

O-062-16

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3005632 IN THE NAME OF ARGON
CONSULTING & MANAGEMENT LIMITED IN RESPECT OF THE TRADE
MARK**

ROCHESTER

IN CLASS 34

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO. 500759 BY JT INTERNATIONAL S.A.**

BACKGROUND AND PLEADINGS

1) Argon Consulting & Management Limited is the proprietor of the UK mark no. 3005632 for the mark ROCHESTER (“the registration”). It applied for the registration on 13 May 2013 and the registration procedure was completed on 16 August 2013. The registration covers the following goods in Class 34:

Cigarettes; cigars; tobacco, whether manufactured or unmanufactured; substances for smoking sold separately or blended with tobacco; lighters, matches, tobacco pipes, cigarette rolling machines; smokers' articles; cigar cutters; cigarette papers; snuff; snuff boxes; snuff takers' articles; parts and fittings for all the aforesaid.

2) On 11 February 2015, JT International S.A. (“the applicant”) applied for the registration to be declared invalid. The applicant is the proprietor of the following earlier marks, the relevant details of which are:

Relevant details	Goods relied upon
1262539 DORCHESTER Filing date: 14 March 1986 Registration date: 16 March 1990	Class 34: <i>Cigarettes and tobacco for making cigarettes; all included in Class 34.</i>
CTM*1982156 DORCHESTER Filing date: 4 December 2000 Date of entry in register: 20 February 2002	Class 34: <i>Tobacco, whether manufactured or unmanufactured; substances for smoking sold separately or blended with tobacco, none being for medicinal or curative purposes; ...</i>

3) The applicant claims that the proprietor’s mark is visually, phonetically and conceptually highly similar to its marks and the respective goods are identical or highly similar. It claims that, as a result, a likelihood of confusion exists and the registration is contrary to Section 5(2) (b) of the Trade Marks Act 1994 (“the Act”) and should be invalidated under Section 47(2)(a) of the Act.

4) The applicant subsequently filed a counterstatement admitting that cigarettes and tobacco, whether manufactured or unmanufactured are identical goods but denying all the applicant's other claims. Further, it puts the applicant to proof of use of its marks.

5) The applicant is represented by Marks & Clerk LLP and the proprietor by Beck Greener.

6) Both sides filed evidence. Neither side requested to be heard but they both filed written submissions in lieu of a hearing and both sides ask for an award of costs. I make my decision after careful consideration of the papers.

Applicant's evidence

7) This consists of a witness statement by Ronald van Tuijl who describes himself as the Attorney-in-Fact within the applicant's Intellectual Property team. Mr van Tuijl provides evidence to address the issue of use. I summarise this briefly as follows:

- The volume of cigarettes sold under its mark in the UK has been approximately 95 million (2010), 59 million (2011) and 1.7 million (2012);
- These have been sold through retailers such as *Asda*, *Morrisons*, *Sainsbury's*, *Somerfield*, *One Stop*, *Budgens*, *Co-op*, *Bargain Booze* and *Londis*. Invoices are also provided at Exhibit RVT7 showing sales of "Dorchester Superkings", "Dorchester SK Menthol" and "Dorchester SK Smooth" from the same three year period;
- Examples of the mark being used are provided at Exhibit RVT5. These consist of, what appears to be, internal documents showing the get-up of packaging and shows the marks relied upon being used as part of composite word and device marks.

Proprietor's evidence

8) This takes the form of a witness statement by Susan Caroline Davey, trade mark attorney with Beck Greener. Ms Davey states that there are a number of third party cigarette marks containing the element "chester" and, at Exhibit SCD1, she provides extracts from the websites of *Tesco*, *Sainsbury's*, *Asda*, the *BBC* and others, illustrating the sale in the UK of cigarettes under the names CHESTERFIELD and MANCHESTER. UK trade mark registrations in respect of these marks are shown at Exhibit SCD4.

9) At Exhibit SCD2, Ms Davey also provides Internet pages illustrating the WINCHESTER cigarettes being offered for sale by the French supermarket *Carrefour* and also provides evidence to illustrate that UK consumers for alcohol and cigarettes travel to areas of the EU including France to purchase cheaper cigarettes.

10) At Exhibit SCD5, Ms Davey provides a *Wikipedia* extract explaining that “chester” is a common suffix in the UK having a Latin origin indicating that the place in question is the site of a Roman military camp or fort. Place names referred to in the article include Colchester, Chichester, Ebchester, Dorchester, Grantchester, Ilchester, Winchester, Portchester, Ribchester and Manchester. These and others are shown at Exhibit SCD6, which consists of a printout of place names obtained from the website www.streetmap.co.uk.

