:

- Exhibits AB1 & 2: Copies of papers from an opposition between the parties in the USA. This contains two declarations of truth that Ms Kelley and Mr Maddocks (Vice President of Marketing for the opponent) went into the applicant's New York store and when they asked the sales clerk to identify a pair of the applicant's shoes the clerk identified them as "Chuckie T's".
- Exhibit AB3: A copy of an internet blog stating that the two parties have created a product jointly which Ms Kelley denies is the case. The blog appears to have been made by an American staying in Japan regarding a shopping trip in Japan to one of the applicant's stores. The blogger is clearly under the impression that the shoes were made by the opponent but to the applicant's design.

### **APPLICANT'S ADDITIONAL EVIDENCE**

17) This consists of a further affidavit by Mr Feltwell, dated 22 April 2009. He states that the applicant entered into a collaboration with Kanagawa Tsukiboshi Shouji Company Limited, who he states, had the right to manufacture and sell under the Converse brand and trade marks in Japan. As a result of this collaboration a trainer was produced which fused the Converse "Chuck Taylor All-Star" trainer and the applicant's camouflage pattern (a registered design in Japan). At exhibit TF9 he provides a photograph of the trainer. He does not supply a date as to when this collaboration took place, but it would appear to have been limited to the Japanese market. The trainer does not have the applicant's "comet" mark upon it. The article, from a Japanese magazine, identifies the trainers as "A Bathing Ape Converse" but the only indication on the product that it is anything other than a normal converse trainer is the use of the camouflage material. He also instances a collaboration with Adidas, however this is not relevant to the instant case. Mr Feltwell states that the terms "Chuck's", "Chuckies" and "Chuckie T's" refer to canvas (usually high top) training shoes with vulcanised rubber soles. He states that "Chucks" has become a shorthand way of referring to such sneakers whether they originate from the opponent or not. He states that an unauthorised re-seller of the applicant's shoes uses the term in connection with one of the applicant's canvas shoes at page 23 of exhibits AB1-3. The applicant did not authorise the generic reference. Lastly, he states that the applicant's shoes are distinctive in their own right and he provides a photograph of one of the applicant's trainers at exhibit TF11, which is attached as Annex 1 to this decision. This is very similar to some images of footwear filed earlier as part of exhibit TF3.

18) That concludes my summary of the evidence filed insofar as I consider it necessary.

### **DECISION**

19) The opponent objected to the evidence of Mr Feltwell at paragraph 17 above being admitted into the proceedings as they only received their copy the morning of

the hearing. It was pointed out that the previous evidence had been filed more than six months previously. I accept that the evidence was very late in being filed and the applicant could not provide an adequate reason for its tardiness. However, the evidence referred primarily to a collaboration which the opponent could either simply confirm or deny; I therefore felt that it did not unduly prejudice the opponent and allowed the evidence into the case. As the opponent did not want an adjournment I gave them time following the hearing to file evidence either refuting or acknowledging the collaboration alleged by the applicant. In the event the opponent wrote to the Registry a day prior to the month allowed to state that they did not wish to file further evidence.

20) Although trade mark 1556023 had, prior to the hearing, been surrendered, it was still on the Register at the relevant date. However, at the hearing the opponent accepted that it could not rely upon it as it had not shown use of the mark. The applicant also offered a number of concessions which reduced significantly the areas of contention. I shall refer to these when relevant in my decision.

21) I turn first to the objection based on section 5(2)(b) of the Act, which reads as follows:

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

(a) ....

(b) it is similar to an earlier 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.”

22) An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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,”

23) In these proceedings the opponent is relying upon four trade marks. The applicant accepted that the opponent had shown use of 1309095 and 1491118 with regard to clothing and footwear and so their specifications remain intact.

24) The remaining marks 1486517 and 1046939 were registered on 20 July 1993 and 11 February 1976 respectively and are therefore subject to 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).”

25) In the instant case the publication date of the application was 4 November 2005. Therefore, the relevant period for the proof of use is 5 November 2000- 4 November 2005. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the marks has been made. The guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

26) I must also keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

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

27) The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant.

