

O-331-14

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS BETWEEN:

KOHLER MIRA LIMITED AND REFLEX WINKELMANN GMBH

CONCERNING:

**KOHLER MIRA LIMITED'S APPLICATION (2620333) FOR THE TRADE MARK
"REFLEX" AND REFLEX WINKELMANN GMBH'S OPPOSITION (104288)
THERETO**

AND

**KOHLER MIRA LIMITED'S APPLICATION (84694) TO REVOKE REFLEX
WINKELMANN GMBH'S TRADE MARK REGISTRATION (1190773) OF THE
TRADE MARK "REFLEX" (STYLISED)**

AND

**REFLEX WINKELMANN GMBH'S APPLICATION (84631) TO INVALIDATE
KOHLER MIRA LIMITED'S TRADE MARK REGISTRATION (2172237) OF THE
TRADE MARK "REFLEX"**

THE BACKGROUND AND THE PLEADINGS

1) Trade mark application 2620333 was filed by Kohler Mira Limited (“Kohler”) on 8 May 2012. The mark consists of the word: **REFLEX**. It was published in the Trade Marks Journal on 21 September 2012 for the following class 11 goods:

Showers, mixer showers, spray fittings, shower heads, shower handsets, shower hoses; water mixing appliances and water taps for use in showers; shower baths; parts and fittings for the aforesaid goods in Class 11.

2) Reflex Winkelmann GmbH (“Winkelmann”) opposes the registration of the mark. Its grounds for doing so are based on:

Sections 5(2)(a) and (b)¹ of the Trade Marks Act 1994 (“the Act”) because there is a likelihood of confusion with its earlier mark (1190773): **reflex** which was filed on 21 February 1983. The earlier mark is registered for the following class 11 goods: hot water pressure expansion reservoirs and tanks; pressurised installations for cold water; parts and fittings included in Class 11 for all the aforesaid goods.

Section 5(4)(a) of the Act because the use of the applied for mark is liable to be prevented under the law of passing-off. Winkelmann relies on the use of a sign corresponding to its earlier mark which is claimed to have been used since 1972 in relation to: Pressure expansion reservoirs and tanks; pressurised installations for water; parts and fittings for the aforesaid goods.

3) Kohler filed a counterstatement denying the grounds of opposition and putting Winkelmann to proof of its claims. Given that Winkelmann’s earlier mark completed its registration process more than five years before the publication of Kohler’s application, it is subject to the proof of use conditions contained in section 6A of the Act; Kohler put Winkelmann to proof of use for these purposes.

4) As well as putting Winkelmann to proof of use of its earlier mark in the context of the opposition proceedings, Kohler also applied to revoke the earlier mark on grounds of non-use. Kohler’s application for revocation was filed on 8 March 2013. Under section 46(b) of the Act, Kohler put three periods of alleged non-use into play, the dates of which I will set out later.

5) Winkelmann filed a counterstatement denying the grounds of revocation. It claims that its mark has been used in the UK since 1991 in respect of the goods for which it is registered, or that there are proper reasons for non-use.

¹ These are alternative claims. If section 5(2)(a) does not succeed, a claim which requires identity between the marks, Winkelmann instead relies on section 5(2)(b) which requires only similarity.

6) The final claim in this consolidated group concerns Kohler's registration no. 2172237 of the trade mark: **REFLEX**. This mark was filed on 16 July 1998 and completed its registration process on 4 January 1999. The mark is registered in respect of the following class 11 goods: shower handsets and fittings. Winkelmann requested that this registration be declared invalid on 21 December 2012 (with an amended claim being filed on 8 March 2013) and is based on the same grounds as its opposition (as per paragraph 2 above). Kohler filed a counterstatement on similar terms as it did in the opposition proceedings.

7) The proceedings were consolidated. Both sides filed evidence. Neither party requested a hearing, both filing written submissions instead.

PROOF OF USE/REVOCATION

8) It is logical to start with these issues because this will set the parameters of the opposition and invalidation claims as if the earlier mark has not been genuinely used then it cannot be relied upon in the opposition and invalidation proceedings, or may only be relied upon to a limited extent. The assessment to be made in the revocation claim will be similar, so it is sensible to take the issues together, although, I bear in mind that there are different relevant periods in play. I will focus on Winkelmann's evidence in the assessment, in so far as it relates to the use made of the registration. I will also consider whether there is anything in Kohler's evidence that sheds any light on, or counters, the use made of the registration. I will return to the other aspects of the parties' evidence later.

