

O/113/12

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2563125

BY

KRISHNAKANT CHANDAK

TO REGISTER THE TRADE MARK:

LAPTOP DOCTORS

IN CLASSES 35, 37 AND 42

AND

THE OPPOSITION THERETO

UNDER NO 101709

BY

PC DOCTOR, INC

1) On 03 November 2010 Krishnakant Chandak filed an application to register a series of two trade marks. Consequent upon an objection at examination stage, one of the series was deleted. The surviving trade mark is LAPTOP DOCTORS (the trade mark). The trade mark was published in the *Trade Marks Journal*, for opposition purposes, on 17 December 2010 with the following specification:

retail services, wholesale services, mail order services and online retail services all in connection with computers, computer hardware, computer software and computer accessories;

computer repair services;

computer software repair, installation and maintenance services.

The above services are in classes 35, 37 and 42 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 16 March 2011 PC Doctor, Inc (PCD) filed a notice of opposition to the registration of the trade mark. PCD relies upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act).

3) Section 5(2)(b) of the Act states:

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

.....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

Section 5(3) of the Act states:

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

Section 5(4)(a) of the Act states:

“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”.

The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

4) In relation to sections 5(2)(b) and 5(3) of the Act, PCD relies upon Community trade mark registration no 2659399 of the trade mark PC-DOCTOR. The application for registration was filed on 18 April 2002 and the registration procedure was completed on 27 April 2004. The trade mark is registered for goods and services in classes 9, 16 and 42. As the trade mark had been registered for more than five years at the date of the publication of the application, it is subject to proof of genuine use¹ for the period from 18 December 2005 to 17 December 2010. PCD claims that it has made genuine use of its trade mark in the material period in respect of:

computer software for diagnosing computer hardware, efficiency, operation and problems.

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.

5) PCD claims that, in respect of section 5(3) of the Act, it has a reputation in respect of the above goods. PCD claims that the relevant public would believe that there is an economic connection between the parties. It claims that Mr Chandak's trade mark will ride upon the coat tails of its trade mark. PCD claims that the registration of the trade mark will lead to the loss of the opportunity to license third parties to use its trade mark which will give rise to a loss of revenue.

6) In relation to section 5(4)(a) of the Act PCD relies upon the signs PC-DOCTOR and PC Doctor, Inc. It claims that it has used the two signs in the United Kingdom since February 1993 in respect of the goods in relation to which it has claimed genuine use. PCD claims that Mr Chandak's trade mark would be seen by the public as being licensed, authorised or in some other way connected with it.

7) Under each ground of opposition PCD seeks the complete refusal of the application.

8) Mr Chandak filed a counterstatement. He requires PCD to prove use of its trade mark in respect of the claimed goods. Mr Chandak denies the grounds of opposition.

9) Both parties filed evidence. PCD filed two sets of submissions; Mr Chandak also filed submissions.

Evidence for PCD

Witness statement of Aki Korhonen of 1 August 2011

10) Mr Korhonen is CEO, chief technologist and founder of PCD. Mr Korhonen states that PCD was founded in 1993 and that it provides specialised diagnostic software that identifies hardware and software failures within personal computer products such as desktops, laptops and all types of x86 based PC architecture computer equipment. He states that PCD software is used in point-of-sale terminals, gaming machines and medical ultrasound machines. Mr Korhonen states that since 1993 over 240 million PCD products have been sold worldwide. He states that PCD's trade mark was first used in the European Union in 1993. Mr Korhonen states that for "almost two decades" leading PC manufacturers such as Lenovo, Dell, HP, IBM and Acer have been using PCD software to ensure that their PCs are working at the optimum level. Mr Korhonen states that these original equipment manufacturers (OEMs) use PCD diagnostic software to test each machine on the manufacturing assembly line to identify any errors or flaws that may have occurred during assembly or packaging. He states that the OEMs also bundle or include PCD software as a component of their PCs. Mr Korhonen states that PCD software is loaded onto machines to allow end users to pinpoint hardware or software faults. He states that OEMs spend tens of millions of dollars on PCD products annually.

11) Mr Korhonen states that in the European Union, including the United Kingdom, tens of millions of PCD products are being using. He states that “currently” a number of European PC manufacturers use PCD software. These include European operations of Acer, HP and Dell. Exhibit A consists of redacted agreements with the European “business partners” of PCD. An agreement with Acer Europe AG dated 12 May 2009 relates to the licensing of software for use in factories and repair centres. A non-disclosure agreement with Arcom Control Systems Ltd, signed in April and May 2006, is neither illustrative nor indicative in relation to the issues in these proceedings. An agreement dated 26 May 2010 with Dell Global BV relates to factory software. An amendment to an agreement with Hewlett Packard Company, with effect from 1 August 2006, states:

“(b) market, distribute and sublicense copies of the Program(in object code form only) to HP ODMs and ASPs in the Territory to bundle and distribute with HP Products during the term of this Agreement, subject to the distribution restrictions set forth in Section 3.9”.

Included in the licensed program is the following:

“the HP ASP/ODM Windows and CUI Program for Windows as “HP Hardware Diagnostic Tool Powered by PC Doctor” for HP branded HP Products and “Compaq Hardware Diagnostic Tool Powered by PC Doctor” for Compaq branded HP Products.”

There is a list of Hewlett Packard repair centres, some of which are in the European Union. At page 41of the exhibit there is a reference to the list of repair centres:

“(a) use the Program on test stations or nodes at the HP ASP and ODM sits as set forth in Exhibit H”.

12) Mr Korhonen states that exhibit B shows how PCD’s European business partners incorporate PC-DOCTOR software into the PCs that they manufacture and distribute in the United Kingdom. Pages 62 to 73 are pages from United States websites, downloaded on 1 August 2011; so they are neither pertinent by jurisdiction or date. Pages 74 to 75 consist of an article dated 5 August 2009 which relates to Acer Europe AG using “PC-Doctor Network Factory software” in its repair centres and authorised third party repair service companies. The article advises that the software will be first used in July (the year is not given) in Acer’s German service centre, where it was tested in in 2008, and will be rolled out to all service centres in 2010.

13) Mr Korhonen states that in 2005 516 million computers were sold in the United Kingdom. He states that 214 million PCs were sold by Dell, HP and Lenovo and “included or used PC-Doctor software”. Mr Korhonen states that

between 2005 and 2011 HP and Dell PCs, which “use PC-DOCTOR software” accounted for over 40% of computer sales in the United Kingdom.

14) Exhibit D includes a review from *PC Advisor* of 17 October 2007 of a Lenovo laptop, in which the following appears:

“Another neat utility which tends to get overlooked is PC Doctor 5. This provides a relatively comprehensive set of diagnostic testing and system information tools that allow end-users to quickly troubleshoot many (not all) hardware and software problems without the aid of a technical support engineer.”

The specification synopsis makes no reference to this software. Information for advertisers re *PC Advisor* advises that “Nielsen Online ranks PC Advisor as the Worldwide Number 1 Technology Magazine Website for UK Audience and seventh across all sectors”. The exhibit also includes a review of a Lenovo notebook computer, dated 21 September 2007, from *Computer Active* in which the following appears:

“bundled software includes the free Google Picasa for photo editing, Norton Internet Security with a 90-day subscription, the PC-Doctor maintenance tool and a host of other utilities.”

The magazine has an on-line presence, from which the article is taken, and is also a physical magazine. It is available in WH Smith, supermarkets and independent newsagents and as of 27 July 2011 had a circulation of 159,210 copies.

15) Mr Korhonen states that PC technical support companies and IT companies that operate in the United Kingdom also use PC-DOCTOR software in the course of their business. Exhibit E consists of a reseller agreement between PCD and Kirkland Ltd of Sutherland, signed for the latter on 13 May 2010. The agreement is for Service Center Kit and Service Center Premier Kit. The agreement includes a copy of the authorised reseller logo:



Exhibit F consists of a factory licence agreement between PCD and Xchange Technology Group. The licence allows the latter to use “PC-Doctor Factory for DOS and Windows” and “PC-Doctor Factory License Manager” at a number of

sites, including one in Scotland. The agreement is dated 12 and 13 April 2011 (after the date of application for the trade mark).

Witness statement of David John Kelly of 30 July 2011

16) Mr Kelly is a solicitor at Contego IP LLP, which is acting for PCD in these proceedings.