DECISION

The legislation

11) The case has proceeded to final determination on the basis of Section 5(2) (b) of the Act, with such grounds being relevant in invalidation proceedings in view of the provisions of Section 47(2) of the Act. The relevant parts of Section 47 of the Act read as follows:

“47. - (1) ...

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) ...

Proof of Use

12) Of potential relevance are the “proof of use” requirements, also set out in Section 47:

“(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) within the period of five years ending with the date of the application for the declaration 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) it has not been so used, but there are proper reasons for non-use.

(2C) 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.

(2D) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

(2E) 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.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)”

13) The proprietor’s earlier marks are both subject to the proof of use provisions, but for procedural economy, it is sufficient that I continue based upon the assumption that it has shown use in respect of all the goods it relies upon.

Earlier marks

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

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

15) Both of the applicant’s marks were applied for in 1986 and 2000 respectively and, therefore, they both have filing dates that pre-date the filing date of the proprietor’s mark. Consequently, they are both “earlier marks” as defined by Section 6(1) of the Act.

Section 5(2)(b)

16) Section 5(2)(b) reads:

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

(a) ...

(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.”

Comparison of goods and services

17) Some of the respective goods, e.g. *tobacco, whether manufactured or unmanufactured* are self-evidently identical and this is conceded by the proprietor. For reasons of procedural economy, I will not undertake a full comparison of the goods. The examination of the opposition will proceed on the basis that the contested goods are identical to those covered by the earlier marks. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar.

Comparison of marks

18) It is clear from *Sabel BV v. Puma AG*, Case C-251/95 (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

19) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the

marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

20) The respective marks are shown below:

Applicant's mark	Proprietor's mark
DORCHESTER	ROCHESTER

21) Both marks consist of a single word presented in plain block capitals and it follows that the dominant and distinctive component of the marks is the whole word that each mark comprises.

22) Visually, there is similarity between the marks because the both share the same ending “-CHESTER”. In addition, the letters that appear before the “-CHESTER” part of each word include the letter “O” and a letter “R” in both cases albeit in a different order. There are also differences, namely, the respective words begin with a different letter and the applicant's mark has three letters before the “-CHESTER” element, whilst the proprietor's mark has two letters. I conclude that there is a reasonably high level of visual similarity.

23) Aurally, both marks consist of three syllables. The applicant's mark will be expressed as either DOOR-CHEST-ER or DORCH-EST-ER and the proprietor's mark as either RO-CHEST-ER or ROCH-EST-ER. Regardless of which pronunciation prevails, the last two syllables are the same in each mark. The first syllable of each mark is different. Taking these factors together, I conclude that the respective marks share a medium level of aural similarity.

24) Conceptually, the applicant submits that the respective marks are highly similar because they both consist of place names located in the south of England. I dismiss this approach. If the applicant's line of reasoning is followed then all town names would be conceptually similar. In the same way that two marks are not similar merely because they consist of personal names, marks are not conceptually similar merely because they are place names. The respective marks indicate different towns and I conclude that there is no conceptual similarity.

Average consumer and the purchasing act

25) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

26) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

27) The average consumer of the respective goods is the tobacco smoking section of the general public. The proprietor submits that the average consumer of cigarettes is likely to be an extremely careful and discerning shopper because smokers adopt a particular brand they favour and they are dogged in buying that brand. I dismiss this approach and in doing so, I have kept in mind the guidance regarding brand loyalty provided by Mr Iain Purvis QC, sitting as the appointed person in *BONJORNO CAFÉ (AND DEVICE)*, BL O-382-10:

“15. I do not accept that a generalized concept of “brand loyalty” is of any real assistance in assessing likelihood of confusion. First of all it is very hard, in my view, to identify particular categories of product or service as inspiring more brand loyalty than others. Secondly, even if were established that there was a high degree of brand loyalty in a particular field, I do not see how this would advance matters. We are concerned with the likelihood of confusion, not the degree of disappointment which would be caused by an incident of confusion. Questions of likelihood of confusion are always to be approached from the point of view of the “reasonably observant and circumspect” consumer. I do not understand how brand loyalty can be said to affect the consumer’s observation skills or his circumspection. Thirdly, it is rather odd to assume that the concept of “brand loyalty” associated with a general class of products or service tends to reduce the likelihood of confusion, when we are also told by the European Court [*Sabel v Puma* [1998] RPC 199 at 22-24] to assume that a high reputation associated with a specific brand of products or services tends to increase the likelihood of confusion.”