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a

fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

28) The evidence clearly shows use of trade mark 1046939 on a range of shoes, mostly trainers in catalogues from the relevant period. These were used to offer goods for sale in the UK and therefore I accept that the opponent has shown use on its specification of "Footwear" in the relevant period. The applicant did not contest this issue at the hearing. Moving onto trade mark 1486517 which is registered for "Leather and imitations of leather and goods made of these materials; bags; travelling bags; luggage; trunks; back packs; all included in Class 18". The only use shown in the catalogues related to back packs or rucksacks and sports bags. Whilst the items themselves do not appear to have the mark upon them, the mark is used extensively in the catalogues. Again, the applicant did not contest this at the hearing.

29) Therefore, when carrying out the comparison of goods test under Section 5(2)(b) the specifications of the opponent's goods will be:

Trade mark	Specification
1486517	Sports bags; backpacks.
1309095	Footwear included in Class 25
1491118	Class 25: T-shirts, shirts, vests, singlets, sweatshirts, shorts, trousers, trunks, pants, jumpers, jackets, tops; anoraks, parkas, raincoats and coats; headwear, hats, hoods and caps; footwear; all included in Class 25.
1046939	Footwear

30) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law 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] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*

(OHIM) C-334/05 P (LIMONCELLO). It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,
- (g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it

with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

31) In essence the test under Section 5(2) is whether there are similarities in marks and goods 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 judgments 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, the category of goods in question and how they are marketed. Furthermore, I must compare the mark applied for and the opponent's marks on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods 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 Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen 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) On the question of reputation it was claimed that the opponent had considerable reputation, but some of the assertions made by Ms Kelley in her witness statement are not backed by corroborative documents as the marks have undergone a change in ownership. Ms Clarke contended:

“Where I am going with this is as follows. There are cases where she makes various statements which are quite wide in their terms. I anticipate that what my friend will do is he will take you through exhibits and say that the exhibits only go so far. What I am saying to you is that the fact that the exhibits only go so far does not actually serve on the facts of this particular case to undermine the generality of the statements made by this particular deponent. That is because she has explained why it is that the material is available to her but the information in respect of the company's business is something which was within her knowledge because of the fact that she has been connected with the company since 1989. So she has the background knowledge even if the documents in the exhibits may not be there to support it.”

34) I do not accept that where a claim is made in a witness statement which is subsequently challenged by the other party that I should make allowance for the lack of corroborating evidence and accept the assertions simply because there has been a change of ownership in the mark. It is for each party to put forward their best evidence and be judged on it. In the instant case the sales figures provided by the opponent are relatively small. The best year for sales was 2004, the year in which the application was made. Even here, the bulk of sales would appear to be in footwear with approximately US\$17 million worth of sales, with clothing and headgear sales amounting to approximately US\$1.3 million. The opponent has three distinct marks. I regard trade marks 1486517, 1309095 and 1491118 as being a single mark as far as the public is concerned as the only difference is in the disclaimers which do not go into the public domain. In addition there are trade marks 1046939 and 1556023. Although no use of the latter mark was filed it was asserted in the statement of grounds that this mark had been used. Therefore, given the specifications of each of the three types of mark, each was used in relation to footwear whilst two were used in relation to clothing and headgear. I accept that the opponent would have reputation in each of its marks for footwear and to a lesser degree in its two marks for clothing. However, none of the marks has the extent of reputation necessary to enjoy an enhanced level of protection. The claim that 60% of Americans have owned a pair of Converse shoes does not assist the opponent when considering the UK market. The applicant contended that the opponent's mark was lacking in inherent distinctiveness as a number of clothing and footwear marks on the Register also had such devices. However, the applicant provided no evidence to corroborate this statement, but even if such marks are registered, “state of the Register” evidence is not conclusive. The applicant also failed to file evidence of the use of star devices upon clothing, bags and footwear in the marketplace. To my mind all of the opponent's marks are inherently distinctive.

35) Neither side commented upon the average consumer but it would seem clear that this must be the average citizen of the UK. The applicant has commented in its evidence that its products are “pitched at the premium end of the market”, but at a cost of approximately £130 for a pair of trainers this is, from my experience, not that

far above the normal going rate. In any case the specification applied for is not limited in any way.