17) Exhibited at DJK1 is a definition of laptop.

18) Exhibited at DJK2 are web pages downloaded via the Wayback Machine from 30 August 2000, 4 December 2004, 11 December 2004, 16 December 2007 and 29 June 2009. The first download refers to the availability of PC-Doctor Service Center 2000. It refers to international orders and specifically to the point of sale in Spain. The second download bears a logo and the words PC-DOCTOR, INC. It is a page for the on-line store but advises how to purchase off line. All references are to the United States or Canada. The third download is also from the online store. It relates to the availability of "PC-Doctor Service Center 2.9". Reference is made to international orders and the availability of payment by credit card. The final download is from the online shop. It is for "PC-Doctor Service Center 7" which is described as being a "PC hardware diagnostic software repair kit". A purchase price of \$399 appears. The potential customer is advised that the product is used by "top technicians".

19) DJK3 consists of a photograph of the shop front of Albion which shows use of the Apple premium reseller trade mark. Mr Kelly states that inside the shop computers and computer software were on display. He states that a significant number of the products bore the Apple trade mark.

Witness statement of Darren Rose of 28 July 2011

20) Mr Rose is a computer technician who runs his own business, which trades as PC Assist @ Home in Norwich. Mr Rose is familiar with PCD's computer hardware and software diagnostic products. He uses the products when repairing and maintaining PCs and, sometimes, when installing PCs. Mr Rose purchased version 6 of PC-DOCTOR Service Center computer hardware and software diagnostic tools on 12 February 2008, version 7 on 12 March 2009 and received a free upgrade to version 7.5 on 11 January 2010. Details of the first two products from the Internet are exhibited. Included in the webpages is a testimonial from Mr Rose in which he recommends PCD's products (this page emanates from 27 February 2009).

21) Mr Rose is of the opinion that PC-DOCTOR products are the leading diagnostic tools used in the PC industry.

22) Mr Rose states that if he saw the sign LAPTOP DOCTORS used in relation to computer repair services, computer software repair, installation and maintenance services he would assume that PCD was responsible for the “goods and services”.

Evidence for Krishnakant Chandak

Witness statement of Matthew Gardner

23) Mr Gardner is the trade mark agent for Mr Chandak.

24) Mr Gardner states that the word doctor is commonly used in many industries to denote “some kind of repair service or goods intended to repair something”. Exhibited at MG1 is a page from the Trade Marks Registry Work Manual:

“DOCTOR

This is commonly applied for in Class 37 combined with the goods being treated, eg RUG DOCTOR for rug repair, CAR DOCTOR for vehicle repair. Such marks can be accepted.”

25) Exhibited at MG2 are various pages downloaded from the Internet on 14 and 15 September 2011 and 14 October 2011. A sample of the pages is as follows:

Mac Doctor – a United Kingdom website for someone who installs and repairs Apple products.

PC MAC Doctor and PCdoctor.me – computer and laptop repairs.

Mac Doctors – a United Kingdom website relating to repairs of Apple products.

Mac Doctor – a United Kingdom website relating to maintenance and consultation of Apple products. In a side bar there is a reference to the new website being launched in June 2010.

The MacDoctor.com – a London based business for the maintenance, installation and troubleshooting of Apple products.

PC MAC Doctor – computer repairs and data recovery in London.

Mac Doctor Leeds – Leeds based computer repair and maintenance service.

The Mac Doctor – based in Aldeburgh, an Apple “support person”. He has been working since 2002 but there is no indication if he was operating under this name then.

PC Mac Doctors – PC repair and maintenance in Richmond.

PC & Mac Doctor – based in London E8.

Mobile-Computer-Doctor.co.uk – computer repairs.

Fife Computer Doctor – computer repair.

Computer Doctor – a United Kingdom website relating to computer consultation and repair. A copyright year of 2006 appears.

Colchester’s Original Computer Doctor – support for computers. The business has been functioning for 14 years but there is no indication as to from when it has been operating under this name.

Plymouth Computer Doctor – computer repairs and upgrades.

Computer Doctor North East Ltd – IT support in the Whitby area.

Computer Doctor online.co.uk – computer and laptop repair services based in Yeovil.

24-7 Computer Doctor – computer support based in Bracknell. A copyright date of October 2007 appears.

The Computer Doctor – PCs supported and installed. Business based in Wokingham. The business has been functioning for 20 years but there is no indication as to from when it has been operating under this name.

Computer Doctors Ltd – repair and support for computers and laptops based in Northampton.

PC Doctor London – computer services in London.

Laptop & PC Doctor Glasgow – computer repairs. The business has been functioning for 20 years but there is no indication as to from when it has been operating under this name.

Southern PC Doctor – computer and laptop repair service based in Waterlooville. The business has been functioning for 7 years but there is no indication as to from when it has been operating under this name.

PC Doctor Solihull – computer repairs. The business has been functioning for 12 years but there is no indication as to from when it has been operating under this name.

PC Doctor – service and repair of computers based in Warrington. The business has been functioning for 10 years but there is no indication as to from when it has been operating under this name.

PC Dr – computer repair services in Northern Ireland.

A page from a United States websites showing the following software: Windows Doctor, Kingsoft PC Doctor, Device Doctor Portable and Nemo Registry Doctor.

PC Doctor – computer repair services based in Pulborough. Entries on the page date from October 2009.

PC Doctor Martin – computer repair and maintenance based in Brent. The business has been functioning since 2006.

PC Doctor Ltd – providing computer repair services in Kent. The business has been functioning since 1997 but there is no indication as to from when it has been operating under this name.

The PC Doctors – computer sales and repairs in South Wales. The business has been functioning since 2000 but there is no indication as to from when it has been operating under this name.

PC Doctor – supply and service of computers.

PC Doctor Operations Limited – computer repairs, maintenance and installation based in Maldon. The business has been functioning for 14 years but there is no indication as to from when it has been operating under this name. A copyright year of 2010 appears.

The PC Doctor – based in the North West.

Bognor PC Doctor – computer repairs and services. The business has been functioning since 2002 but there is no indication as to from when it has been operating under this name.

As well as other references to computer doctor, there are a further 23 businesses in the United Kingdom that include the term PC Doctor in their names. The majority of the business, where information is given, serve specific geographical areas.

26) Exhibited at MG3 are pages downloaded from the Internet on 14 October 2011 which include the following products: PC Tools Spyware Doctor, Kingsoft PC Doctor 2.7, Arax Disc Doctor, Picture Doctor 1.7, Data Doctor Recovery Pen Drive, Bug Doctor 2006, ErrorDoctor 2008, PC SpeedDoctor, Registry Doctor, Partition Table Doctor, PC Repair Doctor, Professional Registry Doctor, Data Doctor Recovery Removable Media, Coipos Paradox Doctor, Registry Repair Doctor, PC Bug Doctor 2008, Spyware Doctor by Avanquest Software and Genuine Registry Doctor. All of these products are for the repair and/or maintenance of computers.

27) Exhibited at MG4 is a printout from dictionary.com, downloaded on 5 October 2011, which, inter alia, defines doctor as a verb as meaning “to restore to original or working condition; repair; mend: *She was able to doctor the chipped vase with a little plastic cement.*”¹

Finding of facts

Proof of genuine use for the period 18 December 2005 to 17 December 2010

28) 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.

29) 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.

¹ Mr Kelly filed further evidence to show that the owner of the website is based in the United States of America.

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 207/2009ⁱⁱ.)

30) In his written submissions Mr Chandak submits that the evidence of use should provide details of the place, time, extent and nature of use of the earlier trade mark. There is nothing in the law of the United Kingdom that requires the evidence to be in such a form. Mr Chandak is effectively quoting from regulation 22(3) of Commission Regulation (EC) No 2868/95, which has no effect on proceedings before the Intellectual Property Office. Even though PCD relies upon a Community trade mark, the test of genuine use is based on the criteria of the United Kingdom; just as a party relying upon a United Kingdom registration before the Community trade mark office must satisfy the criteria of the Community office. Mr Chandak criticises the evidence of PCD for not showing the extent of use of the software supplied by it. Mr Korhonen states that in 2005 516 million computers were sold in the United Kingdom. He states that 214 million PCs were sold by Dell, HP and Lenovo and “included or used PC-Doctor software”. Mr Korhonen states that between 2005 and 2011 HP and Dell PCs, which “use PC-DOCTOR software” accounted for over 40% of computer sales in the United Kingdom. Despite this Mr Chandak submits:

“The only possible indication that the Opponent has sold a piece of software in the European Community comes from the Witness Statement of Darren Rose”.

