

O/053/12

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO 1005619

IN THE NAME OF

HILSCHER GESELLSCHAFT FÜR SYSTEMAUTOMATON MBH

OF THE TRADE MARK:

netX

IN CLASSES 9, 37. 42 AND 45

AND THE APPLICATION FOR THE GRANTING OF PROTECTION THEREOF

IN THE UNITED KINGDOM

AND

THE OPPOSITION THERETO

UNDER NO 72240

BY

TECHNETIX GROUP LIMITED

1) Hilscher Gesellschaft Für Systemautomaten mbH (Hilscher) is the holder of the international registration for the trade mark **netX**. The United Kingdom was designated in respect of the international registration on 22 November 2008 for goods and services in classes 9, 37 42 and 45. The international registration was published, for opposition purposes, on 12 November 2010.

2) On 11 February 2011 Technetix Group Limited (Technetix) filed a notice of opposition to the granting of protection on the trade mark in the United Kingdom in respect of some of the class 9 goods of the specification, namely:

apparatus for controlling signal transmitters, apparatus for security technology, household technology; interfaces, in particular digital interfaces, interface converters and apparatus; signal converters, input/output devices; power supply apparatus (except electricity generators); phase adaptation apparatus, synchronising apparatus; switching apparatus, modules and electronic components; scanners, remote control senders and remote control receivers for the aforesaid goods; consoles, electric switching and control cabinets, assembly systems, consisting of front frames and screens, control panel covers, keyboards, multi-combination unit panels, plug-in modules, mainly consisting of multi-combination individual parts for holding and/or combining circuit boards and parts for all the aforesaid goods.

3) Technetix bases its opposition upon sections 5(1), 5(2)(a) and 5(2)(b) of the Trade Marks Act 1994 (the Act), which state:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

Technetix relies upon its Community trade mark registration no 2958866. The registration is for the trade mark:



The application for registration of the trade mark was filed on 19 November 2002 and the registration procedure was completed on 10 October 2005. The colours black and blue are indicated. The trade mark is registered for the following goods:

signal transmission, distribution and relaying apparatus; system protection and safety apparatus; computer hardware and computer software; ethernet interfaces, patch leads, computer connection devices; signal combiners, splitters and interfaces; amplifiers; signal conditioning devices and filters; connection devices; isolator housings; all of the aforesaid for use in relation to broadband communications and cable television systems; apparatus and components for use in broadband communications and cable television systems; parts and fittings for all the aforesaid.

The above goods are in class 9 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

Technetix relies upon the following goods for this opposition:

*signal transmission, distribution and relaying apparatus; computer connection devices; Ethernet interfaces, patch leads; components for use in broadband communications and cable television systems; **cables, signal adaptors, home data networking kits.***

The goods in bold are not specifically rehearsed in the specification of the registration.

4) As the trade mark of Technetix had been registered for more than 5 years at the date of the publication of Hilscher's trade mark, it is subject to the proof of use requirement under section 6A of the Actⁱ and the Trade Marks (International Registration) Order 2008. Technetix claims that it has made genuine use of the trade mark in the period from 11 November 2005 and 12 November 2010 (the material period for proof of use) in respect of:

home networking kits, computer cable reels, data connection cables, data leads, patch leads, signal adaptors, home networking installations, Ethernet adaptors, Ethernet interfaces.

It is unusual for the goods, upon which an opponent relies, not to be worded in the same manner as the goods for which it is claimed that there has been use.

However, the difference is not necessarily contradictory; as long as the former goods are encompassed by the latter goods. If the former goods cover a wider spectrum, then there is a contradiction as the opponent cannot rely upon goods upon which it has not claimed that there has been use.