28) The goods in question, whilst heavily taxed are not particularly expensive and there is no reason for me to assume that the average consumer is anything other than reasonably observant and circumspect.

29) In the UK, the purchasing process is controlled in that the goods must be hidden from view and the consumer must request them from the shop assistant. Therefore, aural considerations are of particular importance. That said, I do not

ignore visual considerations, because once the consumer has requested a particular brand, he is likely to have sight of the packaging at the point of purchase.

Distinctive character of the earlier mark

30) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in *Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

31) The inherent distinctive character in a word that is the name of a UK town is not the highest. The applicant has provided evidence for the first three years of the relevant five year period. This use is reported as 95 million cigarettes in 2010, 59 million in 2011 and 1.7 million in 2012. With cigarettes commonly being sold in packets of 20, I assume these figures equate to approximately 4.75 million, 3 million, 85 thousand packets respectively. Certainly, the volume of sales in the first two of these three years suggest that the distinctive character of the mark has been enhanced to some degree through use. However, the proprietor criticises the evidence as failing to show actual packaging but only “mock-ups” and also that there is a lack of specificity regarding the evidence of sales. The criticisms also include the fact that the evidence shows starkly reducing sales over the three years and that the “mock-ups” show composite marks (that include the word DORCHESTER), and that these differ in their important distinctive elements from the earlier mark. These criticisms are not without merit, but for the purposes of my decision I will consider that the applicant’s mark has a medium

level of distinctive character and that this has been enhanced through use, but not to any significant extent.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

32) The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.*, Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (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 be dominated by one or more of its components;
- (f) however, it is also 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 creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

33) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*).

34) The proprietor submits that the parties' marks are just two of a number of cigarette brands on the market consisting of place names that include CHESTER either as a suffix or prefix and it provides evidence of some of these. It further submits that the average consumer is familiar with the separate geographical place names, CHESTER is a common element of place names in the UK and the average consumer is experienced at distinguishing between these. In addition, the proprietor submits that the existence of other cigarette brands on the UK market such as CHESTERFIELD and MANCHESTER illustrates that the consumer can differentiate marks based upon place names without confusing them. Further, I keep in mind that the attention of the consumer is usually directed to the beginning of the word (see the judgment of the GC in *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, paragraph 83).

35) Taking all of the above into account, whilst I acknowledge that conceptual differences do not always overcome visual and aural similarities (See *Nokia Oyj v OHIM*, Case T-460/07), in this case, I am in agreement with the proprietor. The respective marks are the names of different towns and because the consumer is experienced at differentiating between places by their names, this will result in the consumer being alert to the conceptual differences between the marks. This, together with the aural and visual differences in the marks that I have identified earlier, is sufficient to offset the effect of imperfect recollection, the similarities between the marks and the fact that the goods are identical.

36) In light of all of the above, I find that there is no likelihood of confusion and the opposition fails in its entirety.

37) As the outcome is no likelihood of confusion, there is no need to consider the question of whether or not the earlier marks have been used as it is irrelevant to the outcome, as is the need to conduct a full comparison of the respective goods.

COSTS

38) The proprietor has been successful and is entitled to a contribution towards its costs, according to the published scale in Tribunal Practice Notice 4/2007. The applicant also asks for consideration to be given to the “wasted costs” that resulted from the case management conference held on 13 October 2015 to decide the issue of whether the proprietor’s late evidence should be admitted. The Registry’s preliminary view was that the reasons given, when requesting the extension of time, were insufficient. I found in favour of the proprietor and admitted the evidence. In the circumstances, it is my view is that it would be appropriate for each side to bear its own costs of the case management conference.

39) In making an award of costs, I take account that both sides filed evidence and that both sides filed written submissions in lieu of attending a hearing. I award costs as follows:

Preparing counterstatement and considering other side’s statement	£300
Evidence	£500
Preparing written submissions	£500
Total:	£1300

40) I order JT International S.A. to pay Argon Consulting & Management Limited the sum of £1300 which, in the absence of an appeal, should be paid within 14 days of the expiry of the appeal period.

Dated this 4th day of February 2016

**Mark Bryant
For the Registrar,**