

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 1548782
BY F. J. BENJAMIN HOLDINGS PTE LTD
TO REGISTER THE MARK BENELLI IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO 43259 BY DEUTSCHE
HERRENWASCHE-FABRIKEN DORNBUSCH & CO GMBH**

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IN THE MATTER OF Application No 1548782

5 by F. J. Benjamin Holdings Pte Ltd
to register the mark BENELLI in Class 25

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10 IN THE MATTER OF Opposition thereto
under No 43259 by Deutsche Herrenwasche-Fabriken
Dornbusch & Co GmbH

15 DECISION

On 31 October 1994, F. J. Benjamin Holdings Pte Ltd of Orange Grove Road, Singapore applied under the Trade Marks Act 1994, to register the mark BENELLI in Class 25 in respect of:

20 “Belts, bathing trunks; beach clothing; boots, braces, footwear; jumpers, neckties, overalls, pants, pullovers, scarves, shawls, shirts, shoes, singlets, socks, sports shoes; suits, bathing suits; sweat-absorbent under-clothing; sweat-absorbent underwear; sweaters, trousers, bathing trunks; underpants, underwear, vests, waistcoats; jackets,
25 polo T-shirts.”

The application is opposed by Herrenwasche-Fabriken Dornbusch & Co GmbH on the following grounds.

- 30 1 The opponents say that they own the registered mark **benetti** in respect of goods identical with those within the applicants’ application. As the applicants’ mark and the opponents’ mark are confusingly similar, registration of the applicants’ mark would be contrary to the provisions of Section 5(2) of the Act.
- 35 2 The opponents say that they place considerable value on their trade mark and use and registration of a deceptively similar mark in relation to the goods applied for is liable to be prevented by virtue of the law of passing-off and should therefore be refused under the provisions of Section 5(4)(a) of the Act.
- 40 3 The opponents claim that the applicants have made their application in bad faith. Therefore, the application should be refused having regard to the provisions of Section 3(6) of the Act.
- 45 4 The Registrar is asked to exercise his discretion and refuse to register the mark applied for.

Details of the opponents' registered mark are as follows:

MARK	REG. NO	CLASS	JOURNAL NO	GOODS
benetti	B1401471	25	5906 P251	Articles of clothing included in Class 25; but not including boots, shoes and slippers.

10 The applicants deny the opponents' grounds of opposition. They say that the respective marks are not confusingly similar and do not admit that the opponents have used their mark in the United Kingdom.

15 Both parties ask for an award of costs in their favour.

15 Only the opponents filed evidence in these proceedings and the matter came to be heard on 10 February, 1998 when the applicants were represented by Mr P J Charlton of Elkington & Fife, their trade mark agents and the opponents were represented by Mr Michael Edenborough of Counsel instructed by their trade mark agents Forrester Ketley & Co.

Opponents' evidence

25 The opponents' evidence consists of a Statutory Declaration dated 16 August 1996 by Mr Wolfgang Holk, who is their Managing Director, a position he has held for the past six and a half years. Mr Holk says he has been engaged in the clothing trade for the past 38 years and, as a result, has extensive knowledge of the industry in Germany and other European countries.

30 By way of background Mr Holk says his company first used the mark **benetti** (in lower case) in Germany in 1970 and use commenced in the United Kingdom in 1990. The mark has been used continuously since that date on a range of clothing including casualwear, beach clothing, polo shirts, sweatshirts, etc. These goods are aimed primarily at the male market. At Exhibit A Mr Holk provides a 1990 brochure showing goods sold under his company's mark.

Annual turnover figures for goods sold under the opponents' mark are as follows:

YEAR	VALUE
1990	£ 42,280
1991	£ 88,790
1992	£104,860
1993	£ 27,900
1994	£ 45,240
1995	£ 96,400

Mr Holk explains that his company advertises its goods in Textilwirtschaft which is a leading European trade journal for the entire clothing industry and is available in the United Kingdom. At Exhibit B he provides a copy of an advertisement placed in the January 1992 issue together with photocopies of pages from a 1996 issue showing use of the mark “**benetti**”. The opponents, says Mr Holk, regularly attend the bi-annual International Trade Fair in Cologne and various supplements prepared for these fairs and others are exhibited under Exhibit C.

Under Exhibit D, Mr Holk displays copy invoices demonstrating sales in the years 1992 through to 1996. He also says that up until 1996 his company’s goods were sold in the United Kingdom through independent trade representatives. Since that date sales are handled direct by his company’s export department.

Under Exhibit E Mr Holk provides clothing labels showing how the “**benetti**” mark is used.

Mr Holk refers to the applicants’ mark BENELLI and claims it is confusingly similar to his company’s mark “**benetti**”. He points to the fact that both commence with the letters BEN and end with the letter “I”. The only difference is the letters “LL” in one mark compared to “tt” in the other. He believes that confusion could easily occur if the applicants were to use their mark in lower case, bearing in mind that use might be on swing tickets or sewn-in labels. In conclusion Mr Holk expresses the view that acceptance and registration of the applicants’ mark could have a detrimental effect on his company’s trading activities.