5) Technetix claims that the respective trade marks are identical or that in the alternative that they are similar. It claims that the respective goods are identical. Technetix submits that use in relation to *home networking kits, computer cable reels, data connection cables, data leads, patch leads, signal adaptors, home networking installations, Ethernet adaptors, Ethernet interfaces* demonstrates use in relation to *signal transmission, distribution and relaying apparatus; computer connection devices; Ethernet interfaces, patch leads; components for use in broadband communications and cable television systems; cables, signal adaptors, home data networking kits*. Technetix claims that its goods are identical to *apparatus for controlling signal transmitters* as “by its very nature, broadband communications equipment and in particular network installation kits, allow the control of signal transmitters in the form of computing equipment and modems”. It claims that “[b]roadband communications equipment and network installations are also identical to “apparatus for household technology” as covered by the Applicant, broadband communications necessarily forming part of apparatus for household technology. The goods covered by the Opponent of “Ethernet interfaces and signal adaptors” are identical to the goods covered by the Applicant of “Interfaces, digital interfaces, interface converters and related apparatus” and also “signal converters, input/output devices”. Part of the function of Ethernet interfaces is to allow switching of signals and thus the Opponent covers identical goods to the Applicant’s goods of “switching apparatus, modules and electronic components” and “electric switching apparatus”. The Opponent’s power adaptors and signal adaptors are generally used as plug-in modules and therefore the Opponent also provides identical goods to the Applicant’s goods of “plug-in modules”.”

6) Technetix claims that the goods in relation to which it uses its trade mark are “all broadly used in relation to the broadband communications technology which is used with a large variety of signal processing equipment, such as modems, set-top boxes, television sets, and computers. The Opponent’s goods will be used with a large variety of such equipment and sold through common trade channels to parties looking to link such equipment together. The remaining goods covered by the Applicant in class 9, and objected to by the Opponent, namely: “apparatus for security technology, power supply apparatus; phase adaptation apparatus, synchronising apparatus; scanners, remote control senders and remote control receivers for scanners consoles, control cabinets, assembly systems, control panel covers, keyboards, multi-combination unit panels” are all complementary to the Opponent’s goods and are sold in similar trade channels to the Opponent’s goods with a view to interacting with the Opponent’s goods. These goods are therefore similar to the Opponent’s goods.”

7) Hilscher filed a counterstatement. It requires Technetix to prove use of its trade mark. Hilscher filed an annex with its counterstatement to show how Technetix uses its trade mark. It submits that Technetix has not used its trade mark in the form in which it is registered. It submits that it only uses the trade mark, in a different form, in relation to home networking kits. It considers that the goods for which Technetix's trade mark, in a different form, in used are not similar to the goods of the international registration. It does not comment upon the similarity, or otherwise, of the trade marks.

8) Hilscher did not file evidence but filed written submissions. Technetix filed evidence.

9) A hearing was held on 1 February 2011. Hilscher was represented by Mr Chris Aikens of counsel, instructed by Davenport Lyons. Technetix was represented by Ms Denise McFarland of counsel, instructed by Nash Matthews.

