

O-087-18

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No. 3173788
STANDING IN THE NAME OF
JACQUELINE LESLEY TALIESIN EL MASRY**

AND

**IN THE MATTER OF A REQUEST FOR A DECLARATION
OF INVALIDITY THERETO UNDER No.501537
BY THE ALCHEMY CARTA LIMITED**

BACKGROUND

1) The following trade mark is registered in the name of Jacqueline Lesley Taliesin El Masry (hereinafter Ms Masry):

Mark	Number	Filing & registration date	Class	Specification
Alkhemi	3173788	09.07.16 07.10.16	3	Essential oils.
			14	Jewellery
			41	Education; providing of training.

2) By an application dated 30 January 2017 The Alchemy Carta Limited (hereinafter ACL) applied for a declaration of invalidity in respect of this registration. The grounds are, in summary:

a) ACL is the registered proprietor of the following trade marks:

Mark	Number	Filing & registration date	Class	Specifications relied upon
ALCHEMY	1238082	19.03.85 19.09.86	14	Jewellery, imitation jewellery, and precious stones; precious metals and articles included in Class 14
ALCHEMY	EU 5008552	29.10.02 22.06.06 Seniority number / country/date: 1238082 / UK / 19.03.85	14	Jewellery, imitation jewellery and precious stones; precious metals, jewellery made from silver, goblets, flasks, chalices, tankards, candlesticks, buckles, key rings, pins and table cutlery made from precious metals; pendants, finger rings, necklaces, bracelets, chains made from precious metals; clocks, watches and horological instruments.

- b) ACL contends that the goods in class 14 (Jewellery) are identical to the goods for which the marks in suit are registered. It contends that as the marks are highly similar the mark in suit offends against Section 5(2)(a) of the Act.
- c) ACL contends that use of the mark in suit would take unfair advantage of and /or be detrimental to the distinctive character and/or repute of its earlier marks. It states that as a result of its use of its marks it has acquired a reputation. ACL contends that the mark in suit therefore offends against Section 5(3) of the Act.
- d) ACL contends that it has used the mark ALCHEMY in respect of, jewellery since 1987. ACL contends that use of the mark in suit will offend against section 5(4)(a) of the Act.

3) Ms Masry provided a counterstatement, dated 31 March 2017, in which she denies that the marks and/or goods are similar. She states that ACL's goods are made of metal and are gothic or horror based whereas her items are precious stones associated with yoga and healing. She does NOT put ACL to strict proof of use.

4) Both sides filed evidence. Both sides ask for an award of costs. The matter was due to be heard on 1 February 2018 but the hearing was abandoned.

ACL's Evidence

5) ACL filed a witness statement, dated 20 June 2017, by Tony Everington the Operations Manager of ACL a position he has held since 2012. He is authorised to make the statement and has access to ACL's records. He states that ACL have been making jewellery for almost forty years and that the ALCHEMY mark has been used in the UK since then. The goods are sold throughout the UK and the company attends numerous trade fairs and exhibitions. The products are also sold via outlets such as Next, Express Gifts, Studio, EMP and Amazon. ACL is a member of the British Pewter Craftsmen and also sells its products at tourist sites and national theme parks. ACL has a strong social media presence via Facebook, Instagram, Twitter and Pinterest. He states that the company advertise in local and national newspapers and magazines as well as catalogues which sell their wares.

He provides the following turnover and advertising figures for jewellery in the UK under the mark ALCHEMY.

Year	Turnover	Advertising
2012	775,374	119,006
2013	581,161	101,543
2014	560,131	90,606
2015	662,753	103,237
2016	699,830	84,713

- A1: Pages from the ACL website showing links with various heavy metal bands.
- B1/C1: Evidence of sales via third parties, and attendance at fairs and exhibitions. A number of references to ALCHEMY GOTHIC as clearly the items are gothic in style.
- D1 client testimonials.

Ms Masry's Evidence

6) Ms Masry filed a witness statement, dated 8 September 2017, by herself. She states that since 2005 her business has been known as Alkhemi and has worked as a teacher of healing and spiritual development and various complementary therapies. She states that her business is based around the principles of ALKHEMI Therapy. She has also sold oils and travel packages under the name. She states that in 2011 she began selling an item known as the Alkhemi Energy Alignment pendant to customers and friends with all the proceeds going to charities in Egypt. She states that in 2014 she began designing a range of jewellery using semi-precious beads and the range was called Alkhemi Sacred Stones. Each item is bespoke and hand crafted to the specific customer. She states that she created the word Alkhemi in 2005 based on a combination of ancient Egyptian words

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

DECISION

8) The invalidity is brought under section 47 and the first ground of opposition is under Section 5(2)(b) both of which read:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(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) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

And:

“5.-(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.”