The relevant periods

9) There are five different relevant periods in play:

- i) In the opposition proceedings, the relevant period is the five years ending on the date of publication of Kohler's application, namely: **22 September 2007 to 21 September 2012.**
- ii) In the invalidation proceedings, the relevant period is the five years ending with the date of the application for invalidation, namely **22 December 2007 to 21 December 2012.**
- iii) In the revocation proceedings, the first relevant period is **16 July 1993 to 15 July 1998.**
- iv) The second (revocation) relevant period is **8 May 2007 to 7 May 2012.**
- v) The third (revocation) relevant period is **8 March 2008 to 7 March 2013.**

The legislation and the leading case-law

10) The provisions relating to revocation are contained in section 46 of the Act, the relevant parts of which read:

“46.-(1) The registration of a trade mark may be revoked on any of the following grounds –

(a) that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c)

(d)

(2) For the purpose of subsection (1) 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 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

11) Analogous provisions are contained in sections 6A (proof of use in opposition proceedings) and 47(2A)-(2E) (proof of use in invalidation proceedings). Section 100 is also relevant:

“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.”

12) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case-law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

“(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”

The use made of Winkelmann’s registration 1190773

13) The question is whether the trade mark: **reflex** (or an acceptable variant of it) has been genuinely used (in the relevant periods) in the UK by Winkelmann (or with its consent) in relation to the following class 11 goods:

Hot water pressure expansion reservoirs and tanks; pressurised installations for cold water; parts and fittings included in Class 11 for all the aforesaid goods

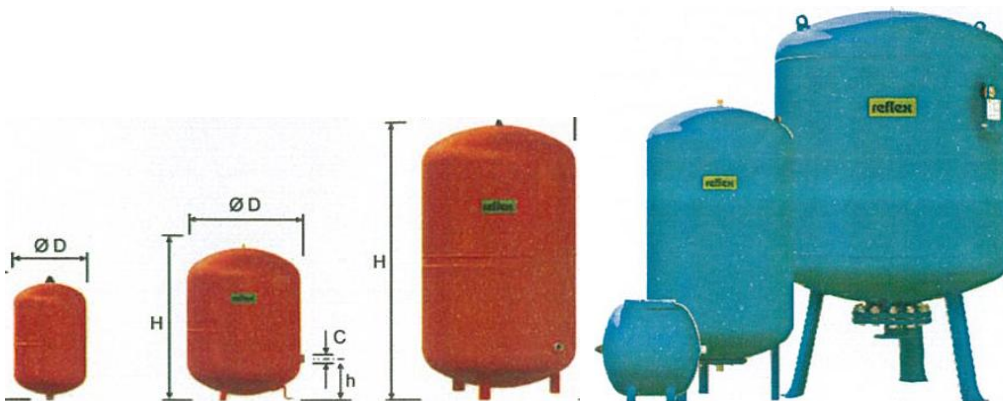
14) Five witnesses have given evidence on behalf of Winkelmann. Who they are and what they say are as follows:

Mr Daniel Testar

15) Mr Testar has provided two witness statements, the first of which contains the bulk of his evidence regarding the use made of the registration. Two exhibits (DT11 and DT12) and one paragraph (4) of his first witness statement have been granted confidentiality from third parties, so I will not repeat any of the confidential information in this decision.

16) Mr Testar describes himself as “UK & Ireland Country Manager of Reflex Winkelmann... in the UK”. In his second witness statement he states that Reflex Winkelmann GmbH (i.e. the proprietor of the registration under discussion in this part of my decision) is the company he works for. He states (in his first witness statement) that “Reflex in the UK” is a subsidiary of an entity called The Winkelmann Group GmbH & Co. KG (“the group”), which he describes as a leading company with business divisions in heating & water, automotive and drive elements. Some further history about the group is given, but I do not consider it necessary to summarise this. He describes the business as supplying major UK distributors with “pressurised systems and expansion vessels”.