36) I shall first consider the specifications of both parties which are as follows:

Applicant's specification	Opponent's specification	
<p><b>Class 18:</b> Vanity cases (not fitted); bags and the like; pouches and the like; rucksacks; boston bags; wallets, not of precious metal; purses, not of precious metal; beach bags; briefcases; suitcases; travelling bags; handbags; knapsacks; sports bags; waist bags; backpacks; tote bags; shoulder bags; carry-on bags; shopping bags; coin purses, not of precious metal; card cases; key cases; umbrellas.</p> <p><b>Class 25:</b> Shoes and boots; leather shoes; half-boots; beach shoes; sandals; slippers; inner soles (for shoes and boots); sports shoes; clothing; coats; overcoats; jackets (clothing); jumpers (shirt fronts); blousons; anoraks; slacks; suits; waistcoats; overalls; pants; jeans (clothing); breeches (for wear); children's wear; infant wear; liveries; parkas; Aloha shirts; shirts; sport shirts; polo shirts; underwear; underpants; undershirts; underclothing; swimming caps; swimsuits; swimming wear; sweaters; pullovers; sweat shirts; sweat pants; jerseys (clothing); cardigans; tank tops; pajamas; Tee-shirts; clothing of leather; clothing of imitations of leather; collar protectors; bandanas (neckerchiefs); scarfs; ear muffs (clothing); gloves (clothing); mittens (clothing); socks; headgear for wear; fur hats; caps (headwear); hats; sun visors; turbans; belts (clothing).</p>	1486517	Sports bags; backpacks
	1309095	Footwear included in Class 25
	1491118	Class 25: T-shirts, shirts, vests, singlets, sweatshirts, shorts, trousers, trunks, pants, jumpers, jackets, tops; anoraks, parkas, raincoats and coats; headwear, hats, hoods and caps; footwear; all included in Class 25.
	1046939	Footwear

37) At the hearing Mr Wilson accepted that the specification of the opponent's trade mark 1491118 was identical to the Class 25 specification of the applicant's mark, whilst the Class 18 specification of the opponent's mark 1486517, as registered, is identical to the Class 18 specification of the applicant's mark. Clearly the Class 18 specification of the opponent's mark 1486517 has been reduced due to the proof of use test, however the Class 18 specifications of both parties remain identical for bags in general and very similar for items such as suitcases, coin purses etc. Equally, the opponent's mark 1046939 has identical goods to some of the applicant's Class 25 specification (shoes, boots etc) whilst the clothing items in the applicant's Class 25 specification would be regarded as similar to the opponent's footwear specification.

38) I now turn to consider the marks of the two parties. Three of the opponent's marks, 1486517, 1309095 and 1491118 are identical other than minor differences in the disclaimers. I consider all three marks to be identical for the purposes of the comparison test. Mr Wilson for the applicant accepted this point. However, whilst not demurring from my opinion, Ms Clarke sought to limit the parts of the opponent's marks that were taken into account for the comparison test, contending:

“What I propose to do in those circumstances is just very briefly, and I see where you are going with that, sir, to refer you to the **Cigar** case itself just briefly which is referred to in my skeleton. As we are on this particular point, that is **General Cigar Co Inc v Partagas**, and I am not going to try to pronounce and rest of it, which is [2005] FSR 45, you will see in there Lawrence Collins J refers fairly extensively to the findings of Mr. James in **PACO/PACO LIFE IN COLOUR** on page 974. He starts by obviously



looking at the fact that the wording of section 5 and section 10, in effect, are parallel. Section 10 was clearly based on article 5 of the Directive."(3) Since s. 10(2) was based on Art. 5(1)(b) of the Trade Marks Directive, the nature of the exclusive right conferred by ss. 9 and 10 was an exclusive right to the sign for trade mark purposes.(4) Therefore the exclusive right disclaimed under s.13 extended to the use by another party *as a trade mark* of that which has been disclaimed. If the only point of similarity with the registered mark is the disclaimed element, use of the later mark would not infringe.(5) It was difficult to accept that Parliament could have intended a disclaimer to be taken into account for infringement purposes but not when it came to an application to register something which could lawfully be used as a trade mark."

There is then a reference to **FOUNTAIN** under the 1938 Act and then:"(7) Although the public had no knowledge of disclaimers, this applied as much to s.10(2) as to s.5(2). The success of an opposition or action for infringement under s.10(2) depended on the likelihood of public confusion.(8) Section 13 also dealt with limitations, and if disclaimers did not apply to s.5 then neither did other limitations of rights to colour or territory." There is a reference to Community Trade Marks.

Just moving down to paragraph (12): "The entry of a disclaimer should be regarded as an admission by the proprietor that the disclaimed matter was not to be regarded as in itself distinctive of trade origin and therefore use of the disclaimed matter by another party without other similarities could not give rise to a likelihood of confusion." Then there is a reference to it having been applied in **TORREMAR**.