A Statutory Declaration dated 28 January 1997 is provided by Mr Christopher Cook, Trade Mark Agent, of Forrester Ketley & Co.

Mr Cook explains that in October 1996 a letter and questionnaire were sent to twenty-nine retailers in the clothing trade in various parts of the United Kingdom. The names were selected at random from telephone directories and the appropriate classified sections of Yellow Pages. Copies of the letter and questionnaire are provided under Exhibits CC1 and CC2.

Eleven replies were received; ten completed questionnaires were received and one questionnaire was returned uncompleted. The eleven returned questionnaires are provided under Exhibit CC3.

Three of the questions asked in Mr Cook’s questionnaire were worded as follows:

- (3) Please indicate whether or not you are familiar with the Trade Mark BENETTI?
- (5) Are you aware of the Trade Mark BENELLI?
- (7) Would you be prepared to stock goods marked with the BENETTI mark next to goods marked with the BENELLI marks? If not why not?

None of the traders were aware of or had encountered either the BENETTI or BENELLI marks. Two of the traders would not stock the goods side by side as they considered the mark too similar. One thought BENETTI sounds similar to BENETTON but others either did not answer the question or said they would consider stocking both sets of goods. I mention here that Mr Cook showed the opponents' mark in upper case whereas it is registered and used in lower case.

That completes my review of the evidence since the applicants filed no evidence in support of their application. I now turn to the grounds of opposition which are under Section 5(2) and Section 5(4) of the 1994 Act.

Section 5(2)(b) reads as follows:

A trade mark shall not be registered if because -

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

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

As matters stand the goods of the applicants are identical to those included within the specification of the registered mark but as the hearing developed Mr Charlton on behalf of the applicants said that depending upon the decision reached in comparing the respective marks the applicants would wish to propose that (a) a clause should be entered on the application to confirm that they only wished to register and use their mark in block capital letters and (b) they would wish to be given the opportunity to restrict their specification to "boots, shoes and sports shoes".

These proposals came very late in the day and as Mr Edenborough had had no prior warning he was not best prepared to argue the matter in the light of the proposed new circumstances. In any event he objected to the proposals made so I have to consider whether I should accept them at this late stage. I take first the proposal at (a) above which is that a clause should be added to the Application Form TM3 restricting use of the mark to block capital letters. This application was first made under the 1938 Act and converted to one for consideration under the 1994 Act so that the benefit of its provisions could be utilised. It has thus been before the Registrar for only four years or more and the applicants have known of the opponents' opposition since October 1995. They have therefore had ample opportunity to make proposals but no such instructions were given to Mr Charlton until just a couple of days before the hearing. Limitations on how a mark might be used are serious matters and I do not believe that it would be fair to the opponents to allow the applicants to make the change proposed at this late stage. I therefore refuse the applicants' request to enter a clause on the Application Form TM3 as to how they propose to use their mark.

As regards the possible restriction of the specification as suggested at (b) above, I am prepared to take a more lenient view despite the approach adopted by Sir John Vinelott in the SWISS MISS case 1997 RPC 219 where he refused a late application by the applicants in that case to restrict their specification. In the event that I find against the applicants in respect of their application as filed I will also consider what the outcome would be if their specification is restricted as proposed.

In the context of Section 5(2)(b) I thus compare the respective marks **benetti** and BENELLI on the assumption that identical goods are at issue. As matters stand the registered mark is in lower case whereas the applicants' mark is in block capital letters. It is, however, well established that a registration in block capital letters allows use of the mark in other forms such as in script or lower case and I must take that into account in my comparison of the two marks.

In my consideration of the two marks Mr Edenborough submitted that I should utilise the guidance set down by the ECJ in *SABLE v PUMA AE* 1998 ETMR1 which reads "comparison should be based upon the overall impression given by the marks in question, bearing in mind, in particular their distinctive and dominant components". Furthermore the impression must be of the "visual, aural or conceptual similarity". I have no objection in comparing the marks on the basis proposed here but it is a fact that the ECJ Court was considering marks incorporating words and/or devices and it appears to me to be a more restricted comparison as compared to that set down by Parker J in *Pianotist Co's* application (Vol 1906) 23 RPC 777 at line 26 et seq, which reads as follows:

"You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say - not necessarily that one will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public, which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

It appears to me that phonetically the two marks are distinguishable and the real mischief, if there be any, is in the visual comparison. Obviously the fact that the opponents' mark is in lower case and the applicants' mark is in upper case is of some assistance but one must take account of the fact that as the goods at issue are items of clothing the two marks could appear on sewn-in labels or swing tickets on clothing packed tightly on display rails. In this context the marks are very similar indeed and the position would be even worse if both were used in lower case lettering.

