TRADE MARKS ACT 1938 (AS AMENDED) AND TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 1588341 BY MOHINDER SINGH DHALIWAL, JAGJIT KAUR DHALIWAL AND PAUL RAGBHIR SINGH DHALIWAL TRADING IN CO-PARTNERSHIP AS GEMINI FASHIONS

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 47265 BY BAIRD TEXTILE HOLDINGS LIMITED

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15 BACKGROUND

On 17 October 1994 Mohinder Singh Dhaliwal, Jagjit Kaur Dhaliwal and Paul Ragbhir Singh Dhaliwal trading in co-partnership as Gemini Fashion of London applied under Section 17(1) of the Trade Marks Act 1938 to register the trade mark **GEMINI FASHIONS** in Class 25 in respect of a specification which, after amendments, reads:-

Articles of clothing, all for women and girls; shoes; all included in Class 25.

On 30 July 1997 Baird Textile Holdings Limited filed notice of opposition against the application. In summary the grounds of opposition are:

- (1) Under Section 12 of the Act owing to the earlier trade mark application no. 1536363.
- (2) Under Section 11 of the Act as use of the trade mark in suit would likely be likely to deceive or cause confusion.
 - (3) Under Section 17 of the Act.

The opponents also ask that the Registrar exercise his discretion in their favour.

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The applicants filed a counterstatement denying the grounds of opposition.

Both sides seek an award of costs in their favour.

40 Only the opponents filed evidence but neither party has sought to be heard and, therefore, after a careful study of the papers I give this decision.

By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act, however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly, all references in their later parts of this decision are references to the provision of the old law.

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OPPONENTS' EVIDENCE

This consists of a Statutory Declaration executed by Peter McDonald on 9 April 1998. Mr McDonald has been the Finance Director of Banner Limited and its predecessor since 1982. He has worked for Banner Limited and its predecessors since 1973. He states that all the information contained in his declaration is either from his own knowledge or from the records of Banner Limited, to which he has full access.

- Mr McDonald states that Beau Brummel Limited acquired the whole of the goodwill in business of Gemini (UK) Limited and all their intellectual property rights on 16 December 1992. Beau Brummel Limited later merged with Banner Limited. Banner Limited was a wholly owned subsidiary of Baird Textile Holdings Limited . Mr McDonald declares that recently there had been a de-merger and assignment of intellectual property rights from Baird Textile Holdings 20 Limited (part of William Baird plc) to Banner Limited (formerly Jadeash Limited a new and separate company from the former Banner Limited). He exhibits as PMCD2 a copy of the Deed of Assignment in respect of the trade marks including GEMINI and states that Banner Limited (formerly Jadeash Limited) acquired the whole of the goodwill in the business and the intellectual property rights from Baird Textile Holdings Limited.
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Mr McDonald states that his company is the beneficial owner of trade mark registration no. 892484 for GEMINI & Device. He declares that his company's predecessors in title also owned registration no. 1130953 for GEMINI, which due to an oversight had been allowed to lapse. Mr McDonald goes on to state that his company filed a fresh application on 21 May 1993 for GEMINI solus, the application was allocated the number 1536363. This application was opposed by the applicants for the trade mark in suit. Mr McDonald states that after a substantive hearing the Hearing Officer had decided that the opposition had failed. (I note for the record that 1536363 (now registered) is in the name of Baird Textile Holdings Limited - the opponents in these proceedings - and not in that of Banner Limited.)

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Mr McDonald states that registration no. 1536363 was filed to extend the protection afforded by registration no. 892484 and to replace the protection afforded by lapsed registration no. 1130953.

Mr McDonald declares that the trade mark GEMINI was first used in 1972/73 in relation to a comprehensive range of children's outerwear; the trade mark has been used throughout the United Kingdom since that period. Mr McDonald states that the trade mark GEMINI has been used

primarily, but not exclusively, in respect of children's wear including blazers, jackets, articles of knitwear, shirts and blouses; jeans, trousers, leggings, dungarees, shorts, bermudas, tights, skirts, dresses, pinafores, tops, T-shirts, tracksuits, sweatshirts, anoraks, waistcoats, knitwear, hats, caps, scarves, gloves, swimwear and petticoats.

Mr McDonald states that his company does not produce brochures, advertisements or promotional literature as sales are made through sales representatives making direct contact with known and existing agents.

10 Mr McDonald states that annual turnover figures for goods bearing the trade mark GEMINI in the United Kingdom since 1979 are as follows:

Year	Company Turnover	Retail Value £ Sterling
1979	970,750	1,361,625
1980	1,721,850	2,583,775
1981	1,763,950	2,645,925
1982	2,137,390	3,419,824
1983	2,171,400	3,474,240
1984	2,105,630	3,369,008
1985	2,199,810	3,519,696
1986	1,781,600	3,028,720
1987	1,707,800	2,903,260
1988	1,623,700	2,760,290
1989	1,556,500	2,646,050
1990	1,252,900	2,255,220
1991	1,005,600	1,810,080
1992	1,105,400	1,989,720
1993	893,100	1,796,200
1994	670,800	1,359,600
1995	366,766	733,532
1996	115,112	230,224

Mr McDonald declares that the applicants are relying on "honest concurrent use" to progress the application in suit but that use of the trade mark GEMINI FASHIONS by the applicants has been on a limited scale and localised within the Whitechapel area of London. He goes on to state that the majority of the sales of the applicants for the trade mark in suit are to the trade and for goods which do not bear the GEMINI trade mark. He also states that much of the trade of the applicants is overseas.