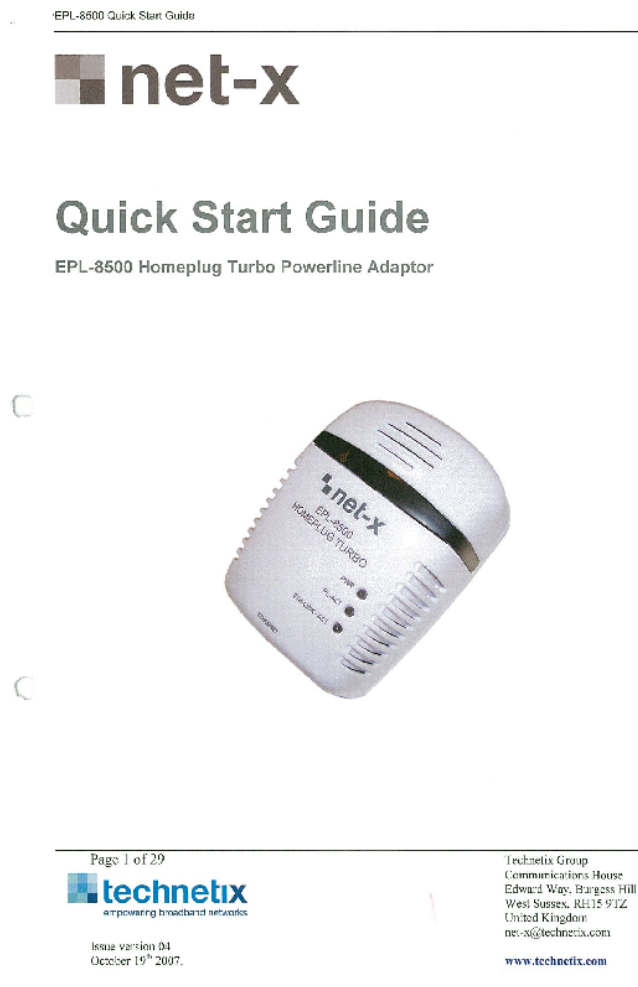
Evidence for Technetix

10) This consists of a witness statement by Helen Jane Forsyth, a partner in Nash Matthews. She states that the evidence is based on her own knowledge and on information provided to her by Technetix. Consequently, parts of the evidence are hearsay.

11) Exhibited at HJF1 is a picture of a network adaptor. This consists of CD-ROM, with software and drivers and a small device which has a USB attachment. The CD-ROM bears a copyright year of 2002. Consequently, this does not establish use in the material period. Exhibited at HJF2 is a box which bears the trade mark, with the X in blue. Dr Forsyth states that the box contains cabling. Cable can be seen coming out of the box but there is nothing to indicate the nature of the product on the packaging. There is nothing to indicate from when the box emanates. Consequently, this does not establish use in the material period. Exhibited at HJF3 is what Dr Forsyth describes as a picture of a patch lead. It is a lead of some description, upon which the trade mark appears. There is nothing to indicate the date from when the lead emanates. Consequently, this does not establish use in the material period. HJF4 shows what Dr Forsyth describes as a "strain release boot for attachment to cables". The trade mark appears on the product. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material period. Exhibited at HJF5 is a picture of plastic optical fibre media converters. The product is described as a "Home Networking Self Install Kit". The trade mark shown is net-x (in lower case and with no stylisation) next to a square divided into four squares. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material period. Exhibited at HJF6 is a picture of a "crossover adaptor". The lead attached to the adaptor bears the trade mark. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material

period. Exhibited at HJF7 is a picture of a “homeplug AV”. Dr Forsyth states that this uses existing electrical wiring in a house as a path to creating a network of computer and Ethernet devices. The trade mark shown is net-x (in lower case and with no stylisation) next to a square divided into four squares. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material period.

12) Exhibited at HJF8 is a “Quick Start Guide” for the “EPL-8500 Homeplug Turbo Powerline Adaptor”. The guide is dated 19 October 2007. The cover is reproduced below:



The product is described in the following terms:

“HomePlug Turbo is a device that utilises the existing electrical wiring in the house as a path to create a secured network of computers with Ethernet devices. HomePlug Turbo does not require a device driver to

work. With a maximum data rate of 85 Mbps, HomePlug Turbo can reliably provide Internet connection among linked devices.

HomePlug Turbo is operating system independent. This means that it can be used in Windows, Macintosh, or Linux operating systems immediately out of the box. However, to manage and monitor the device, you will need the PowerPacket Utility, a Windows-based software application. The primary use of the PowerPacket Utility is for changing the Private Network Name. The Private Network Name serves as a key that allows HomePlug Turbo to communicate with HomePlug 1.0 and HomePlug Turbo devices using the same Private Network Name. *HomePlug* is the default Private Network Name. You can use the PowerPacket Utility to change the Private Network Name of your HomePlug devices.”

The package contains 2 “Ethernet over Power adaptors”, 1 Ethernet cable, 1 CD-ROM and 1 quick start guide. At the right hand bottom corner of all of the pages the address, domain name and e-mail address of Technetix appears. The e-mail address is net-x@technetix.com.

13) Exhibited at HJF9 is a picture of a box for “Home Networking Ethernet over Modular UTP Cable System”. The trade mark shown is net-x (in lower case and with no stylisation) next to a square divided into four squares. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material period.