At the hearing it was argued that conceptually the two marks are likely to be seen as surnames and that the general public are well used to distinguishing two surnames with only

small differences. While this may indeed be the case if both names are known to the public I doubt if one can assume that that is the case where one of the names has not apparently been used as yet in relation to the goods at issue. In such circumstances imperfect recollection must be taken into account. As Luxmore L.J. said in the *Aristoc Ltd v Rysta Ltd* case (1945)

5 62 RPC at page 72 line 46 to page 73 line 4:

10 “The answer to the question whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of Section 12 of the Trade Marks Act 1938 must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word and has perhaps an imperfect recollection of it who is likely to be deceived or confused. Little assistance therefore is to be obtained from meticulous comparison of the two words, letter by letter and syllable by syllable pronounced with the clarity to be expected from a teacher of elocution. The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that person’s wants.”

20 In this case imperfect recollection was in the context of phonetically similar marks but I think the guidance applies equally in the case of marks which are visually close.

25 Taking the best view I can of the matter I have reached the conclusion that the two marks are confusingly similar and that if the applicants’ mark was used in relation to goods identical to those traded in by the opponents, there would be a likelihood of confusion of the public as regards the origin of the goods. Therefore on the basis of the applicants’ specification as applied for, the opponents are successful in their opposition under Section 5(2)(b) of the Act.

30 Before leaving this matter I should add a few words to express a view on the results of the survey carried out by Mr Cook. Two of the declarants expressed the view that the respective marks are confusingly similar, though one of them also referred to the mark BENETTON, so there is only limited support for my finding above. However, I do not consider the results of the survey to be decisive in deciding the conflict between the parties in these proceedings.

35 I now go on to consider the conflict between these two parties on the basis that the applicants restrict their specification to “boots, shoes and sports shoes”. The first matter to consider is whether or not these goods are similar to the goods listed in the specification of the opponents’ registered mark. In making this comparison Mr Justice Jacob said in *British Sugar PLC v James Robertson & Sons Ltd* (the *TREAT* case) 1996 RPC 281 at page 296 that

40 the following factors should be taken into account.

- (a) The respective uses of the respective goods;
- (b) The respective users of the respective goods;
- (c) The physical nature of the goods;

- (d) The respective trade channels through which the goods 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 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 in the same or different sectors.

The submissions as to whether or not the respective goods are similar centred mainly on sports shoes and casual boots and shoes in the applicants' specification and items of sports and casual items of clothing such as shirts, T-shirts, sweatshirts, etc in the opponents' specification. I therefore consider the respective goods in the context of such goods.

- (a) I do not consider the uses of the respective goods to be the same.
- (b) The respective users are likely to be the same.
- (c) While it may be that the respective goods could be made of the same material, this would be unusual. I therefore take the view that the nature of the respective goods is different.
- (d) Trade channels will be the same in many instances.
- (e) The respective items could be sold in relatively close proximity to each other in small retail outlets but they are not generally sold side by side.
- (f) The respective goods are not in competition with each other and are likely to be classified separately and allocated to different trade sectors.

In conclusion to his submissions under the various headings above, Mr Edenborough suggested that I should take judicial notice of the fact that some sports companies produce a range of sports clothing which includes footwear. While this may indeed be the case I have no evidence before me in these proceedings which bears on that point. Even if I had, I do not believe it would be good law to make a general finding which could affect a whole industry by taking account of the activities of one or two large firms. I therefore believe that I should adopt the approach of Mr Justice Jacob in the TREAT case which was to take a fairly restricted view as to what constitutes "similar goods". In this case I have come to the conclusion that sports shoes are not similar to other items of sports clothing such as shirts, T-shirts and sweatshirts, etc.

Thus if the applicants restrict their application as proposed then the opponents fail in their ground of opposition under Section 5(2)(b) of the Act.

The second ground of opposition is under Section 5(4)(a) which reads as follows:

A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade.

10 I propose to deal with this ground fairly shortly in view of my finding under Section 5(2)(b).
If the applicants keep their original specification then the opponents succeed under
Section 5(2)(b) and I do not need to consider this ground of their opposition. If the applicants
restrict their specification as proposed above then I doubt very much if the opponents can
15 succeed under this section, having been found to have failed under Section 5(2)(b). Their
user has been very modest; there is little evidence of advertising and the range of goods sold
is not precisely stated. In such circumstances it is difficult to see how their trade might be
damaged, particularly bearing in mind that the marks while similar, are not identical.
Therefore, if the applicants restrict their specification as proposed, I find formally that the
opponents fail in this ground of their opposition.

20 There remains the ground of opposition under Section 3(6) but it was confirmed at the hearing
that this ground was not being pursued.

25 Finally, as this is a 1994 Act case the Registrar has no discretion to exercise.

In conclusion, therefore, the opponents have been successful in their opposition under
Section 5(2)(b). If, however, the applicants restrict their specification to “boots, shoes and
sports shoes” by filing Form TM21 within one month from the end of the appeal period,
Mark No 1548782 will be allowed to proceed in respect of that restricted specification. If
30 restriction is not requested Mark No 1548782 will be refused.

As the opponents have been successful in these proceedings they are entitled to a contribution
to their costs. I hereby order the applicants to pay to the opponents the sum of **£1,000**.

35 **Dated this 25 day of February 1998**

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N A HARKNESS
Assistant Registrar of Trade Marks
For the Registrar
the Comptroller General