Just moving on, you will see where the learned judge comes to his conclusions in respect of the role of disclaimers. That is on page 984. He says: "There is an obvious parallelism between Arts 4 and 5 of the Trade Marks Directive and ss.5 and 10 of the 1994 Act. I accept the argument that it is difficult to imagine that Parliament could have intended a disclaimer to be taken into account for infringement purposes but not for opposition/invalidity purposes. One of the uses to which a trade mark may be put is as a bar to others registering similar marks. In effect s.5 of the 1994 Act serves to pre-empt the need for an infringement action by preventing the registration of marks the use of which would otherwise infringe."

If you look at the end of paragraph 87, his conclusion is that as the concept was common to both section 10 and section 5 it should be applied equally in each scenario. We say that the disclaimer inevitably must have an effect when you are comparing the marks in issue here on this opposition, just as it would have in an infringement action were there to be an infringement action brought.

We say that the effect of that is that when you come to be considering what the distinctive or dominant components of the mark are, then obviously you should be giving weight to the fact that those are disclaimed elements. Disclaimers are things which I think as we all know, sir, people do not necessarily volunteer unless they think there is a real reason why they should do. Most applicants for registration seek to obtain the widest rights that they can, not the narrowest.

Just looking at the mark, the subject of 1486517 itself, sir, you will see that I have set that out in my skeleton argument in paragraph 16 just for ease of reference. If you look at the disclaimed elements, Chuck Taylor, All Star, what you are left with in terms of elements of the mark is the word CONVERSE, a star, and what we would say is a very non-distinctive double line of stitching.

We say that the disclaimer does have to play a role and the extent to which it plays a role is obviously an issue that you are going to have to determine on this opposition. Sir, I have seen where you are coming from and I anticipate where my friend is coming from as well which is that you look at the mark as a whole and you are not directed to give any particular weight to the disclaimer. But relying upon the cases which I have just referred you to, sir, we say that it is noticeable that in that case a point was taken that disclaimers are not things which come to the attention of the public, but, notwithstanding that, the view was taken that the disclaimer was something which had to be given some effect in terms of assessing infringement but also opposition and the same position must apply on both sides of the line.

If the reality is that we would not have been able to assert distinctiveness or assert a monopoly in these particular elements or exclusive rights of those particular elements of our mark, we say that that must be a factor when you come to assess how close it is to the mark which is under opposition here.

39) I do not accept the logic of this contention. Ms Clarke is quite correct in asserting that where part of a mark is disclaimed then the trade mark owner has no rights in that aspect of the mark and cannot prevent others from using the disclaimed matter within their trade marks. However, the general public is unaware of disclaimers as they do not travel into the marketplace. When it comes to considering the question as to whether two marks are similar I must consider them as wholes and cannot discount that which is disclaimed. I accept that, given that an aspect is disclaimed, there is the possibility that it is nebulous in nature and hence the reason for it being disclaimed. But, this is not always the case and even where it is, I cannot disregard it completely but may attach less importance to it if there are other elements which I regard as dominant characteristics.



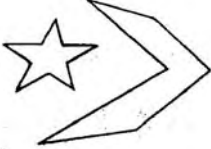
40) In considering the issues I also take into account the views of Mr S Thorley sitting as the Appointed Person in the *REACT* case [2000] RPC 285 where he said:

“[*Counsel*] ....drew my attention to the fact that in relation to clothing of the type for which the mark is to be registered, anybody using the mark aurally would be informed to some extent of the nature of the goods they were proposing to purchase; they will therefore know of a mark; and they will know what they want. I think there is force in this in the context of purchasing clothes. The Hearing Officer was prepared of his own experience to hold that the initial selection of goods would be made by eye, and I believe this is correct. I must therefore, in taking into account the likelihood of aural confusion, bear in mind the fact that the primary use of the trade marks in the purchasing of clothes is a visual act.”

41) This is not intended to remove the aural and conceptual comparisons, but it does give slightly greater weight to the visual aspect. With regard to footwear in the instant case it is clear from both the evidence and also from my own knowledge that items such as training shoes tend to be placed sideways on shelves in shops. Presumably as most of the major brands such as Nike, Adidas, Reebok etc all have device elements on the sides of their training shoes.