17) Exhibits DT1 and DT2 are product brochures, neither are dated. They are both in English, although, the parts of them which relate to operating instructions are in German and English. Both brochures use the mark in the form in which it is registered (often on a green background) and also use “reflex” as a plain word. The mark is used on the majority of the actual goods, which the brochures describe as “expansion vessels” (brochure 1) and “pressure vessels” (brochure 2). The second brochure relates to “refix” products, but the REFLEX mark is still used in relation to them. The vessels are for “heating and chilled water applications”, “heating, cooler and solar applications” (brochure 1) and “for a wide range of applications such as booster systems, thermal expansion in hot-water make-up systems, pressurization and water hammer arresting” (brochure 2). To give a feel for the products, the following scans depict the main products.



The brochures also show some use in relation to certain parts for the particular vessels.

18) Mr Testar states that trading commenced in the UK over 20 years ago, through UK suppliers, under the marks REFLEX and REFLEXOMAT. Exhibits DT3 to DT8 contain what Mr Testar describes as copies of photographic images and emails showing use of REFLEX during the 1990s:

- DT3 – Photographs of a pressurisation unit attached to a “compressor type system” installed in John Lewis in Oxford Street in 1991. It is a Reflexomat type, but the mark as registered is also used on it. The company responsible (according to the photograph) is Reflex Winkelmann & Pannhoff GmbH.
- DT4 – An email from Acorn Pressurisation Systems asking for a quotation for two parts for a 1992 Reflexomat vessel. A subsequent purchase order is also provided where the company providing the parts is “Reflex Winkelmann GmbH & CO. K”.
- DT5 – Two photographs showing vessels and one photograph showing a name plate which Mr Testar states date from 1995-1998 – they all depict the mark as registered.
- DT6 – What are described as photographs of various other vessels from the late 90s and an email from Claridge’s Hotel in London asking for a quotation for a replacement pressurisation unit.
- DT7 – A purchase order (in the same form as that in DT4) for a diaphragm part for a unit installed in 1999.
- DT8 – An email to Mr Testar from John Buckingham of Acorn Pressurised Services Limited. The context of the email is not clear. It is in response to an email from Mr Testar, however, there is nothing to suggest that it has been solicited for the proceedings. I note from the email that Acorn maintain and repair many Reflex pressurisation units some of which have been in operation for more than 20 years and that if Acorn replace a unit in its entirety they would install an Aquatech Pressmain unit, but around 90% of these are Reflex vessels supplied by Aquatech.

19) Exhibit DT9 contains English language brochures from 2008 & 2012. They show similar pressurisation systems to that already discussed. The mark is used in the form as registered and as a plain word throughout. Other goods are included. To give a feel for the other goods, the contents page for the 2012 brochure contains the categories “Pressurization systems”, “Make-up units & deaeration systems”, “Accessories and ex-separators”, “heat exchangers & hot water heaters”. Exhibit DT10 contains export price sheet catalogues for what appears to be the goods set out in the brochures. They are dated 2008-2012 and show prices in Euros. The same exhibit contains export price sheets conditions documents for 10 UK companies dating from January 2008. They show the

products able to be exported to them together with model numbers and prices (in Euros).

20) Exhibit DT11 contains a number of invoices to UK companies on headed REFLEX paper. They are mainly for pressure and expansion vessels, but also some parts for the goods. This is one of the confidential exhibits, but I need not detail its content here, but it is borne in mind.

21) Mr Testar sets out the annual turnover made under the REFLEX mark in the UK between 2008 and 2012. This information has been granted confidentiality so I will not give the detail here. It is suffice to say that the sums involved are not insignificant. DT12 contains a breakdown of where the sales were made.

22) In terms of unit sales, this has ranged between 33k and 80k per year between 2008 and 2012. The final three exhibits in Mr Testar's first witness statement are:

- DT13 - Photographs of the REFLEX stand at two exhibitions in London, one in September 2010, the other in October the same year.
- DT14 - Some advertisements placed in UK circulated publications: Health and Business Magazine (December 2010), HVY Magazine (July to October 2011) and Building and Facilities News (2011). They feature the REFLEX mark and relate to the same type of products as already described.
- DT15 – Website extracts from the website of UK distributors showing reflex branded vessels.

23) Mr Testar's second witness statement relates more to whether there is any similarity in trade channels between the competing goods, so I will come back to this later. He does add, though, that the product numbers and descriptions in the invoices in DT11 relate to the products in the 2012 brochure; even though some of the invoices are dated before 2012, the numbers have not changed.