9) An “earlier trade mark” is defined in section 6, the relevant part of which states:

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

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

10) An “earlier trade mark” is defined in section 6, the relevant part of which states:

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

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

11) ACL is relying upon its trade marks listed in paragraph 2 above which are clearly earlier trade marks. Ms Masry did NOT put ACL to Proof of Use.

12) When considering the issue under section 5(2)(b) I take into account the following principles which 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 will 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 and the nature of the purchasing decision

13) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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.”

14) The goods in the instant case are restricted to “Jewellery”. To my mind, the average consumer for these goods would be the general public. Such goods can vary enormously in terms of price, however they would usually be sold in retail outlets or via the internet. The initial selection will therefore be a visual one, although I must also take into account word of mouth recommendations. Therefore, whilst I consider the visual aspect as being the most important in selection, aural considerations also apply. The prices of the goods will vary enormously as will the level of attention which the average consumer will pay to the selection, but to my mind it will range from a low to medium degree of attention.

Comparison of goods

15) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

16) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

17) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

18) Although Ms Masry has contended that the jewellery of the two parties is different in terms of style and material used I have to consider the specifications of the two parties. Ms Masry has applied to register her mark for “Jewellery” a term which is present in both the specifications of ACL’s marks. **The specifications must therefore be regarded as identical.**

Comparison of trade marks

19) It is clear from *Sabel BV v. Puma AG* (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 them, bearing in mind their distinctive and dominant components. The CJEU 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.”

20) It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. The marks of ACL are identical and so only a single comparison is required. The trade marks to be compared are:

Ms Masry's Mark	ACL's mark
Alkhemi	ALCHEMY

21) Visually both marks consist of a single seven letter word both begin with the letters "AL" and have "HEM" as letters 4-6. The fact that the marks are in upper and lower case does not affect the comparison as fair and natural use would permit both parties to use both upper and lower case versions of their marks. Aurally the marks are identical. The only differences in the marks is that Ms Masry's has a letter "K" instead of a letter "C" but these are identical in aural terms. Similarly, they end in the letters "I" and "Y" which, given the letters they follow, will also lead the average consumer to pronounce both words identically. Conceptually, the word "Alchemy" is a well-known dictionary word relating to turning base metal into gold. Although Ms Masry's mark is not the correct spelling, the average consumer will either be unaware of this or assume that it is done deliberately for marketing purposes. **The marks of the two parties are highly similar.**

Distinctive character of the earlier trade mark

22) 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 *WindsurfingChiemsee 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).”

23) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out”.

24) ACL’s mark consists of a well known word which for the average consumer will equate to the science of turning base metal into gold. Although ACL has provided turnover and advertising figures these are modest in terms of the UK market for jewellery. **Overall ACL’s mark is inherently distinctive to a medium degree, it cannot benefit from enhanced distinctiveness.**

Likelihood of confusion

25) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of ACL's trade marks as the more distinctive the trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the services is a member of the general public who will select the goods by predominantly visual means, although I do not discount aural considerations and that they are likely to pay a varying degree (ranging from low to medium) of attention to the selection of such goods.
- the marks of the two parties are highly similar.
- ACL's mark has a medium level of inherent distinctiveness but cannot benefit from an enhanced distinctiveness through use.
- the goods of the two parties are identical.

26) In view of all of the above, and allowing for the concept of imperfect recollection there is a likelihood of consumers being confused into believing that the goods for which Ms Masry's mark is registered are those of ACL or provided by some undertaking linked to it. The ground of invalidity under section 5(2)(b) succeeds.

27) Given this finding I do not need to go onto consider the other grounds of invalidity.

CONCLUSION

28) The ground of invalidity succeeded in respect of section 5(2)(b).

29) As the invalidity has succeeded against the goods in class 14 the Register will be amended so that the mark will be registered only for the goods in class 3 and the services in class 41.

COSTS

30) As ACL has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the other side's	£600
Preparing submissions	£600
TOTAL	£1500

31) I order Jacqueline Lesley Taliesin El Masry to pay The Alchemy Carta Limited the sum of £1,500. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 5th day of February 2018

G W Salthouse

For the Registrar

the Comptroller-General