Mr McDonald states that a colleague of his visited the applicants at 5-7 Osborn Street, London. He declares that his colleague reported that a sign on the premises read "Manufacturers, Wholesales and Exporters - Shoes and Handbags". He also states that the premises visited seemed to be for the trade only.

Mr McDonald states that use by the applicants of the trade mark GEMINI FASHION as a trade mark on goods sold to the public in the United Kingdom in on such an insignificant scale to be such that it cannot support a claim for honest concurrent use.

This concludes my summary of the opponents' evidence.

20 **DECISION**

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I turn first to the grounds of opposition under Sections 11 and 12 of the Act. These parts of the Act read as follows:

- 25 "11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.
- 30 12.-(1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

(a)

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(b) the same description of goods, or

the same goods

(c) services or a description of services which are associated with those goods or goods of that description."

The reference in Section 12(1) to a near resemblance is clarified by Section 68(2B) of the Act which states that references in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.

- 5 The established tests for objections under these provisions are set down in Smith Hayden and Company Ltd's application (Volume 1946 63 RPC 101) later adapted, in the case of Section 11, by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand, these tests may be expressed as follows:-
- 10 (Under Section 11) Having regard to the user of the mark GEMINI, is the tribunal satisfied that the mark applied for GEMINI FASHIONS, if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

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(Under Section 12) Assuming user by the opponents of their mark GEMINI in a normal and fair manner for any of the goods covered by the registration of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception amongst a substantial number of persons if the applicants use their mark GEMINI FASHIONS, normally and fairly in respect of any goods covered by their proposed registration.

I will turn to the Section 12 grounds of opposition first. In the evidence of the opponents reference is made to registration nos 892484 and 1130953. Neither of these registrations has been referred to in the statement of grounds of opposition, nor has there been any request to amend the grounds to include them. I, therefore, cannot consider them in the current proceedings. (Registration 1130953 is expired and so the opponents could not use this registration in relation to Section 12.)

The grounds of opposition therefore rest on registration no. 1536363 for the trade mark GEMINI for the following goods: articles of outer clothing; articles of underclothing; all included in Class 25; but not including footwear. At the time of the filing of the opposition 1536363 was itself under opposition. However, it has subsequently been registered and as it has an earlier filing date has the ability to claim benefit from Section 12(1) of the Act.

- 35 The trade marks GEMINI and GEMINI FASHIONS nearly resemble one another. The FASHIONS part of the trade mark in suit in relation to clothing adds little or no differentiation between the two trade marks; it is extremely non-distinctive in relation to the goods. Effectively one is comparing the same trade marks. In relation to the goods of the trade mark in suit these are all encompassed by registration no 1536363 with the exception of shoes. I must go on to consider whether the shoes element of the trade mark in suit represent goods of the same description as those encompassed by registration no. 1536363.
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The various matters to be taken into account in deciding whether goods are of the same description are set out in the JELLINEK case (1946) 63 RPC 59:

- (1) the nature and composition of the goods;
- (2) the respective uses of the articles
- (3) the trade channels through which the commodities respectively are bought and sold.

If the respective goods coincide in respect of two of the above headings it is sufficient to justify 10 a decision that goods of the same description are involved (FLORADIX (1974) RPC 583 at page 588 line 31 et seq). It has long been the view of the Registrar that shoes are not goods of the same description as clothing other than footwear, which goods have been excluded from the specification of registration no. 1536363. I consider that this is the correct position, it follows on from the JELLINEK test. Although shoes may be sold in the same shops as clothes they are 15 normally sold in a separate area and emanate from a very different manufacturing process; the nature and composition of shoes also differ from those of non-footwear clothing, in design and material. It could be argued that clothing excluding footwear has the same use as shoes, i.e. for wear on the body. However, I would not consider there is a strong case for this. Shoes are for a specific individual area of the body, an area that clothing excluding footwear does not 20 encompass. Even if the respective uses were the same goods of the same description would not be involved, as only one of the JELLINEK headings would be encompassed, and so the comparison would fail the FLORADIX test.

Consequent upon the above I find that the opposition in respect of Section 12 succeeds in relation to the application in suit in respect of articles of clothing, all for women and girls. However, the Section 12 grounds cannot be upheld in respect of shoes.

The applicants have neither pleaded in their counterstatement that they seek benefit from the provisions of Section 12(2) of the Act (honest concurrent user), nor have they filed any evidence in these proceedings that would allow me to consider such a claim. It is therefore not an issue before me even though the application proceeded to advertisement upon the basis of honest concurrent user.