However, the evidence of Mr Korhonen shows that PCD’s software has been furnished to Acer, HP and Dell in the European Union in the material period.

31) Mr Chandak submits that it is unclear whether the trade mark has been put to use in the European Union or the extent of any such use. At one moment he is submitting that it is not clear if the trade mark has been put to use at all and the next querying the extent of the use.

32) The evidence of PCD is deficient in showing use of the trade mark by the end user ie the person at the keyboard. Mr Korhonen uses the imprecise phrase that computers “included or used PC-Doctor software”. Such a phrase includes the use by the producers of computers in their factories. The evidence shows that certain computers have PCD software bundled in. However, there is no evidence to show that the end user will know this, that this person will see some indication of this. There are no screenshots to show desktops, tool bars, task bars or side bars, which might show the use of the trade mark of PCD. Computers have software on them of which the user may not be aware eg the user will not necessarily know that the computer he or she is using is running Microsoft Silverlight or SQL Server software. The evidence shows that software by reference to PC Doctor is used in the European Union for *diagnosing computer hardware, efficiency, operation and problems*. There is nothing token about this use; indeed taking into account the market share of the producers of computers that use PCD software, there is very substantial use. The software that PCD sells to individual customers is not cheap, \$399 for PC-Doctor Service Center 7. It is for specialists like Mr Rose. The producers of computer equipment and those servicing computer equipment will come across PC-DOCTOR products; the evidence does not establish that the end users of computers will be aware of the trade mark and services of PCD.

33) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over *pernickety*ⁱⁱⁱ. It is necessary to consider how the relevant public would describe the goods^{iv}. The General Court (GC) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03* held:

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords

protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

In *Animal Trade Mark* [2004] FSR 19 Jacob J considered a fair specification in relation to clothing, where there had been a large range of items of clothing sold:

“23 So, should “clothing” in the specification be qualified in some other way? The term covers a very wide spectrum of different sorts of garments. But putting aside such specialist things as diving suits, wetsuits, bullet-proof vests and so on, there is a core of goods which are likely to be bought by ordinary consumers for different purposes in their daily wear. The same woman or girl is likely to own T-shirts, jeans, dresses, both formal and informal. Both parties' goods could easily end up in the same wardrobe or drawer. He or she knowing of the range of goods for which use has been proved would, I think, take “clothing” to be fair as a description. He or she might limit the clothing to “casual clothing” but I have concluded in the end that “clothing” is appropriately fair.”

In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular

examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

34) The specification that PCD has claimed appropriately represents the goods in relation to which it has trade mark it has been used. To limit the specification by reference to particular classes of users would be over pernickety. Consequently, PCD has established genuine use of its trade mark in the European Union for:

computer software for diagnosing computer hardware, efficiency, operation and problems.

Goodwill

35) A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20,1993. This was the subject of consideration in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07, in which the GC stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.”

The reasoning of the GC, *mutatis mutandis*, is followed in relation to the Act. PCD must establish that at the date of application for the trade mark, 3 November 2010, it had a protectable goodwill. There is no indication of any use by Mr Chandak of his trade mark; consequently, it is not necessary to consider any other date eg an earlier date for the date of the behaviour complained of.

36) In his written submissions Mr Chandak refers to the judgment of Pumfrey J in *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by BALI [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

However, the judgments in *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* [2007] RPC 5 and *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) show that the question of goodwill cannot be established by the application of a formula. In the latter judgment Floyd J stated:

“8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent’s reputation extends to the goods comprised in the application in the applicant’s specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

37) In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* Arnold J [2008] EWHC 3032(Ch) stated:

“215.Fourthly, in order to found a passing off claim in the United Kingdom, the claimant must own goodwill in the United Kingdom. It is not enough to have a reputation here: see *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] FSR 413.

216.Fifthly, it is sufficient for goodwill to exist in the United Kingdom that the claimant has customers or ultimate consumers for his goods here, and

for this purpose it is immaterial whether the claimant (a) has some branch here or (b) trades directly with customers here without having any physical presence in the jurisdiction (for example, by mail order) or (c) trades through intermediaries such as importers and distributors (provided that the circumstances are not such that the goodwill is owned by the intermediary): see e.g. *SA des Anciens Etablissements Panhard et Levassor v Panhard Levassor Motor Co* [1901] 2 Ch 513, *Manus v Fullwood & Bland* (1949) 66 RPC 71, *Nishika Corp v Goodchild* [1990] FSR 371, and *Jian Tools for Sales v Roderick Manhattan Group* [1995] FSR 924.”

It is not necessary, therefore, for PCD to have a physical presence in the United Kingdom to establish goodwill in its business.

38) The evidence of PCD could have included greater specificity, however, the scale and length of use in the United Kingdom demonstrated is such that it had goodwill in the United Kingdom at the date of application. This goodwill relates to persons in trade, it is not established that the goodwill extends to end users of computers. The nature of the users of the goods of PCD and the consequent agreements in relation to this use, give rise to knowledge of both the sign PC-DOCTOR and the sign PC Doctor, Inc and the goodwill is in relation to the use of these signs for the goods claimed: *computer software for diagnosing computer hardware, efficiency, operation and problems.*

Reputation for section 5(3) of the Act

39) PCD must establish that its trade mark was known by a significant part of the public concerned by the products or services covered^v. The CJEU in *General Motors Corporation v Yplon SA* stated how a party would establish this reputation:

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

40) The evidence of PCD shows that its products are used by a significant part of the producers of computers in the European Union. Owing to its market position it is not conceivable that the other manufactures of computers in the European Union would not know of its products. PCD has established that it has the necessary reputation, but only amongst the manufactures of computers.

Use of + doctor trade marks and distinctiveness of PC-DOCTOR

41) PCD criticizes the evidence of Mr Chandak. It submits that the websites with the suffix uk might not originate from the United Kingdom. The content of these websites on numerous occasions identify the locale of the service provided. The evidence was downloaded after the date of application for registration. However, taking into account the number of undertakings using a term relating to computing and doctor and the internal evidence of the printouts, it is not feasible that these services all sprang up after the date of application. Taking into account the warp and weft of the evidence, Mr Chandak has established that in relation to computer repair and maintenance services the terms computer doctor and pc doctor were in common use at the date of the application. (These services appear to be essentially local services, covering a particular area.) Mr Chandak has established that at the date of application doctor was allusive of repair and maintenance services for computers.

42) Mr Chandak has also furnished evidence in relation to the use of a descriptive term in relation to computing and doctor for software for repair and maintenance of computers. Certain versions of these products are identified by a year eg Bug Doctor 2006, ErrorDoctor 2008 and PC Bug Doctor 2008. Software sales cross national frontiers. It is of little interest to a purchaser where the server furnishing the software is located. Even if there is not a purchase, the user of a computer will see software emanating from outside the jurisdiction. Mr Chandak has established that, at the date of application, doctor has been used in relation to computer software to allude to the software that is for repairing or maintaining computers.

43) Floyd J in *Nude Brands Limited v Stella McCartney Limited and others* [2009] EWHC 2154 (Ch) stated:

“29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c).”

The doctor element as shown in use is part of brand names. In the context of the trade marks it is alluding rather than describing directly.

44) PCD submits that there is a presumption of validity for its trade mark. This is clearly the law. However, distinctiveness at a later point in time is not the same as validity. In *The Wella Corporation v Alberto-Culver Company* [2011] EWHC 3558 (Ch) Judge Birss QC (sitting as a judge of the High Court) considered this issue:

“18. It seems to me that the appeal turns on paragraph 40 of the decision. In paragraph 40, the hearing officer held that at the date of the application for registration of Alberto's trade mark, Wella's trade mark lacked all distinctive character and the evidence produced had not established that it had gained any distinctive character from use.

19. Ms McFarland submits that is a finding that her client's trade mark is invalid and as such was not open to the hearing officer. Ms Edwards-Stuart submitted it is not a finding that the mark is invalid because it is specific about the dates. If a mark was not distinctive when it was applied for, it can acquire distinctiveness through use, so it can be said that we do not know, and Mr Landau had not decided, what the position in relation to the "SHAPER" mark is today.