14) Exhibited at HJF10 is a picture of a box for “Home Networking NEW 100Mbps POF Kit”. This is a plastic optical fibre kit. Pictures of the contents of the box and the rear of the box are shown. The trade mark shown on the box and the cover is net-x (in lower case and with no stylisation) next to a square divided into four squares. The trade mark as registered can be seen upon the cables. There is nothing to indicate the date from when the product emanates. Consequently, this does not establish use in the material period.

15) Dr Forsyth states that she is “advised” that the products shown in the exhibits are sold in various European countries including the United Kingdom. Dr Forsyth exhibits at HJF11 a table that she states shows the number of products sold under the trade mark over the period 2006 – 2010. The table gives the following information in relation to the United Kingdom:

Product code	Description	2006-2010
CM750	CAT5E CABLE WHITE (305MTR BOX)	918
CM751B	CAT5E PATCH LEAD 2M WHI B WIRE	102063
CM752B	CAT5E PATCH LEAD 20M WHI B WIRE	16897
CM752B-RETNT	20 METRE CAT5E DATA LEAD	610
CM753	CAT5E CABLE BLACK (305MTR BOX)	1929
CM754B	CAT5E CROSSOVER ADAPTOR B WIRE	15884
CM755B	CAT5E PATCH LEAD 4M WHI B WIRE	81566
CM758	CAT5E RJ45 STRAIN RELIEF BOOT	14000

USB301	USB ETHERNET ADAPTOR	14891
PMC-1000-ST-UK-SLV	POF NETX 30M UK COMP KIT	24
EPL-9200-ST-UK-SLV	EPL-9200 HOMEPLUG ADAPT/S UK WITH SLEEVE	917
EPL-8500-ST-UK-SLV	EPL-8500 HOMEPLUG ADPTS WITH SLEEVE	940

Dr Forsyth states that CM750 is depicted at HJF2, CM751B is shown at HJF3, CM752B is equivalent to the product shown at HJF3 but longer, CM753 is equivalent to CM750 but in the colour black, CM754B is shown at HJF6, CM758 is shown at HJF4, USB301 is shown at HJF1, PMC-1000 is shown at HJF10, EPL-9200 is shown at HJF7 and EPL-8500 is shown at HJF8. Dr Forsyth states that HJF9 is not included in the United Kingdom sales as it has only been sold in Belgium and the Netherlands.

16) Exhibited at HJF12 are pages from the website of Screwfix, downloaded on 6 July 2011. The pages exhibited emanate from the section of the catalogue relating to patch leads and panels for data networking. Shown on the pages are booted patch leads, Rj45 patch leads, patch leads, patch panels, multi function USB 2.0 print server, wall data cabinets and port patch panels. The patch leads and panels are promoted in the following terms:

“Keep your data networks running smoothly with our range of colour-coded RJ45 booted patch leads and patch panels with up to 48 ports.”

Dr Forsyth notes that patch panels, print servers and data cabinets are included in the same section as patch leads. She states that category 5E cabling, patch leads and data lead are used in computer and broadband networks to allow signal transmission between computers, television and modems. Dr Forsyth states that USB adaptors are used as interface controllers to connect a USB enabled computer to a wireless network. She states that the net-x home plug turbo converts the data signals from a computer into a carrier wave along the ring mains circuit and “as shown in Exhibit HJF8 is used in creating one’s own network for broadband communications and entertainment networking including cable television, a computer and the like”.

17) Dr Forsyth states that the customers of Technetix’s net-x products are cable operators who provide cable and broadband communication networks and ensure that customers have the appropriate devices such as modems, routers and splitters to connect to the network. She states that, however, some plugs, as shown at HJF7 have been sold on eBay and Amazon by a distributor, with these accounting for 500 sales of product code EPL-9200. Dr Forsyth states that further self-installation kits such as those shown in exhibits HJF9 and HJF10 are sold in retail parks in the Netherlands.

Proof of use

18) Section 100 of the Act states:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Consequent upon section 100, the onus is upon the registered proprietor to prove that it has made genuine use of the trade mark within the material period.