42) I am mindful of the guidance given by the ECJ in *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* that assessment of similarity means more than taking just one component of a composite trade mark and comparing it with another mark and also in *Shaker di L. Laudato & C. Sas v OHIM* that only if other components are negligible is it permissible to make the comparison on the basis of the dominant element.

43) For ease of reference the marks of the parties are reproduced below:

Applicant's mark	Opponent's marks
	<p>1491118</p> 
	<p>1046939</p> 

44) The applicant describes its mark as a “comet” device. To my mind comets are usually depicted as spherical with a diminishing trail of debris behind them. The applicant’s mark is, to my mind, a star device combined with lightning. I note that at paragraph 14 of the applicant’s skeleton evidence Mr Wilson describes his client’s mark as “The Trade Mark in suit is itself inherently distinctive because the lightning flash effect on the right hand side gives it a very different overall appearance from that of a star *simpliciter*”. It would therefore seem that the applicant’s representative views the mark in suit as a star device with a lightning strike added.

45) I shall first consider the opponent’s mark 1491118 which represents three marks which are identical other than minor differences to their disclaimers. The mark has a very large star device, which is emphasised with the words “ALL STAR” printed underneath. It also has the word “CONVERSE” printed in the same large print above the star device. Whilst the word “converse” has a number of dictionary meanings such as to talk, reversed or opposite etc the word when used on goods in Classes 18 & 25 has no relevance to the goods. It does not provide a conceptual image. Lastly, trade mark 149118 has a signature “Chuck Taylor” in much smaller print. Both sides engaged in a debate over whether the words “Chuck” or “Chuckie” or even “Chuckie

T's" had become a generic term for canvas high topped trainers. However, the evidence, such as there is, is very sketchy and relates to alleged conversations in Japan and the USA. To my mind, this was unconvincing and it is my view that the average UK consumer will have no idea who Chuck Taylor is or was. They will see the mark as a "Converse All Star" mark with a large star device in the middle. The sheer size of the star in the centre of the mark means that it dominates the mark visually, and is recognisable from a distance. The word elements of the mark cannot be said to be negligible and have to be taken into account when comparing the marks.

46) Comparing 1491118 to the mark in suit, visually, the marks are similar in that they both have a star device even though the applicant's mark has the addition of a lightning strike. The opponent's mark also has a number of words. Overall, there are similarities and differences in the marks. Aurally the applicant's mark does not have any words, although if the image were verbalised it would, in my opinion, be as a Star device with a lightning strike. The opponent's mark would be said to be a "Converse All Star" mark. Conceptually, the word element "Converse" does not create an image when used on clothing or footwear, the words "All Star" bring to mind the large star device and/or a team comprising the best players from around the league. The disclaimers deny the opponent any rights in the words "Chuck Taylor" or "Taylor" and also "All Star".

47) I now turn to consider the mark in suit to the opponent's mark 1046939. The opponent's mark consists of a star device and a chevron device. Visually the two marks are similar in that they both have a star device, but whereas the mark in suit has a lightening device attached to the star, the opponent's mark has a chevron device alongside it. The marks have the same similarity and differences when considered aurally or conceptually.

48) The applicant referred to the collaboration between the parties in Japan and also the lack of confusion arising from their activities in the UK, where they have used the mark in suit since April 2001. I do not regard the collaboration in Japan as particularly relevant to the instant case. Firstly, it took place in an entirely different jurisdiction, it related only to the use of a camouflage pattern on an otherwise standard opponent's shoe, complete with use of the opponent's usual trade marks. The fact that the camouflage pattern is registered by the applicant and was advertised in Japan as a collaboration between the two parties seems irrelevant to the instant case. Whilst the applicant has used its mark in the UK for some time it has, by its own admission been used very sparingly. The goods are sold from a single shop with entry strictly limited and indeed the number of purchases are restricted. However, there is no limitation with the mark in suit's specification that would prevent the applicant selling its goods in shops throughout the UK. The lack of confusion to date is noted but it is not compelling.