20. If a party wanted to attack the "SHAPER" mark, it could apply and contend it was not distinctive when it was applied for. However Wella could reply that by the time of the application (in this example today in 2011) it had acquired distinctiveness through use. Ms Edwards Stuart pointed out that what Mr Landau decided was that, at the date of the application of Alberto's trade mark (which was in 2009) "SHAPER" lacked all distinctive character.

21. In my judgment, Ms Edwards-Stuart is correct. Mr Landau's decision was correctly focused on a particular point in time. The relevant time is the time when Alberto's trade marks were applied for. He decided that on that date in 2009, "SHAPER" lacked all distinctive character. It is not a finding that the mark is invalid.

22. In my judgment, there is no reason in principle why a tribunal considering an application of this kind could be precluded from making such a finding. I do not need to decide whether it would have been open to Mr Landau to find that the earlier trade mark was invalid because he did not do so.

23. Counsel for the appellants accepted that it was open to the hearing officer to find that the mark had a very low degree of distinctiveness on the evidence. In my judgment, that observation of counsel was rightly made. Clearly there was evidence from Alberto-Culver that Wella's mark lacked distinctiveness. The hearing officer was entitled to make such a finding. Ms McFarland submitted, however, that a finding that the mark lacks all

distinctive character is different. It is not just, as it was put, on the seesaw between distinctiveness and descriptiveness. Lacking all distinctive character could be characterised as falling off the seesaw altogether.

24. In my judgment, a finding that a mark lacks all distinctiveness on a certain date is not a finding of a different character from the assessment of distinctiveness which Mr Landau was required to carry out. It is a finding that the mark is at the extreme end of the spectrum but nevertheless it seems to me that it is a finding which is open as a matter of principle for a tribunal to arrive at.”

45) At the date of the application PC-DOCTOR was prima facie a trade mark that was allusive to the goods in relation to which use has been established. To the public at large who use computers PC-DOCTOR would, owing to its allusive nature, have had limited distinctiveness. The evidence does not establish the extent of the reputation of PC-DOCTOR in relation to the repairers and maintainers of computers. (Mr Rose is one person and his evidence cannot be extrapolated across the trade. The licences with Kirkland Ltd of Sutherland and Xchange Technology Group do not establish the extent of knowledge and use within the United Kingdom or the European Union in relation to this category of consumer.) In relation to the manufacturers of computers the reputation of PC-DOCTOR is such that it will clearly relate to the products of PCD. In relation to this class of user the distinctiveness is increased by reputation. However, this reputation does not gainsay that the trade mark PC-DOCTOR is still allusive of the goods for which protection is claimed. The addition of ,Inc, in relation to one sign, in the passing-off claim, will simply identify the type of company and will not add to the distinctiveness of the PC Doctor element.

46) In relation to the registered trade mark the judgment of the CJEU in *L'Oréal SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-235/05 P* has to be taken into account:

“45 The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the

products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

However, the effects of the distinctiveness, or lack thereof, of an earlier trade mark cannot be ignored. In *The European Ltd v The Economist Newspaper Ltd* [1998] ETMR 307 Millett LJ stated:

“Although he did not have the benefit of the decision, he did in my opinion faithfully carry out the instructions of the European Court of Justice in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1 to the effect that:

“The likelihood of confusion must be appreciated globally, taking into account all factors relevant to the circumstances of the case. That global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind in particular their distinctive and dominant components . . . the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public. The more distinctive the earlier mark, the greater will be the likelihood of confusion.”

The converse, of course, follows. The more descriptive and the less distinctive the major feature of the mark, the less the likelihood of confusion.”

In *Formula One Licensing BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-10/09 the GC considered the effects of the distinctiveness of an earlier trade mark:

“45 In those circumstances, it should be noted that, according to settled case-law, the public will not generally consider a descriptive element forming part of a compound mark as the distinctive and dominant element of the overall impression conveyed by that mark (see the judgment of 27 November 2007 in Case T-434/05 *Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway)*, not published in the ECR, paragraph 47 and the case-law cited).

46 Furthermore, the sole fact that the earlier word mark has been registered as a national or international trade mark does not prevent it from being largely descriptive or, in other words, from having only a weak

intrinsic distinctive character in relation to the goods and services it covers (see the judgment of 13 October 2009 in Case T-146/08 *Deutsche Rockwool Mineralwoll v OHIM – Redrock Construction (REDROCK)*, not published in the ECR, paragraph 51 and the case-law cited).

47 In that context, it should be borne in mind that the validity of an international or national trade mark – in the present case, the applicant's marks – may not be called into question in proceedings for registration of a Community trade mark, but only in cancellation proceedings brought in the Member State concerned (see Case T-7/04 *Shaker v OHIM – Limiñana y Botella (Limoncello della Costiera Amalfitana shaker)* [2008] ECR II-3085, paragraph 26 and the case-law cited).

48 The fact nevertheless remains that OHIM had a duty to verify the way in which the relevant public perceived the 'F1' element in the mark applied for.

49 In the light of those considerations and of the evidence submitted, it must be held that the relevant public will not perceive the 'F1' element in the mark applied for as a distinctive element, but as an element with a descriptive function.

50 Accordingly, the Board of Appeal was right to find that the 'F1' element, in ordinary typeset, had only a weak distinctive character in relation to the goods and services covered and that the reputation of the Community figurative mark used in the European Union was essentially linked to the logotype itself.

51 The case that led to the judgment in *Medion*, paragraph 33 above – relied upon by the applicant at the hearing – is not relevant to the present case. In the present case, it must be held that the sign 'F1' does not play a distinctive independent role within the mark applied for, since, as has already been stated above, the relevant public will perceive the 'F1' element as a descriptive element of that mark.

52 It is therefore necessary to reject as unfounded the applicant's arguments that the 'F1' element has a particularly pronounced distinctive character and that 'F1' in standard typeset has a reputation equal to that of the F1 Formula 1 logotype. By the same token, and contrary to the assertions made by the applicant, the evidence submitted in relation to the F1 Formula 1 logotype does not support a finding that considerable use was made of the earlier national and international word marks."

47) The distinctiveness of an earlier sign has to be considered in relation to passing-off. Lord Simons in *Office Cleaning Services Ltd v Westminster Window & General Cleaners* (1946) 63 RPC 39 at 43 stated:

“It comes in the end, I think, to no more than this, that where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The Court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered.”

Lord Davey in *The Cellular Clothing Company v Maxton and Murray* (1899) 16 RPC 397 at page 408 stated:

“But, my Lords, there are two observations upon that which must be made. One is that, as has been more than once said, particularly by Lord Justice Fry (then I think a Judge of First Instance) in the case of *Siebert v. Findlater*, a man who takes upon himself to prove that words, which are merely descriptive or expressive of the quality of the goods, have acquired the secondary sense to which I have referred, assumes a much greater burden, and indeed a burden which it is not impossible, but at the same extremely difficult to discharge - a much greater burden than that of a man who undertakes to prove that same thing of a word not significant and descriptive, but what has been compendiously called a fancy word.

(A particularly full exegesis of the law in relation to this matter can be found in *Radio Taxicabs (London) Ltd v Owner Drivers Radio Taxi Services Ltd* [2004] RPC 19.)

Section 5(3) of the Act

48) In *Intel Corporation Inc v CPM United Kingdom Ltd* Case C-252/07, the CJEU considered Article 4(4)(a) of Directive 2008/95/EC of the European Parliament and the Council of 22 October 2008 (the Directive), which is the basis of section 5(3) of the Act:

“26 Article 4(4)(a) of the Directive establishes, for the benefit of trade marks with a reputation, a wider form of protection than that provided for in Article 4(1). The specific condition of that protection consists of a use of the later mark without due cause which takes or would take unfair advantage of, or is or would be detrimental to, the distinctive character or the repute of the earlier mark (see, to that effect, in respect of Article 5(2) of the Directive, *Marca Mode*, paragraph 36; *Adidas-Salomon and Adidas Benelux*, paragraph 27, and Case C-102/07 *adidas and adidas Benelux* [2008] ECR I-0000, paragraph 40).

27 The types of injury against which Article 4(4)(a) of the Directive ensures such protection for the benefit of trade marks with a reputation are, first,

detriment to the distinctive character of the earlier mark, secondly, detriment to the repute of that mark and, thirdly, unfair advantage taken of the distinctive character or the repute of that mark.