19) The Court of Justice of the European Union (CJEU) in *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01 stated:

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

37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

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

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the

characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.”

The trade mark is a Community registration. The decision of The Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

“11 The relevant period is October 1998 to October 2003. Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No.B.10, OH OHIM 1996, 607, 613), provided that is it [sic.] genuine.”

In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

“30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in one member state(s) could not satisfy the use requirement. If use is established, it will be necessary to decide if in the context of the European Union, as it was constituted during the material period, if such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark. (The scale of use may be such that it would be warranted in one jurisdiction but not in the European Union as a whole. This position is in conformity with article 112 of Council Regulation (EC) No 207/2009”).

20) In relation to use of the trade mark of Technetix, the evidence of Dr Forsyth is hearsay. Mr Aikens and Ms McFarland both prayed in aid the decision of Mr Richard Arnold QC, sitting as the appointed person, in *Tripp Limited v Pan World Brands Limited* BL O/161/07 in relation to the weight that can be given to the evidence of Dr Forsyth. Ms McFarland submitted that Hilscher could have requested the cross-examination of Dr Forsyth. As the evidence in relation to

use is hearsay, cross-examination would not be able to probe the evidence. The best that it could do is to give clarification as to from whom and how Dr Forsyth got her information. The hardest evidence of use is found at exhibit HJF11, the table relating to products sold between 2006 and 2010. Dr Forsyth does not state how the table was compiled and from where or whom she obtained the information in it. All she states is that "I now refer to Exhibit HJF11". Mr Aikens was effectively submitting that the table should not be considered in the proceedings. In relation to this table, Hilscher had an alternative to the potentially fruitless cross-examination of Dr Forsyth. It could have requested disclosure of the primary documentation that was used in the compilation of the data. In the absence of such a request, it was too late for Mr Aikens to challenge the table at the hearing. The figures in the table are accepted. Mr Aikens submitted that the evidence of Dr Forsyth had been challenged, as required by *Tripp Limited v Pan World Brands Limited*, in the written submissions filed on behalf of Hilscher on 7 September 2011. This letter is a critique of the evidence of Technetix, within the context of the jurisprudence, rather than a challenge to the factual basis of the evidence. It is not considered that it represents the type of challenge envisaged in *Tripp Limited v Pan World Brands Limited*. The evidence of Dr Forsyth is accepted at face value for what it establishes.

21) A large part of the evidence shows use of a trade mark as shown in paragraph 12. Mr Aikens submitted that there had been a rebranding and that Technetix was no longer using the trade mark as registered during the material period. There is no evidence to this effect. Ms McFarland submitted that there was concurrent use of the trade mark as registered and as shown in paragraph 12 for the goods referred to at HJF11.

22) In paragraph 4 of her statement Dr Forsyth states "I note from the Exhibits that the Opponent uses the mark net-x in two forms, namely net- □ as registered and also as net-x". There is no claim that there has been concurrent use of the trade marks in the material period. Dr Forsyth cannot make such a claim, as she is only commenting upon the photographs which have been supplied to her. In paragraph 5 Dr Forsyth states: "I now refer to Exhibit HJF11 which is a table showing the number of products sold in the UK under the net-x mark over the period 2002-2010". In her statement Dr Forsyth distinguishes between net-x trade mark and the net- □ trade mark. She does not make any distinction in relation to the goods referred to in the table and the trade mark which has been used in relation to them; indeed she only refers to the non-stylised trade mark. There is nothing in Dr Forsyth's statement to support the submission of Ms McFarland that there has been concurrent use of the two trade marks and that the table relates to goods sold under both trade marks. Dr Forsyth has been given sales figures for various goods, she has been given photographs of various products. She does not know what trade mark(s) have been used in relation to what goods. All she can do, and does do, is exhibit the photographs and adduce the table.

23) In *Kabushiki Kaisha Fernandes v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-39/01* the General Court (GC) stated:

“47. In that regard it must be held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned.”