Mr Alan Sherwin

24) Mr Sherwin is the managing director of Altecnic Limited, a company engaged in the supply and distribution of plumbing and heating vessels and components to the plumbing industry. They mainly supply plumbers' merchants. Since October 2012 it has been a UK distributor for Winkelmann in respect of its "smaller end" pressurised vessels. He provides various materials (brochures and advertisements) where Altecnic has co-branded itself with REFLEX. The dates that Mr Sherwin says this activity took place is after some of the relevant periods, but within some of the later periods. However, it is not clear to what extent brochures were issued during any of the relevant periods. The cost of promoting

REFLEX products “in 2012 to 2013 was £80,000”. Again, it is not clear what proportion of the spend fell in the relevant periods. Reference is made to advertisements in certain publications, but this took place after the relevant periods so I will say not more about this here.

Mr Hadrien Bera

25) Mr Bera is the chief engineer at Claridge’s Hotel, London. His evidence is that a REFLEX pressurisation unit was purchased and installed in 1998. He provides some supporting photographs of it. It is a REFLEXOMAT type, but the REFLEX name is still displayed on the product itself. He also provides a photograph of a new REFLEX pressurisation vessel installed in 2013 to replace the 1998 unit. Mr Bera states that he is familiar with pressure and system balance vessels, boilers and systems and has been aware of REFLEX branded products for about ten years.

Mr Harley David Cannon

26) Mr Cannon is the systems installation manager for Reflex UK Limited. It is not clear as to the relationship between Winkelmann and this company. Mr Cannon has worked for other companies in the same field, companies which have used Reflex branded products. Mr Cannon appears to be talking between the years 2000 until 2011 after which he joined Reflex UK Limited. He mentions that one of his past employees, Armstrong, re-badged Reflex products and does so today. The Reflex labels are, though, retained, as this is a statutory safety requirement.

27) Reflex UK Limited sell pressurisation vessels/hot water pressure expansion reservoirs in the UK and service REFLEX installations. Customers include hotels, financial institutions, sports and community centers and small end consumers. He again refers to the retention of labels, presumably in the event that goods are re-badged. Reflex UK Limited supplied the system in Claridge’s in 2013 that the last witness referred to. He also refers to an installation in Credit Suisse of London in 1998.

Mr Mark Taylor

28) Mr Taylor is Vice-Chairman of Aqua Tech Pressmain Limited. This company was founded by a group of qualified engineers with experience in the pumping industry. It supplies fluid pumping equipment to the building services, process and water industries. It has been dealing with Winkelmann (and its predecessor Winkelmann & Panhoff GmbH) since the early 1990s. Mr Taylor gives some evidence about early dealings, but this has little pertinence to the issue of genuine use in the relevant periods here. He does say that REFLEX branded expansion vessels would have been purchased at a volume of around 1000 in 1992, but by 1998 this would have increased to around 2,500.

Kohler's evidence – Mr James Robinson & Mr Craig Baker

29) Kohler's evidence comes from Mr James Robinson & Mr Craig Baker, the former is its director and secretary, and latter its Managing Director. There is a large degree of overlap in their evidence. Much of it relates to the sale of Kohler's goods and whether there is an overlap between the goods at issue in these proceedings. I will come back to these points later. I note that in relation to Winkelmann's goods Mr Robinson states:

“Expansion vessels like those sold by Reflex Winkelmann, are small tanks used to protect water heating systems from excessive pressure. In particular, they are designed to protect the heating system against thermal expansion, save water and energy, and protect the heating system's valves against wear and tear”

Use with consent

30) In its written submissions Kohler argues that the evidence, particularly that of Mr Testar, does not demonstrate use by the proprietor (Winkelmann) or with its consent. The argument stems from the explanation given by Mr Testar of his position as “UK & Ireland Country Manager of Reflex Winkelmann... in the UK”. However, whilst Mr Testar does not use Winkelmann's full name in his first witness statement, he does make it clear in his second witness statement that it is Winkelmann he works for. I therefore take the view that all Mr Testar was doing in his first witness statement was referring to Winkelmann in shorthand and explaining that he works for the UK arm of that company. The fact that Mr Testar's business address is in the UK rather than Germany (where Winkelmann was incorporated) does not matter as regardless of where a company may have been incorporated, it is perfectly permissible to have offices in other countries. I have noted (as did Kohler in its submissions) that some of the invoices etc provided in evidence refer to Reflex Winkelmann GmbH & Co KG rather than Reflex Winkelmann GmbH. This could be said to create uncertainty as to who is making use of the mark. However, I feel that this is the sort of matter that should have been challenged upon receipt of the evidence in order that Winkelmann could properly explain the matter. Upon receipt of Kohler's submissions Winkelmann offered to file evidence of the relationship between the two, but I do not consider it necessary as there is ample use of both names on the various documents in the evidence to demonstrate that there was, at the very least, a consensual relationship in play. Where any use can be put down to Winkelmann then that is use by it. Any use by the other entity can be put down to use with consent².