28 Just one of those three types of injury suffices for that provision to apply.

29 As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as 'dilution', 'whittling away' or 'blurring', such detriment is caused when that mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.

30 The types of injury referred to in Article 4(4)(a) of the Directive, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them (see, in relation to Article 5(2) of the Directive, *General Motors*, paragraph 23; *Adidas-Salomon and Adidas Benelux*, paragraph 29, and *adidas and adidas Benelux*, paragraph 41).

31 In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.

32 However, the existence of such a link is not sufficient, in itself, to establish that there is one of the types of injury referred to in Article 4(4)(a) of the Directive, which constitute, as was stated in paragraph 26 of this judgment, the specific condition of the protection of trade marks with a reputation laid down by that provision.....

37 In order to benefit from the protection introduced by Article 4(4)(a) of the Directive, the proprietor of the earlier mark must adduce proof that the use of the later mark 'would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'.

38 The proprietor of the earlier trade mark is not required, for that purpose, to demonstrate actual and present injury to its mark for the purposes of Article 4(4)(a) of the Directive. When it is foreseeable that such injury will ensue from the use which the proprietor of the later mark may be led to make of its mark, the proprietor of the earlier mark cannot be required to

wait for it actually to occur in order to be able to prohibit that use. The proprietor of the earlier mark must, however, prove that there is a serious risk that such an injury will occur in the future.

44 As regards the degree of similarity between the conflicting marks, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public. That is particularly the case where those marks are identical.

45 However, the fact that the conflicting marks are identical, and even more so if they are merely similar, is not sufficient for it to be concluded that there is a link between those marks.

46 It is possible that the conflicting marks are registered for goods or services in respect of which the relevant sections of the public do not overlap.

47 The reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or services for which that mark was registered. That may be either the public at large or a more specialised public (see *General Motors*, paragraph 24).

48 It is therefore conceivable that the relevant section of the public as regards the goods or services for which the earlier mark was registered is completely distinct from the relevant section of the public as regards the goods or services for which the later mark was registered and that the earlier mark, although it has a reputation, is not known to the public targeted by the later mark. In such a case, the public targeted by each of the two marks may never be confronted with the other mark, so that it will not establish any link between those marks.

49 Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.

50 Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.

51 It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which those marks were registered.

52 In such a case, it is possible that the relevant section of the public as regards the goods or services for which the later mark is registered will make a connection between the conflicting marks, even though that public is wholly distinct from the relevant section of the public as regards goods or services for which the earlier mark was registered.

53 For the purposes of assessing where there is a link between the conflicting marks, it may therefore be necessary to take into account the strength of the earlier mark's reputation in order to determine whether that reputation extends beyond the public targeted by that mark.

54 Likewise, the stronger the distinctive character of the earlier mark, whether inherent or acquired through the use which has been made of it, the more likely it is that, confronted with a later identical or similar mark, the relevant public will call that earlier mark to mind.

55 Accordingly, for the purposes of assessing whether there is a link between the conflicting marks, the degree of the earlier mark's distinctive character must be taken into consideration.

56 In that regard, in so far as the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the stronger if that mark is unique – that is to say, as regards a word mark such as INTEL, if the word of which it consists has not been used by anyone for any goods or services other than by the proprietor of the mark for the goods and services it markets – it must be ascertained whether the earlier mark is unique or essentially unique.

57 Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically-linked undertakings (see to that effect, inter alia, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17, and Case C-533/06 *O2 Holdings and O2 (UK)* [2008] ECR I-0000, paragraph 59).

58 However, as is apparent from paragraphs 27 to 31 of the judgment in *Adidas-Salomon and Adidas Benelux*, implementation of the protection introduced by Article 4(4)(a) of the Directive does not require the existence of a likelihood of confusion.

59 The national court asks, in particular, whether the circumstances set out in points (a) to (d) of Question 1 referred for a preliminary ruling are sufficient to establish a link between the conflicting marks.

60 As regards the circumstance referred to in point (d) of that question, the fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.

61 As regards the circumstances referred to in paragraphs (a) to (c) of that question, as is apparent from paragraph 41 to 58 of this judgment, they do not necessarily imply the existence of a link between the conflicting marks, but they do not exclude one either. It is for the national court to base its analysis on all the facts of the case in the main proceedings.

62 The answer to point (i) of Question 1 and to Question 2 must therefore be that Article 4(4)(a) of the Directive must be interpreted as meaning that whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case.

63 The fact that for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.

64 The fact that:

- the earlier mark has a huge reputation for certain specific types of goods or services, and
- those goods or services and the goods or services for which the later mark is registered are dissimilar or dissimilar to a substantial degree, and
- the earlier mark is unique in respect of any goods or services,

does not necessarily imply that there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.”

49) The reputation for the purposes of section 5(3) of the Act is limited to one group of consumers: the manufactures of computers. This group will be very sophisticated and knowledgeable in its consideration of trade marks.

50) PCD claims that use of the trade mark of Mr Chandak could tarnish the reputation of its trade mark. In *L’Oreal SA and others v Bellure NV and others* Case C-487/07 the CJEU considered tarnishment:

“40 As regards detriment to the repute of the mark, also referred to as ‘tarnishment’ or ‘degradation’, such detriment is caused when the goods or services for which the identical or similar sign is used by the third party may be perceived by the public in such a way that the trade mark’s power of attraction is reduced. The likelihood of such detriment may arise in particular from the fact that the goods or services offered by the third party possess a characteristic or a quality which is liable to have a negative impact on the image of the mark.”

There is nothing in the nature of the goods and services of the application that are likely to have a negative impact on the image of the earlier trade mark. PCD has established no basis for its claim.

51) PCD claims that the use of Mr Chandak’s trade mark would take unfair advantage of its earlier trade mark. Part of the consideration in relation to taking unfair advantage, is the unfairness of the advantage. In *L’Oreal SA v Bellure NV* [2010] EWCA Civ 535 Jacob LJ stated:

“49 Turning to the substance of the point, the ECJ’s reasoning runs thus:

- (a) art.5(2) applies to same mark/same goods case, see cases cited at [35];
- (b) If a “link” in the mind of the public is established between the sign complained of and the registered mark, then there may be art.5(2) type infringement;
- (c) For such infringement it is necessary to show one of the types of injury against which art.5(2) is directed, namely detriment to distinctive character, detriment to the repute of the mark or unfair advantage taken of the distinctive character or repute of the mark—see [36]–[38].
- (d) The court explains the first two types of injury a little more in [39]–[40]. It is not necessary to go into these here because of the factual findings of no blurring and no tarnishment. What matters is its explanation of the third type—unfair advantage. Here is what it says:

“[41] As regards the concept of ‘taking unfair advantage of the distinctive character or the repute of the trade mark’, also referred to as ‘parasitism’ or ‘free-riding’, that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation.

[49] ... where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that

mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.”

So far as I can see this is saying if there is “clear exploitation on the coat-tails” that is ipso facto not only an advantage but an unfair one at that. In short, the provision should be read as though the word “unfair” was simply not there. No line between “permissible free riding” and “impermissible free riding” is to be drawn. All free-riding is “unfair”. It is a conclusion high in moral content (the thought is clearly that copyists, even of lawful products should be condemned) rather than on economic content.”

In *Whirlpool Corporations and others v Kenwood Limited* [2009] EWCA Civ 753 Lloyd LJ stated:

“136. I do not consider that Kenwood's design involves anything like a transfer of the image of the KitchenAid mark, or of the characteristics which it projects, to the goods identified by Kenwood's sign (see *L'Oréal v Bellure* paragraph 41). Of course, as a newcomer in a specialist market of which KitchenAid had a monopoly, and being (necessarily) in the basic C-shape of a stand mixer, the kMix would remind relevant average consumers, who are design-aware, of the KitchenAid Artisan. That, however, is a very different phenomenon, in very different commercial circumstances, from the situation considered in *L'Oréal v Bellure*. I find the Court's judgment instructive, but it does not seem to me to lead to the conclusion in favour of Whirlpool for which Mr Mellor contends. On the contrary, having rejected his radical submission that the word "unfair" could just as well have been left out of the article, it seems to me that the decision points away from, rather than towards, liability under the article on the facts of the present case. It is not sufficient to show (even if Whirlpool could) that Kenwood has obtained an advantage. There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in *L'Oréal v Bellure*. No additional factor has been identified in this case other than intention.”