There is no evidence as to which particular trade mark has been used at which time in relation to which goods. The evidence is against Ms McFarland's conjecture that the two trade marks have been used concurrently for the same goods. The only evidence of the use of both trade marks concurrently is found at HJF10. In that exhibit the trade mark, as per paragraph 12, appears on the packaging and media converters. However, the stylised trade mark can be seen moulded into some form of cable. Two types of cabling are identified on the packaging: Ethernet cables and an optical cable. It is not possible to tell from the photograph if the cable shown is one or two items and so it is not possible to identify which of the two products it is. A matter that is made the more murky by the identification by Dr Forsyth of a product, a photograph of which is exhibited at HJF3, which looks remarkably similar, as a patch lead. Dr Forsyth identifies the product shown at HJF10 as PMC-1000. The table at HJF11 shows that between 2006 and 2010, 24 of these products were sold in the United Kingdom. There is no indication as to whether these kits have been sold constantly during this period or intermittently. So the evidence of concurrent use of the trade marks amounts to 24 kits sold during a period of 5 years, for a component part of the kit which cannot be specifically identified.

24) In *Laboratories Goemar SA's Trade Mark* [2002] ETMR 34 Jacob J stated:

“9 In the present cases, use was not proved well. Those concerned with proof of use should read their proposed evidence with a critical eye, to ensure that use is actually proved, and for the goods or services of the mark in question. All the 't's should be crossed and all the 'i's dotted. In the present cases there was a difference between the total sales figures and relevant sales. Mr Mellor, for the applicants for revocation, told me that sorting out the wheat from the chaff involved a lot of work. In the end, however, he accepts that some very small potentially relevant sales under the marks were proved.”

The evidence of Dr Forsyth fails to satisfy these criteria.

25) For all of the failings of the evidence, taking into account the exhibits, it does establish that at least one of two trade marks has been used in the material period. So it is necessary to decide if the use of the trade mark shown at paragraph 12 is use of the trade mark in a form differing in elements which does

not alter the distinctive character of the mark in the form in which it was registered.

26) In *Budejovicky Budvar Narodni Podnik v Anheuser-Busch Inc* [2003] RPC 25 the Court of Appeal dealt with issues relating to use of a trade mark in a form which does not alter the distinctive character of the mark in the form in which it was registered. Lord Walker stated:

“43 I have no wish to be overcritical of the way in which the deputy judge expressed himself, especially since I think he was a little overcritical of the way in which the hearing officer had expressed himself. But I am inclined to think that the deputy judge made the issue rather more complicated than it is. The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?”

44 The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis. The same is true of any striking and memorable line of poetry:

"Bare ruin'd choirs, where late the sweet birds sang"

is effective whether or not the reader is familiar with Empson's commentary pointing out its rich associations (including early music, vault like trees in winter, and the dissolution of the monasteries).

45 Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of "whose eyes?-- registrar or ordinary consumer?" is a direct conflict. It is for the registrar, through the hearing officer's specialised experience and judgment, to analyse the "visual, aural and conceptual" qualities of a mark and make a "global appreciation" of its likely impact on the average consumer, who "normally perceives a mark as a whole and does not proceed to analyse its various details."

In *Boura v Nirvana Spa & Leisure Ltd* BL O/262/06 Mr Richard Arnold QC, sitting as the appointed person, stated:

“15. It is clear from BUD and BUDWEISER BUDBRÄU and the four Court of First Instance cases that the normal approach to the assessment of distinctive character applies in this context. As the European Court of Justice has reiterated in numerous cases, the distinctive character of a trade mark must be assessed (i) in relation to the goods or services in question and (ii) according to the perception of the average consumer of

those goods or services, who is deemed to be reasonably well-informed and reasonably observant and circumspect.”

He went on to state:

“34 The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.”

27) It is necessary to consider the difference(s) between the trade mark as registered and as used. It is not necessary that the average consumer does not register any differences at all.