² Inferred and implied consent have been accepted by the GC and CJEU in *Mo-Hwa Park c Office de l'harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI)* Case T-28/09 and *Makro Zelfbedieningsgroothandel CV and others v Diesel SpA* Case C-324/08 respectively.

Genuine use

31) In its written submissions Kohler provides a detailed critique of the evidence. Its criticisms include that not all of the material is dated and some is specifically dated outside the relevant periods, that some of the use relates to REFLEXOMAT and REFIX rather than REFLEX, that there is no breakdown in the turnover and sales figures between the vessels and the parts for vessels, that the evidence does not establish supply to end-users, that the brochures are English language brochures as opposed to brochures for distribution in the UK, that some of the goods supplied are de-badged, and that the export conditions sheets do not show actual sales. Winkelmann's submissions were much briefer. It seems to rely on the evidence of Mr Taylor (of the distributor, Aqua Tech Pressmain Limited) plus support from the other witnesses to show "widespread and consistent use".

32) I agree with Kohler that much of the evidence does not assist in terms of establishing genuine use given that much of it is historical and does not relate to the relevant periods. However, Mr Testar has provided evidence of turnover and unit sales in the UK between 2008 and 2012, so covering the bulk of the relevant periods in the opposition and invalidation proceedings and the latest revocation period. It is true that no breakdown has been provided to differentiate between sales of vessels and sales of parts for vessels, but the evidence in totality (such as the brochures and invoices) strongly supports that the vessels will have been the primary product sold. The brochures are in English but as Kohler point out, Mr Testar does not specifically say that they are for the UK market. However, when one, again, considers the evidence in totality, evidence that establishes sales to a number of distributors in the UK, in circumstances where these distributors have been provided with an export conditions document, strongly supports that the brochures were also used in the UK.

33) Kohler highlights that the sales are to distributors rather than end-users and that some of the goods may be de-badged. However, sales to intermediaries can themselves count as genuine use so this point is not, in my view, a strong one. This also deals with the point regarding de-badging because if a distributor is buying a product to re-label, the REFLEX brand is still being used in relation to the product that it is buying, even if the sign is not obvious to the end-user. In any event, it is counter-intuitive to believe that none of the products supplied to distributors will have found their way to the end market. It is also unlikely that all of the products were de-badged. Indeed, the evidence from Mr Sherwin (of Altecnic) shows the mark being promoted to end-users and the goods supplied to plumbers' merchants – I accept, though, that I cannot place too much weight on this evidence given the timings that Mr Sherwin refers to.

34) I do not see much merit in Kohler's point that some of the use is in relation to REFLEXOMAT and REFIX rather than REFLEX; as I have said in my evidence summary, despite some of the products being referred to in this way, it is clear

that REFLEX is also being used in relation to such products. Taking a holistic view of the evidence, I am satisfied that the REFLEX mark has been used in relation to the particular types of vessels it sells and certain parts for them, at least in the opposition and invalidation proof of use periods and the latest revocation period. It is certainly not token use to preserve the registration. To constitute genuine use, it must be “real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market”. Questions of quantum are not wholly irrelevant, but neither does the quantum need to be overly significant in terms of market share. Therefore, whilst I cannot say that the use represents a large slice of the relevant market, the nature and level of use easily satisfies me that it is genuine in the terms set out by the case-law. This applies not just to the vessels but to the parts also.

Fair specification

35) The question that arises is what a fair specification should be for the range of goods sold? The fair specification cannot, of course, be wider than the registered goods. The fair specification must not be pernickety³. It is necessary to consider how the relevant public are likely to describe the goods⁴. 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:

“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 subcategories 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

³ See *Animal Trade Mark* [2004] FSR 19.

⁴ See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32.

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.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

36) I also note the comments of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he 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 concerned"

37) The mark is registered for the following class 11 goods:

"hot water pressure expansion reservoirs and tanks; pressurised installations for cold water; parts and fittings included in Class 11 for all the aforesaid goods."