In the former judgment Jacob LJ refers to “clear exploitation on the coat tails”. He refers to the judgment of the CJEU in which it refers to a party attempting to ride on the coat tails. Consequently, the intent is present in the consideration. There is not a negation of the necessity of the advantage being unfair but unfair

has become the equivalent to intent, consequently, the judgments are not contradictory. (It is also to be noted that Lloyd LJ makes specific reference to paragraph 41 of *L'Oréal v Bellure* as did Jacob LJ.) This position has been confirmed by the judgment of Kitchin LJ in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2012] EWCA Civ 24:

“127. The Court may reasonably be thought to have declared, in substance, that an advantage gained by a trader from the use of a sign which is similar to a mark with a reputation will be unfair where the sign has been adopted in an attempt to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, and without making efforts of his own, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image.”

52) PCD has put forward no evidence to justify its claim that Mr Chandak was seeking to take **unfair** advantage of its trade mark. Taking into account the allusive nature of Mr Chandak's trade mark and the number of other + doctor trade marks being used; there is nothing to suggest that there was any intention to take advantage of PCD's reputation or any other basis for a claim of unfairness.

53) PCD further claims that use of the trade mark of Mr Chandak would lead to the dilution of the distinctiveness of its trade mark. In relation to dilution, PCD must establish that the use of the trade mark would have an effect upon the economic behaviour of customers PCD. In *Intel Corporation Inc v CPM United Kingdom Ltd* the CJEU stated:

“77 It follows that proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future.”

There is no evidence as to this matter. On the basis of the allusive elements of the respective trade marks and the nature of the consumers with whom PCD has a reputation, it cannot be simply inferred that the use of the trade mark of Mr Chandak would lead to change in the economic behaviour of the customers of PCD^{vi}.

54) PCD has failed to establish a basis on any of the three heads of damage. Taking into account the descriptive and allusive elements of the respective trade marks, the group of consumers with whom PCD has reputation and the nature of the respective goods and services; it is not considered that the consumers of PCD's goods, with whom there is a reputation, would see any link between the

goods and services supplied under the trade mark of Mr Chandak and those supplied under the trade mark of PCD or that use of Mr Chandak's trade mark would affect the economic behaviour of the customers of PCD or of the customers of Mr Chandak.

55) Mr Chandak claims that he had due cause to adopt the trade mark as he wanted to create a message to consumers about his services. He also considered that the presence of the common element DOCTOR was justified as it is commonly used in relation to computer goods and computer services. In *Premier Brands UK Ltd v Typhoon Europe Ltd & Another* [2000] ETMR 1071 Neuberger J stated:

“Thirdly, it appears to me that this conclusion is consistent with the view of the Benelux Court in *Lucas Bols* [1976] I.I.C. 420 at 425, where, when discussing the meaning of “without justifiable reason” which appeared in a similar context in the Uniform Benelux Trade Mark Act as “without due cause” in section 10(3), the Court said this:

“What this requires, as a rule, is that the user (of the mark) is under such a compulsion to use this very mark that he cannot honestly be asked to refrain from doing so regardless of the damages the owner of the mark would suffer from such use, or that the user is entitled to the use of the mark in his own right and does not have to yield this right to that of the owner of the mark ...”.

On the same page, the court went on to suggest that a “justifiable reason” may be “if the user can assert an older right than that of the [registered proprietor]” but went on to emphasise that whether the alleged infringer can establish a “justifiable reason” must be “resolved by the trial judge according to the particular facts of each case”.

In my judgment, those observations represent the approach which should be adopted to the words “being without due cause” in section 10(3), although it is fair to say that two criticisms can be made of this conclusion. The first criticism raises a practical problem, in the sense that this construction could be said to produce a degree of uncertainty; the second point which may be made is that, on this construction, it is not entirely to see what function the words “being without due cause” actually have. So far as the practical problem is concerned, I do not consider that it has a great deal of weight. Most cases of alleged trade mark infringement turn on their own particular facts; further, the protection potentially accorded to a trade mark proprietor by section 10(3) can be pretty wide. It does not therefore seem to me inappropriate that the tribunal considering the question of infringement under this provision is accorded some degree of flexibility as to how the provision is to be enforced. It should be made clear that I am certainly not suggesting that the court has some sort of roving

commission or wide discretion; the observations I have quoted from Lucas Bols are quite clear on that point.

In *Julius Sämann Ltd and others v Tetrosyl Limited* [2006] EWHC 529 (Ch) Kitchin J stated:

“84..... The fact that the sign complained of was innocently adopted is not sufficient to invoke the exception. The defendant must show not only that the use complained of is "with due cause" but also that the taking of unfair advantage or causing of detriment are not "without due cause". All of these matters point to a relatively stringent test.....”

The basis of Mr Chandak’s claim does not establish due cause. If PCD had established the basis of its claim under any of the heads of damage, Mr Chandak could not rely upon having due cause to use the trade mark.

56) PCD has not established the basis for any of its claims under section 5(3) of the Act. The section 5(3) ground of opposition is dismissed.

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

Average consumer, nature of purchasing decision and standard for likelihood of confusion

57) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”^{vii}. Retail services of themselves do not normally entail a careful and educated decision. There may be a careful and educated decision in relation to the product being retailed but not in relation to the service itself. The purchaser will firstly be concerned with the product rather than the seller of the product. The other services of the application can have a serious effect on how a computer operates. Owing to the central rôle that computers now play in the lives of individuals and businesses, the purchase of the other services of the application are likely to involve a reasonable amount of care. The user of the services will wish to make sure that there is the necessary expertise in relation to the services being offered. The potential user of the services is likely to compare and contrast the services offered by several providers. Consequently, in relation to the class 37 and 42 services of the application the effects of imperfect recollection are likely to be lessened.

58) The users of all of the services of the application could be individuals or businesses.

59) In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* the GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

The services of the application are likely to be purchased through interrogation of the Internet or telephone directories. Consequently, visual similarity will be of more importance than aural similarity.

Comparison of trade marks

60) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details^{viii}. 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^{ix}. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant^x. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^{xi}.

61) The trade mark to be compared are PC-DOCTOR and LAPTOP DOCTORS. In relation to the respective goods and services PC and LAPTOP are descriptive. DOCTOR and DOCTORS are not directly descriptive, although allusive of repairing or improving the health of a product; as shown by the use of the word by persons undertaking these tasks. The dictionary meaning of doctor as a verb is not considered indicative of the position in the United Kingdom. When doctor is used as a verb in the United Kingdom it means to change a document in order to deceive or to put a harmful substance into a product that is to be consumed. Consequently, the dominant and distinctive components of the trade marks are the words DOCTOR and DOCTORS. However, these elements do not enjoy a great deal of inherent distinctiveness in relation to the goods and services of the respective trade marks. DOCTOR and DOCTORS are phonetically and visually

highly similar. Conceptually both trade marks refer to a type of computer and a DOCTOR or DOCTORS; consequently, the trade marks have a good deal of conceptual similarity.

Comparison of goods and services

62) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade^{xii}”. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning^{xiii}. Consideration should be given as to how the average consumer would view the goods and/or services^{xiv}. The class of the goods and/or services in which they are placed may be relevant in determining the nature of the goods and/or services^{xv}. In assessing the similarity of goods and/or services it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary^{xvi}. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed^{xvii}.

Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16 stated:

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

63) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the GC explained when goods are complementary:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

64) In his written submissions Mr Chandak writes:

“The Applicant submits that the Opponents goods, namely computer software for diagnosing computer hardware, efficiency, operation and problems are similar to

- Retail services, wholesale services, mail order services and online retail services in connection with computer software used for diagnosing problems with efficiency, operation and problems;
- Computer repair services; and
- Computer software repair and maintenance services.

The Applicant contends that the Opponents goods are dissimilar to:

- Retail services, wholesale services, mail order services and online retail services in connection with computers, computer hardware and computer accessories.
- Computer installation services.”