I turn now to the grounds of opposition under Section 11. Before Section 11 can be applied it
 must be established that the trade mark which is being relied upon is known to a substantial number of persons in the United Kingdom (NOVA (1968) RPC 357 at 360.) The evidence for the opponents claims a reputation in respect of children's wear including blazers, jackets, articles of knitwear, shirts and blouses; jeans, trousers, leggings, dungarees, shorts, bermudas, tights, skirts, dresses, pinafores, tops, T-shirts, tracksuits, sweatshirts, anoraks, waistcoats, knitwear, hats, caps, scarves, gloves, swimwear and petticoats. The evidence states that the trade mark has been primarily but not exclusively used in relation to children's wear. There is no breakdown or

indication of those elements of the turnover or usage that relate to other than children's wear. It is therefore not possible for me to attribute any reputation to the GEMINI trade mark of Banner Limited than other in relation to children's wear. The trade mark GEMINI has been used by Banner Limited and their predecessors in title since 1972/73; the turnover figures although not enormous in relation to the size of the clothing market are not minimal. Taking into account the length of the use of the trade mark and the extent of the turnover the opponents have established a sufficiently substantial reputation to allow Section 11 to be applied.

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For the reasons rehearsed above in respect of Section 12 I consider the respective trade marks
nearly resemble one another. In the instant case there is a variation in the norm in relation to the issues relating to Section 11; Banner Limited having acquired the goodwill and intellectual property rights of the opponents. However, I do not consider that this affects the fundamental issues under Section 11; that is if the trade mark in suit is likely to cause confusion and deception. There is no requirement for a locus standi in opposition proceedings, in the terms of Section 18(2)
any person may oppose an application. In "Kerly's Law of Trade Marks and Trade Names Twelfth Edition" at pages 44-45 the following is stated in relation to this issue:

"There is nothing in section 18(2) (which provides for opposition to registration) corresponding to the requirement in section 32 that an applicant for rectification of the Register be a person "aggrieved" by the entry concerned; nor do the rules (or the form on which the opponent enters a statement of his case) require an opponent to assert an interest. It must, however, be considered open to question whether opposition is open to a mere busybody, or to one solely concerned to annoy the applicant. An opponent is not confined to objections based on interference with his rights, but can set up any proper ground of opposition...."

The opponent is not a "mere busybody" and there is a fundamental issue as to whether confusion and deception are likely to arise. Therefore, that the goodwill in the trade mark GEMINI no longer resides with the opponents does not invalidate the opposition in general or the grounds of opposition under Section 11 in particular.

In relation to Section 11 I am not confined to a finding that is limited to the issue of identical goods or goods of the same description; the parameters of Section 11 extend beyond this, there is but the requirement that there is a likelihood of deception and confusion. For the reasons outlined in respect of Section 12 there is no doubt that there is a likelihood of confusion and deception in respect of articles of clothing, all for women and girls. I do not consider that the fact that this use relates to children's wear affects the matter, there is no clear boundary between children's wear and adult wear; the areas are blurred and indistinct, being dependant upon physical size, aspirations and mental maturity. Also retailers and manufacturers of clothing often cater across the age spectrum. The only matter at issue is, therefore, in relation to shoes. I consider that taking into account the nature of the markets in clothing and footwear, there is likely to be

a "slop over" in reputation between clothing and footwear. It is common place for clothing shops to also have an area selling shoes, it is also not uncommon for these shoes to be sold under the same trade mark as the clothing. High street retailers in the clothing industry clearly make use of their trade marks and reputations across both clothing and footwear. It has also become increasingly common for companies that initially started as suppliers of footwear to branch out into other areas of the clothing industry, especially in relation to casual clothing. Consequently manufactures who have established their reputations in such areas as trainers now have a reputation in respect of a whole gamut of casual clothing. I therefore consider that there is a likelihood that a person seeing the trade mark GEMINI FASHIONS would presume there was a relationship with GEMINI in respect of all the goods encompassed by the trade mark in suit. I find therefore that the use of the trade mark in suit is likely to cause confusion and deception amongst a substantial number of persons and uphold the grounds of objection under Section 11.

I turn now to the grounds of objection under Section 17. The opponents have not stated in their statement of grounds which part of Section 17 they are pleading. I do not consider it appropriate to infer what the specific grounds of opposition under Section 17 are, especially as there is no indication in the evidence as to this issue. (See the WILD CHILD case (1998) RPC 455 and the COFFEEMIX case (1998) RPC 717 in relation to pleadings lacking clarity and focus.) I therefore dismiss the grounds of opposition under Section 17.

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I turn now to the issue of the Registrar's discretion (which in itself is a ground of opposition under Section 17(2)). As the findings under Sections 11 and 12 are mandatory it is not appropriate to exercise discretion in this case.

25 The opponents having succeeded in these proceedings I order the applicants to pay them the sum of £535 towards their costs.

Dated this 16 day of June 1999

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DW Landau For the Registrar The Comptroller General