38) In its written submissions Kohler submits that any resulting specification should read:

"Commercial/industrial hot water pressure expansion reservoirs and tanks for heating and solar expansion; commercial/industrial cold water pressurised expansion vessels for potable water."

39) Whilst the above is noted, the fair specification put forward by Kohler seems picky, unfairly limiting the goods, for example, to commercial/industrial use. I think this is somewhat artificial. Whilst the evidence shows most uses in a more industrial/commercial setting, there is no reason why the goods could not be used in other settings also. It is clear, for example, that the vessels come in a

variety of sizes, some which are capable of use in domestic premises. Looking at the terms as registered, the first is “hot water pressure expansion reservoirs and tanks”. The goods sold are most often described as “vessels” rather than reservoirs or tanks, but it seems that the terms mean effectively the same thing. The term as registered seems to me to mirror the type of language that would be used to describe the goods. The term may be retained as registered.

40) The next term is “pressurised installations for cold water”. Again, the term most often used is that of vessel. However, unlike the terms reservoirs and tanks, I do not consider “installations” to be an appropriate alternative. This is because the term “installations” gives a much broader scope covering the whole installation not just the vessel. Secondly, although the term may cover vessels within its ambit, it is not an obvious way of referring to a vessel. I consider this term should be amended to “pressurised vessels for cold water installations”. The final term relating to “parts and fitting for the aforesaid goods” may be retained as some have clearly been sold. Taking this into account, I come to the view that a fair specification should read:

“Hot water pressure expansion reservoirs and tanks; pressurised vessels for cold water installations; parts and fittings included in Class 11 for all the aforesaid goods.”

41) In the context of the opposition and invalidation proceedings, the above is the specification that I will base my comparison on. It is also the specification for which registration 1190773 may remain registered, the other (slightly wider) goods stand as revoked with effect from 16 July 1998 (being the earliest claimed date of revocation).

SECTION 5(2)(A) & (B) – OPPOSITION AND INVALIDATION

42) Section 5(2)(b) of the Act states that:

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

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

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

43) The CJEU has issued a number of judgments which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person,

quoted with approval the following summary of the principles which are established by these cases¹:

"(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

The average consumer

44) The average consumer is deemed to be reasonably observant and circumspect. However, the degree of care and attention the average consumer uses when selecting goods can, of course, vary depending on what is involved. In terms of showering goods, these could be purchased by members of the general public or by trade persons such as plumbers. The goods will be subject to a reasonably careful selection process. The marks will most often be encountered visually, through point of sale or perusal of websites/brochures. However, aural similarity is also important as the goods could be requested over a trade counter or discussed with sales people.

45) The average consumer of vessels (and their parts) is unlikely to be a member of the general public. If the product is to be installed in a domestic environment a plumber will be engaged who will most often choose the product to install, perhaps after running through the costing options with the householder. In commercial situations, a facilities manager will also be involved and will have more interest in the options, but a plumber or specialist installer will also likely be involved. Again, a reasonably careful selection process will be undertaken through the same processes as I have described in the preceding paragraph.

The competing marks

46) The competing marks are:

reflex

and

REFLEX

47) The opposition/invalidation was pleaded in the alternative, under section 5(2)(a)/5(2)(b). The relevant question is whether the marks are identical (section 5(2)(a)) or just similar (section 5(2)(b)). In relation to identity, literal identity is not always required. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA* [2003] FSR 34 the CJEU stated:

"54. In those circumstances, the answer to the question referred must be that Art.5(1)(a) of the Directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or

where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

48) Winkelmann submits that the plain word REFLEX could be used in lower case lettering (I agree with this) and that the only difference that then exists is that the earlier mark is emboldened. Kohler submits that the stylisation of the earlier mark adds to its distinctiveness and is thus not identical to the plain word mark. I agree with Kohler on this point. There is more to the earlier mark than just presenting the word REFLEX in lower case bold. The stylisation does add to the mark (a little) and the difference is not so insignificant that it would go completely unnoticed. For this reason, the section 5(2)(a) ground fails and the matter is left to be determined under section 5(2)(b).

49) Section 5(2)(b) merely requires that the marks are similar. In its counterstatement Kohler denied that the marks were even similar, although, it did not repeat this in submission. Winkelmann considers the marks to be highly similar. They are clearly correct on this. The marks are aurally and conceptually identical. Whilst the stylisation of the earlier mark is not so insignificant so as to go unnoticed, it is still fairly unremarkable and does not do a terrific amount in terms of distinguishing. I consider the marks to be similar to the highest degree.