65) In *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-116/06* the GC considered the similarity between retail services and the goods that are sold by the retailer:

“42 According to settled case-law, in assessing the similarity between goods or services, all the relevant factors which characterise the relationship which may exist between them should be taken into account. Those factors include their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary (*Canon*, paragraph 23; Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237, paragraph 85; Case T-99/01 *Mystery Drinks v OHIM – Karlsberg Brauerei (MYSTERY)* [2003] ECR II-43, paragraph 39, and case-law cited; and Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gómez Frías (euroMASTER)*, not published in the ECR, paragraph 31).

43 With regard, in particular, to the registration of a trade mark covering retail services, the Court held, in paragraph 34 of the judgment in *Praktiker Bau- und Heimwerkermärkte*, that the objective of retail trade is the sale of goods to consumers, which includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction, and that that activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the abovementioned transaction with the trader in question rather than with a competitor. The Court stated, in paragraph 35 of that judgment, that no overriding reason based on First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) or on general principles of Community law precludes those services from being covered by the concept of ‘services’ within the meaning of the directive or, therefore, the trader from having the right to obtain, through the registration of his trade

mark, protection of that mark as an indication of the origin of the services provided by him.

44 The Court stated furthermore in *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above (paragraphs 49 and 50), that, for the purposes of registration of a trade mark covering services provided in connection with retail trade, it is not necessary to specify in detail the service(s) for which that registration is sought. However, the applicant must be required to specify the goods or types of goods to which those services relate.

45 In the first place, with regard to the assessment of the similarity of services consisting of 'retail and wholesale of clothing, headwear, footwear, athletic bags, backpacks and knapsacks and wallets' covered by the contested Community trade mark, on the one hand, and goods covered by the earlier trade mark, that is 'clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags, wallets', on the other, the Board of Appeal found, in paragraphs 18 to 23 of the contested decision, that there was a strong similarity between those services and goods on account of their nature, their purpose, their method of use, their distribution channels and their complementary nature.

46 With regard, first, to the nature, purpose and method of use of the services and products in question, it cannot be held that those services and products are similar.

47 Indeed – as also pointed out by the Cancellation Division in paragraphs 21 and 22 of the decision of 18 June 2004 – the nature of the goods and services in question is different, because the former are fungible and the latter are not. Their purpose is also different, since the retail service precedes the purpose served by the product and concerns the activity carried out by the trader for the purpose of encouraging the conclusion of the sales transaction for the product in question. So, for example, an item of clothing is intended in particular to clothe the person who purchases it, whereas a service linked to the sale of clothes is intended, inter alia, to offer assistance to the person interested in the purchase of that clothing. The same applies to their method of use, which for clothes means the fact of wearing them, whereas the use of a service linked to the sale of the clothes consists, inter alia, in obtaining information about the clothes before proceeding to buy them.

48 With regard, second, to the distribution channels of the services and the goods in question, it is correct, as rightly pointed out by the Board of Appeal in paragraph 22 of the contested decision, that retail services can be offered in the same places as those in which the goods in question are sold, as the applicant has also recognised. The Board of Appeal's finding that retail services are rarely offered in places other than those where the

goods are retailed and that consumers need not go to different places to obtain the retail service and the product they buy, must therefore be upheld.

49 Contrary to what is claimed by the applicant, the fact that the retail services are provided at the same sales points as the goods is a relevant criterion for the purposes of the examination of the similarity between the services and goods concerned. In that regard, it should be pointed out that the Court has held, in paragraph 23 of *Canon*, paragraph 16 above, that, in assessing the similarity of the goods and services in question, all the relevant factors characterising the relationship between the goods or services should be taken into account. It stated that those factors include their nature, purpose, method of use, and whether they are in competition with each other or are complementary, meaning that it did not in any way regard those factors are the only ones which may be taken into account, their enumeration being merely illustrative. The Court of First Instance therefore concluded from this that other factors relevant to the characterisation of the relationship which may exist between the goods or services in question may also be taken into account, such as the channels of distribution of the goods concerned (Case T-443/05 *El Corte Inglés v OHIM– Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR II-0000, paragraph 37; see also, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 65, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; and Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 95).

50 Furthermore, contrary to the applicant's assertion, which is moreover unsubstantiated, that, as the majority of the goods are sold in supermarkets, consumers do not attach too much importance to the point of sale when making up their mind whether goods share a common origin, it must be held that, as contended by OHIM, the manufacturers of the goods in question often have their own sales outlets for their goods or resort to distribution agreements which authorise the provider of the retail services to use the same mark as that affixed to the goods sold.

51 It was therefore correct, in paragraph 22 of the contested decision, to take into account, when comparing the goods and the services covered by the trade marks in dispute, the fact that those goods and services are generally sold in the same sales outlets (see, in that regard, *SISSI ROSSI*, paragraph 49 above, paragraph 68, and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 37).

52 Regarding, third, the complementary nature of the services and goods in question, found to exist by the Board of Appeal in paragraph 23 of the contested decision, it should be pointed out that, according to settled

case-law, complementary goods are those which are closely connected in the sense that one is indispensable or important for the use of the other, so that consumers may think that the same undertaking is responsible for both (see, to that effect, *SISSI ROSSI*, paragraph 49 above, paragraph 60; *PAM PLUVIAL*, paragraph 49 above, paragraph 94; and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 48).

53 In that regard, it must be pointed out that the goods covered by the earlier mark, that is, clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags and wallets, are identical to those to which the applicant's services relate.

54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.

55 Furthermore, the relationship between the goods covered by the earlier trade mark and the services provided in connection with retail trade in respect of goods identical to those covered by the earlier trade mark is also characterised by the fact that those services play, from the point of view of the relevant consumer, an important role when he comes to buy the goods offered for sale.

56 It follows that, because the services provided in connection with retail trade, which concern, as in the present case, goods identical to those covered by the earlier mark, are closely connected to those goods, the relationship between those services and those goods is complementary within the meaning of paragraphs 54 and 55 above. Those services cannot therefore be regarded, as the applicant claims, as being auxiliary or ancillary to the goods in question.

57 Thus, notwithstanding the incorrect finding of the Board of Appeal to the effect that the services and goods in question have the same nature, purpose and method of use, it is indisputable that those services and goods display similarities, having regard to the fact that they are complementary and that those services are generally offered in the same places as those where the goods are offered for sale.

58 It therefore follows from all of the foregoing that the goods and services in question resemble each other to a certain degree, with the result that the finding in paragraph 24 of the contested decision that such a similarity exists must be upheld.

It is taken from this judgment, and that of the GC in *Yorma's AG c Office de l'harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI)* Case T-213/09, that goods can be considered similar to retail services, being complementary, where the retail services relate, or could relate, to the goods of an earlier registration. Retail services, wholesale services, mail order services and online retail services in connection with computers, computer hardware and computer accessories will include such services relating to computer software; which is essential to the functioning of computers. Computer software is invariably part of the computers and computer hardware; computer accessories will include goods that rely upon software. Mr Chandak attempts to make a distinction between different parts of the retail trade which has no real basis in the reality of the trade. Various types of software as well as being loaded for the operation of the computer are also often bundled with computers; the evidence shows that such bundling includes the goods of PCD. It is also the norm for retailers of computers to retail software and computer peripherals. There is nothing to suggest that the bundling is atypical. It is considered that the retail services that Mr Chandak does not consider similar are complementary, in the parameters set by the CJEU and GC. The claim that the services which he has identified are not similar is rejected. It is considered that there is a high degree of similarity, because of the complementary nature, between all of the retail services of the application and the goods of the earlier registration.

66) The services that Mr Chandak considers similar will have the same end users, ie persons who wish to have computers maintained or repaired. The goods of PCD are fungible with the services of Mr Chandak; they are in competition. The respective goods and services are designed for the same purpose. The goods and the class 37 and 42 services that Mr Chandak considers similar, are similar to a high degree.

67) PCD's argument as to the similarity of *computer installation services* to its software turns upon the statement of Mr Rose that he uses its software from time to time when installing personal computers. There is nothing to indicate whether Mr Rose is typical or atypical, he is a sole example. In installing computers Mr Rose will no doubt also use screwdrivers, extension leads, cables etc, etc; this does not lead to these being similar to *computer software for diagnosing computer hardware, efficiency, operation and problems*. There is no close connection between the goods and services, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the goods and services lie with the same undertaking. There is no issue of fungibility and subsequent competition. The purpose of the goods is to improve the running of a computer, the purpose of the

services to install computers; they do not have a common purpose. The users of the goods will be persons who wish to cure a problem or maintain the effectiveness of a computer; the users of the goods will be persons who wish to have computers installed. There is nothing to suggest that in the normal course of events that the goods and services have the same channels of trade. Certain retailers have computer installation services but there is nothing to suggest that software suppliers have such a service; especially suppliers of the type of software of PCD. There is no meaningful coincidence between the goods of PCD and *computer installation* services. The respective goods and services are not similar.