28) In *Atlas Transport GmbH v Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle)* (HABM) the GC held:

“42 Aus alledem ergibt sich, dass die zusätzlichen Elemente der Briefköpfe der von der Klägerin vorgelegten Rechnungen nicht als ein untrennbar mit dem Element „Atlas Transport“ verbundenes Ganzes angesehen werden können, dass sie eine untergeordnete Stellung im Gesamteindruck einnehmen, den die streitige Marke so, wie sie in den Briefköpfen benutzt wurde, hervorruft, und dass die meisten von ihnen eine schwache Unterscheidungskraft haben. Folglich ist entgegen den Ausführungen der Beschwerdekammer in der angefochtenen Entscheidung die Unterscheidungskraft der eingetragenen Marke bei ihrer Benutzung auf den zu den Akten gereichten Rechnungen nicht im Sinne von Art. 15 Abs. 2 Buchst. a der Verordnung Nr. 40/94 beeinflusst worden.”

The square device element does not form an indissoluble whole with the rest of the trade mark. The average consumer may well see two trade marks, a device mark and a word markⁱⁱⁱ.

29) The trade mark is registered in the following form:



Mr Aikens made reference to the colour of the trade mark. There is no claim to colour. It is not considered that use of the trade mark is limited by colour. The trade mark has been used in the following form:

EPL-8900 Quick Start Guide



The registered trade mark has distinctive character in its entirety. It also has clear distinctive character in the final element of the trade mark. This may be seen as a stylised x but may be seen as a device. It is highly stylised and will be clearly noticed by the consumer, although it is borne in mind that “the question does not depend upon the average consumer not registering the differences at all”. (It is important not to fall into the trap of seeing an x because of knowledge of how the other trade mark is presented. The perception of the average consumer cannot be predicated on he or she having a knowledge of the trade mark as used.) The change of the final element of the trade mark is such that the trade mark as shown above is use that does alter the distinctive character of the trade mark as registered.

30) Ms McFarland argued that in oral use of the trade mark would be identical. Both being spoken as net-x. This, of course, presumes that the final element is seen as an x. On this argument, use of any letter or word mark, however, highly stylised, would be use in any other form, because the trade marks will be the same in oral use. This may be a reasonable argument if a trade mark were only used orally ie it had no graphic representation. However, in order to be registered it must have a graphic representation. Mr McFarland commented upon Hilscher not filing any evidence. There is no reason that it should file evidence. The onus is upon the opponent. In relation to the non-use case, which is a foundation of the defence, it is difficult to file evidence to prove a negative. Such a concept is going back to the 1938 Act and applicants for rectification having to prove that a trade mark has not been used. Such a concept is directly contrary to section 100 of the Act. Ms McFarland also thought that it was significant that Hilscher had not applied to revoke the trade mark of Technetix. Filing an application for the revocation of a Community trade mark will involve cost and time. Hilscher has had to raise the issue of use in these proceedings as it has been attacked, it has been reactive. The absence of an application for revocation is without significance.

31) As Technetix has failed to establish genuine use of its earlier trade mark in the material period the grounds of opposition under sections 5(1), 5(2)(a) and 5(2)(b) must fail. The opposition is dismissed.

Costs

32) Hilscher, having been successful, is entitled towards a contribution towards its costs. Costs are awarded on the following basis:

Preparing a statement and considering Technetix's statement:	£300
Written submissions:	£50
Considering evidence of Technetix	£100
Preparation for and attendance at a hearing:	£500
Total:	£950

Technetix Group Limited is to pay Hilscher Gesellschaft Für Systemautomaten mbH the sum of £950. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of February 2012

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

ⁱ Section 6A of the Act reads:

“(1) This section applies where –

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

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) 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)."

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

ii "2. Conversion shall not take place:

(a) where the rights of the proprietor of the Community trade mark have been revoked on the grounds of non-use, unless in the Member State for which conversion is requested the Community trade mark has been put to use which would be considered to be genuine use under the laws of that Member State;"

iii Also see the judgment of the GC in *Castellblanch, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-29/04*:

"33 In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer's company, as is the case particularly in the context of the automobile and wine industries.

34 That approach must be followed. The situation is not that the intervener's mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or

indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.”

The recent reference to the CJEU in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2012] EWCA Civ 24 is not pertinent to this case as that reference relates to where a party has two registrations and uses them in combination.