Comparison of goods

50) When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

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

51) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(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.”

52) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 325/06* it was stated:

“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).”

53) In relation to complementarity, I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case B/L O/255/13 *LOVE* where he warned against applying too rigid a test:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in *Boston* is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to *Boston*.”

54) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “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 the trade”⁵ and that I must also bear in mind that

⁵ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning⁶. I also note the judgment of Mr Justice Floyd in *YouView TV Limited v Total Limited* where he stated:

“..... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

55) The earlier mark is to be considered in relation to:

“Hot water pressure expansion reservoirs and tanks; pressurised vessels for cold water installations; parts and fittings included in Class 11 for all the aforesaid goods.”

56) The goods the subject of the opposition are:

Showers, mixer showers, spray fittings, shower heads, shower handsets, shower hoses; water mixing appliances and water taps for use in showers; shower baths; parts and fittings for the aforesaid goods in Class 11.

57) The goods the subject of the invalidation are:

Shower handsets and fittings

58) In terms of purpose, the vessels (and tanks/reservoirs) of the earlier mark serve a very specific and dedicated purpose. As I understand it from the evidence, the purpose of an expansion vessel is to deal with excess pressure created by thermal expansion in heating systems etc. The purpose of a pressurized vessel in cold water installations is to maintain a stable pressure in cold water supply systems. Therefore, I disagree with Winkelmann's submission that both sets of goods provide a means of providing personal care and cleansing

⁶ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

because the actual purposes are very different from the various shower related goods, the purpose of which is to provide showering facilities for hygiene purposes. The tank-like nature of the vessels strikes me as very different from the nature of the showering goods also. The methods of use are also different. The goods are not competitive in any way, you would not buy one of the vessels as an alternative to the showering goods, or vice versa.

59) The users of the goods could be the same. A domestic householder could potentially have a shower and a vessel, although, in use they are unlikely to be located together. Furthermore, once installed a domestic householder is unlikely to proactively “use” the vessel as it will normally be sat out of sight, quietly performing the purpose which I have described. This is in stark contrast to a shower which will be proactively used on a regular basis. In the commercial field, facilities such as sports centers will have showers in them, and may also use vessels in the heating/water systems. The person in charge of the facility will be aware of this, but not the people using the shower (for the same reason as the domestic householder). It is also right to consider the installers. Whilst not end users, they will be a class of person who purchase the goods. Winkelmann has provided evidence as to the overlap in trade channels, namely in plumbers’ merchants. It provides website screen prints showing three such merchants who sell shower products and vessels. Mr Sherwin of Altecnic states that it supplies plumbers’ merchants with vessels and that such merchants also sell shower fittings. I accept this evidence, but, there is nothing to suggest that the competing goods are located in close proximity to each other. The competing goods have their own categories on the websites provided by Mr Testar and this is likely to be duplicated in physical stores with the competing goods being located in their own specific areas of a store.

60) The final point to consider is whether there is any complementarity between the goods. Winkelmann submits that the vessels are used in connection with Kohler’s goods. Shower related products are not needed for a vessel to operate, so there is no complementarity that way round. However, for a shower to operate it must be connected to either a hot or cold water supply. This does not, though, mean that the vessels are specifically needed as some hot/cold water systems can no doubt operate without them. The fact remains, though, that a shower system is plumbed into the water system, a system which may include one of the types of vessels of the earlier mark. That being said, there is no evidence to show that the manufacturers of showers commonly manufacture vessels. There is also a fundamental difference between something which forms part of the heating/water system compared to something which is plumbed into it to perform a particular (and different) purpose.

61) I consider the differences outlined to be stark. Where there is some similarity (channels of trade and complementarity), these aspects are in my view fairly superficial. I come to the view that the goods ought not to be regarded as similar. However, in case I am found to be wrong on that assessment then any similarity

must only be of a low degree and I will continue the assessment on that basis. In relation to both side's parts and fittings, my findings mirror those for which the primary goods have been assessed.