Conclusion

68) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa^{xviii}. In this case where there is similarity between the respective goods and services, the degree of similarity is high. In relation to the services in relation to which similarity has not been established there cannot be a likelihood of confusion; as similarity of services is necessary.

69) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion^{xix}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xx}. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings^{xxi}. The evidence of Mr Chandak establishes that PC-DOCTOR is allusive of the goods of PCD, however, it does not establish that it is devoid of distinctive character. If it were it would leave Mr Chandak in an odd position, as it is difficult to see how his trade mark would have any distinctive character. As noted above, from *Nude Brands Limited v Stella McCartney Limited and others*, that a word may be used to indicate a brand by several others, does not mean that it is descriptive. It has been established that in relation to computer manufacturers PC-DOCTOR enjoys a reputation. However, this is a limited and highly specialised clientele; a clientele which will take the greatest care in purchasing and whose purchasing decision will be of the most careful and educated nature. Taking into account the nature of the clientele with whom there is a reputation and that the respective goods and services are not identical, it is not considered that the reputation will be of assistance to PCD. In relation to other consumers PCD has not established a reputation. Taking into account the allusive nature of PCD's trade mark, it has a low degree of inherent distinctiveness.

70) The services of Mr Chandak, with the exception of the retail services, are likely to be purchased with some care, as decided above and so in relation to the non-retail services the effects of imperfect recollection are likely to be diminished.

71) Mr Chandak argues that DOCTOR is neither a distinctive nor dominant element of the respective trade marks. The sequitur of this is that he considers that either the first completely descriptive element is distinctive or dominant or that the distinctiveness lies in the trade marks in their entirety. The trade marks have a common pattern: a descriptive word for a type of computer and the word DOCTOR(S). The trade marks that have a good deal of conceptual similarity and a good degree of visual and aural similarity, taking into account the perception of the average consumer and the descriptive nature of the beginning of the trade marks. The existence of various users of PC Doctor as a brand for computer maintenance services cannot lead to the conclusion that there could be no confusion between the goods of PCD sold under its trade mark and the services of Mr Chandak; nor that there is a Kingsoft PC Doctor product. Virtually all of the services in relation to which evidence has been furnished are local in nature and so may be, for the most part, unique in particular areas. Mr Chandak's evidence shows them as being used as brands.

72) The fundamental defence of Mr Chandak, outwith attacking the proof of use evidence, is that owing to the lack or limited distinctive nature of PCD's trade mark there will not be confusion. Where there are trade marks with limited distinctiveness the public will be likely to distinguish between them by small elements. However, in this case the difference between the trade marks, other than the pluralisation, is a term to describe a type of computer. Mr Chandak's defence is to large extent based on the argument that the CJEU rejected in *L'Oréal SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*. The elements that would be encompassed by the judgment in *Formula One Licensing BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* are the first directly descriptive elements of the trade marks, not the DOCTOR(S) elements.

73) The evidence of Mr Rose in relation to the potentiality of his being confused is noted but it cannot be determinative or assist in this matter. Otherwise one individual, chosen by PCD, will be usurping the rôle of the decision maker.

74) Taking into account the relationship between the similar goods and services, the similarities between the trade marks, the average consumer will believe that the respective goods and services, where similar, will come from the same or an economically linked undertaking. **There is a likelihood of confusion in relation to all of the services of the application with the exception of *computer installation services* and the application is to be refused under section 5(2)(b) of the Act in relation to the similar services.**

Section 5(4)(a) of the Act – passing-off

75) Consequent upon the decision in relation to section 5(2)(b) of the Act, this ground of opposition will be considered only in relation to *computer installation services*.

76) It has been decided that PCD has the requisite goodwill in relation to the two signs upon which it relies and in relation to the goods upon which it relies. However, this goodwill relates only to persons in trade. There is nothing in the nature of PC Doctor, Inc or its use that gives PCD a better position in relation to this sign than in relation to PC-DOCTOR. Consequently, consideration will be given to the PC-DOCTOR sign.

77) There is no evidence of any other party having goodwill in relation to the goods upon which PCD relies. Even if there were, there is no requirement for a reputation to be exclusive^{xxii}.

78) PCD did not succeed under section 5(2)(b) of the Act in relation to *computer installation services* as it did not establish that these services were similar to its goods.

79) The issues about the distinctiveness of PCD's sign have already been rehearsed.

80) In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ stated:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services”

In the same case he went on to state:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

Goods and services do not have to be similar to be in a “common field of activity”. The goods and services under consideration both relate to the use of computers, however, this does not create a common field of activity. There is no evidence to show that suppliers of software also install computers; even if by the nature of the service, it will require software being present on computers. There is no mutually dependent relationship between the goods of PCD and the services of Mr Chandak. (In *Lego Systems A/S v Lego M Lemelstricht Ltd* [1983] FSR 155 there was no common field of activity but the gap was bridged by evidence

showing the deception of the public. The evidence of Mr Rose does not bridge this gap.) The differences between the services and the signs is such that the trade, to whom the goodwill relates, will not see a connection between the goods of PCD and the services of Mr Chandak and so there will be no misrepresentation.

81) In *Stringfellow v McCain Foods (GB) Ltd* [1984] RPC 501 Slade LJ said:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

The distance between the goods and services is such that even if there was a limited risk of misrepresentation, there would not be damage.

Overall conclusion

82) The application is to be refused for all services with the exception of *computer installation services*.

Costs

83) PCD having been successful for the most part is entitled to a contribution towards its costs on the following basis:

Opposition fee:	£200
Preparing a statement and considering the statement of Mr Chandak:	£300
Preparing evidence and considering evidence of Mr Chandak:	£750
Written submissions:	£300
 Total:	 £1,550

84) Krishnakant Chandak is ordered to pay PC Doctor, Inc and the sum of £1,550. 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 12th day of March 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 *Animal Trade Mark* [2004] FSR 19:

“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 picky 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."

^{iv} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"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."

^v *General Motors Corporation v Yplon SA* Case C-375/97.

^{vi} In *Mäurer + Wirtz GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-63/07 the GC stated:

"40 It is possible, particularly in the case of an opposition based on a mark with an exceptionally high reputation, that the probability of a future, non-hypothetical risk of detriment to the earlier mark or of unfair advantage being taken of it by the mark applied for is so obvious that the opposing party does not need to put forward and prove any other fact to that end. However, it is

also possible that the mark applied for does not, at first sight, appear capable of giving rise to one of the risks covered by Article 8(5) of Regulation No 40/94 with respect to the earlier mark with a reputation, even though it is identical with or similar to the earlier mark, in which case the non-hypothetical, future risk of detriment or unfair advantage must be established by other evidence, which it is for the opposing party to put forward and prove (Case T-215/03 *Sigla v OHIM – Elleni Holding (VIPS)* [2007] ECR II-711, paragraph 48).”

From the evidence, this is not a case which falls within these parameters.

^{vii} *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

^{viii} *Sabel BV v Puma AG* Case C-251/95.

^{ix} *Sabel BV v Puma AG* Case C-251/95.

^x *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

^{xi} *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^{xii} *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

^{xiii} *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

^{xiv} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

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

^{xv} *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

^{xvi} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xvii} He considered that the following should be taken into account when assessing the similarity of goods and/or services:

(a) The respective uses of the respective goods or services;
(b) The respective users of the respective goods or services;
(c) The physical nature of the goods or acts of service;
(d) The respective trade channels through which the goods or services reach the market;
(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

^{xviii} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xix} *Sabel BV v Puma AG* Case C-251/95.

^{xx} *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

^{xxi} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.

^{xxii} Laddie J in *Associated Newspapers Limited and others v Express Newspapers* [2003] FSR 51:

“As Mr Watson implicitly accepts, there is no requirement in the law of passing off that the claimant's reputation has to be exclusive. There have been a number of cases where a claimant has succeeded even though he was not the only trader with a reputation in the mark.”