49) I also have to take into account actual use. As part of its evidence the applicant provided photographs of clothing, bags and footwear with the mark in suit shown on them. I assume that the applicant would regard this as fair and normal use otherwise it would not have filed these in an effort to further its case. On the images of clothing and bags the whole of the mark applied for, including the end of the "lightning strike" can be seen. However, with regard to its use on shoes the situation is different. Attached as Annex 1 to this decision is a copy of exhibit TF11. This was chosen as

the exhibit consists of a single image of a shoe. Other similar images were included in Exhibit TF3 but were not paginated. The photograph shows the mark in suit applied to a training shoe. The “star” device appears near the middle of the shoe whilst the lightning strike has been considerably extended as it disappears round the heel of the shoe, presumably to meet up with the lightning strike from the star device on the other side of the shoe. Used in this way the jagged end of the lightning strike is not in view when the consumer first sees the shoe. The way in which the applicant uses its mark on shoes is such that the “star” element appears to have been placed atop a stripe. Thus, when used in such a manner the star and lightning strike device becomes simply a star device, thus increasing the similarity of the parties’ marks.

50) I now consider the issue of “Likelihood of confusion”. It is clear from the case law that there is interdependency between the various factors that need to be taken into account when deciding whether there exists a likelihood of confusion. I must also take into account that marks are rarely recalled perfectly with the consumer relying, instead, on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). Taking the opponent’s 1486517, 1309095 and 1491118 marks first, the goods in both Classes 18 and 25 are considered by the applicant to be identical or very similar. There are visual and conceptual similarities between the marks and also some differences. Taking account of all of the above I believe that there is 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. I now move onto the opponent’s mark 1046939. The goods covered by this mark are identical or similar to those in Class 25 of the mark in suit. This mark has considerable visual and conceptual similarities with the mark in suit as well as certain differences. Taking account of all of the above I believe that there is 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.

51) The opposition under Section 5(2)(b) therefore succeeds in relation to the following:

Trade mark number	Successful with regard to the following applicant’s goods
1486517	Class 18
1309095	Class 25
1491118	Class 25
1046939	Class 25

52) I next turn to the ground of 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.”

53) In deciding whether the mark in question offends 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.”

54) 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. In the evidence filed the applicant claims to have first used the mark in suit in the UK in April 2001.

55) Under this ground of opposition the opponent is relying upon its use of a star device. The device is exactly the same as the star which can be seen in the opponent's trade marks 1486517, 1309095 & 1491118. The opponent filed evidence which showed that it uses the star device *simpliciter* upon some of its goods, in particular

footwear and bags; and to a lesser extent on clothing. It is also used upon packaging material and catalogues which are used upon/show all goods. Further, it is also used with the opponent's "Converse" mark upon clothing, bags and footwear. This evidence is not overwhelming but I believe that it is enough for me to accept that the applicant had, at the relevant date, April 2001, goodwill in its "Star" device *simpliciter*. The opponent therefore overcomes the first hurdle in this ground of opposition. I now turn to the issue of misrepresentation. Earlier in this decision I described the applicant's mark thus:

"44) The applicant describes its mark as a "comet" device. To my mind comets are usually depicted as spherical with a diminishing trail of debris behind them. The applicant's mark is, to my mind, a star device combined with lightning. I note that at paragraph 14 of the applicant's skeleton evidence Mr Wilson describes his client's mark as "The Trade Mark in suit is itself inherently distinctive because the lightning flash effect on the right hand side gives it a very different overall appearance from that of a star *simpliciter*". It would therefore seem that the applicant's representative views the mark in suit as a star device with a lightning strike added."

56) Given that the opponent has shown use of a star device, the issue here is whether the applicant's mark of a star device with a lightning flash attached when used on identical goods to those of the opponent will lead the average consumer to believe that the goods originated from the opponent or from a source connected to the opponent, thus giving rise to misrepresentation. To my mind this will occur. When the actual use of the mark in suit is considered as referred to in paragraph 49, particularly on footwear then the question of misrepresentation is a foregone conclusion as both parties would effectively be using simple star devices.

57) It is well established that it is not necessary for the parties to a passing-off action to be in the same area of trade or even a related area of trade. However, in the instant case the two parties are both seeking to sell, broadly, clothing, shoes and bags. The opponent has shown it had goodwill at the relevant date and that misrepresentation would take place. Damage would clearly follow; it has only not yet occurred due to the low volume of goods sold under the applicant's mark this far and limited places of sale. The opposition under Section 5(4)(a) of the Act must succeed with regard to the opponent's registered marks.

58) In the light of the above findings I do not need to consider the last ground of opposition under Section 5(3).



## COSTS

59) As the opponent has been successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1,800. 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 11<sup>th</sup> day of June 2009**

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

**ANNEX 1**

**This is a copy of Exhibit TF11.**