The distinctiveness of the earlier mark

62) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). From an inherent perspective, I consider the word REFLEX to be of an average level of distinctiveness. It makes no specific allusion to the goods (so its distinctiveness should not be pitched at a low or moderate level), but neither is it an unusual, invented or quirky word to use for the goods (so should not be pitched at the higher level). The stylisation does little to take the level of distinctiveness materially higher. In terms of whether the distinctive character is enhanced through use, whilst I have found genuine use, the impact that the earlier mark has had in the relevant market is not that clear and, therefore, I am not able to find that the distinctive character of the mark has been enhanced to any material extent.

Likelihood of confusion

63) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

64) One of the arguments put forward by Kohler is the confusion free co-existence of the marks in the marketplace. In relation to parallel or confusion free trading, this is rarely significant as expressed by Millet J in *The European Ltd v The Economist Newspaper Ltd* [1998] FSR 283 at p 291 when he stated:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

65) I have already described Winkelmann's use. In terms of Kohler's use, this is contained in the witness statements of Mr Robinson and Mr Baker. Their evidence is very similar. It shows that Kohler have used REFLEX since 1999 in connection with shower handsets and fittings. However, there are a number of factors which indicate that it would be dangerous to read anything into the absence of confusion. Firstly, Kohler's mark is used as a sub-brand (the main brand being MIRA), so providing a further point of distinction in the real-world that

is absent from the notional assessment before me. Secondly, it is not clear from the evidence whether the parties goods have been put into the same actual markets – I have stated already that the competing goods could both be sold through plumbers’ merchants (I stand by this) but it is not clear as to the extent that this has actually happened, so reducing the capacity for confusion to have arisen. I therefore dismiss the relevance of this argument. I likewise dismiss any reliance on the fact that other REFLEX marks may be on the register, again, little can be read into this.

66) My primary finding in terms of goods similarity was that there was none. In view of this, the opposition would fail as the goods must be similar to found a successful claim under this ground⁷. However, in the event that I am found wrong on that I will consider whether there is a likelihood of confusion on the basis of what I described (as a fall-back finding) as a low degree of goods similarity. I must bear in mind the interdependency principle which, applied to this case, means that the lesser degree of similarity between the goods may be off-set by the high degree of similarity between the marks. In terms of the marks, although I have held that they are not identical, I should say up front that the differences between them (the stylisation) will do little to assist the consumer to distinguish. However, the interdependency principle is just that, a principle to be applied and taken into account when all the various factors are assessed. Additional factors here include the earlier mark’s distinctive character (which I have assessed as average) and the more considered nature of the purchasing process. I have carefully considered the matter and the decision strikes me as an evenly balanced one. However, I have come to the conclusion that the average consumer (the most relevant of whom will be a plumber purchasing goods from a plumbers’ merchant) will not assume that the respective goods come from the same or an economically linked undertaking and, thus, there is no likelihood of confusion. The discrete categorization of the competing goods, together with the inherently low level of similarity and relationship between them, will result in the average consumer viewing the averagely (not highly) distinctive marks at issue, after the fairly careful selection process, as simply being co-incidence. At best the average consumer may pause to wonder, but they will not go on to assume an economic link. **The section 5(2)(b) ground fails.**

SECTION 5(4)(A) – OPPOSITION AND INVALIDATION

67) I will deal with this ground briefly. This is because I do not consider that Winkelmann is in any better position under this ground than it was under section 5(2)(b). The marks/signs are the same. Kohler’s goods are the same. Winkelmann’s claim of goodwill is slightly broader put than the earlier mark is registered for, but there is no material difference in the assessment and comparison to be made. For the reasons given already, I do not believe that there will be a misrepresentation. **The section 5(4)(a) ground fails.**

⁷ As per the CJEU’s judgment in *Waterford Wedgwood plc v OHIM* Case C-398/07

SUMMARY OF FINDINGS

68) The opposition and invalidation claims both fail.

69) The revocation claim succeeds in part in respect of goods other than:

“Hot water pressure expansion reservoirs and tanks; pressurised vessels for cold water installations; parts and fittings included in Class 11 for all the aforesaid goods.”

70) The remaining goods are revoked with effect from 16 July 1998.

Costs

71) Kohler has been successful in the opposition and invalidation proceedings, proceedings which mirrored each other. But it largely failed in relation to the revocation proceedings. I consider that the costs balance each other out and therefore I do not propose to favour either party with an award.

Dated this 31st day of July 2014

**Oliver Morris
For the Registrar,
The Comptroller-General**

ⁱ The leading judgments are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).