TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 2104763 BY CESPA - S.R.L. TO REGISTER A MARK IN CLASS 25

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 46838 BY BLUE DIAMOND LTD

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IN THE MATTER OF OPPOSITION THERETO UNDER NO. 46838 BY BLUE DIAMOND LTD

10 **DECISION**

On 5 July 1996 CESPA - S.R.L. applied to register the following mark:

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for a specification of goods which reads; "Jackets, trousers, shirts, polo shirts, blouses, sweaters, cardigans, coats, overcoats, raincoats, tracksuits, belts, gloves, pants; outerwear; underwear; shoes, boots, laced boots, sandals, slippers; hosiery, socks; footwear."

The application is numbered 2104763.

On 16 May 1997 Blue Diamond Ltd filed notice of opposition to this application. The grounds are in summary

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(i) under Section 3(1)(a) in that the mark applied for is not capable of distinguishing the goods of the applicants from those of the opponents

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(ii) under Section 3(4) in that "use of the mark applied for by the applicants for some or all of the goods specified would constitute infringement and passing off"

(iii) under Section 3(6) in that the applicants should have known of the opponents' mark. The application was, therefore, made in bad faith

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(iv) under Section 5(1) and 5(2) in that the opponents have an earlier trade mark (see below for details) and the mark applied for is either identical or similar

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(v) under Section 5(3) in that the mark applied for is identical or similar to the opponents' mark and for goods which are not similar and use of the mark would take unfair advantage of, or be detrimental to, the distinctive character or repute of the opponents' mark

- (vi) under Section 5(4) in that use of the mark would be liable to be prevented by virtue of the law of passing off.
- The relief sought is either refusal of the application or amendment so as to distinguish it from that of the opponents.

Details of the earlier trade mark referred to in (iv) above are as follows:

10	No.	Mark	Class	Journal	Specification
10 15	2024386	HEROES	9, 18, 25, 28	6165/2199	Protective clothing, shin guards, elbow protectors, protective gloves, helmets and head guards; floatation devices and buoyancy aids for swimmers; goggles, sunglasses, anti-glare and anti-dazzle shades, glasses
20					and visors.
					Bags, holdalls, umbrellas.
25					Clothing, footwear and headgear; all for sports and leisure.
30					Sporting, exercise and gymnastic equipment and accessories, parts and fittings therefor; balls.

The applicants filed a counterstatement denying the above grounds.

Both sides ask for an award of costs.

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Both sides filed evidence. Neither side has asked for a hearing. Acting on behalf of the Registrar and after a careful study of the papers I give this decision. In doing so I also take into account the written submissions (dated 20 April 2000) filed on behalf of the opponents.

Opponents' Evidence

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The opponents filed a declaration by Geoffrey Richard Dorey, their Chairman and Managing Director.

He says that the mark HEROES has been used since at least November 1991 in relation to the goods of registration No. 2024386. In support of this he exhibits

BDL1 - advertisements and catalogues BDL2 - photographs of shop fronts

BDL3 - pages downloaded from the Internet

5 Turnover figures (at retail prices) are given as follows:

1994	£1,238,646
1995	£1,643,196
1996	£2,047,301
1997	£2,185,000

The mark is said to have been used on retail shop fronts in Basingstoke and Eastleigh (Hampshire) and in Redhill (Surrey). The shop name has appeared on the back of catalogues which have been distributed nationally and on a very wide scale. The mark is also used on price tags, till receipts and carrier bags. The mark appears in advertisements for staff in local newspapers.

The following sums have been spent in promoting the mark in the last three years.

20	1995	£11,877
	1996	£16,242
	1997	£22,493

This has been by means of advertisements in publications such as The Gazette, catalogue distribution by Intersport, advertisements on local radio and an Internet site.

Applicants' Evidence

The applicants filed an affidavit by their Chairman, Cesare Paciotti. He says that the mark applied for has been used continuously by Cespa or with their consent in the United Kingdom since at least as early as February 1992 in relation to footwear such as shoes, boots, laced boots, sandals and slippers. Examples of promotional literature are exhibited at CP1.

35 Turnover figures are given as follows:

YEAR	Turnover Italian Lira	Sterling Equivalent
1992	18,780,000	£ 8,606.00
1993	27,620,000	£10,994.00
1994	321,620,000	£125,777.00
1995	223,500,000	£ 89,994.00
1996	190,230,000	£ 73,373.00

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A selection of copy invoices issued on behalf of Cespa to customers in the United Kingdom dating from February 1992 are exhibited at CPII.

- Mr Paciotti goes on to make a number of comments on and criticisms of the opponents' evidence. The main points are:
 - S he suggests that the opponents' exhibits do not support the claim that the mark HEROES has been used in relation to the goods claimed
 - s in particular the exhibits do not show use of HEROES solus but rather of INTERSPORT HEROES and then only as the name of a shop or store
 - s it is further suggested that the opponents' turnover figures relate to INTERSPORT stores and that if so this cannot be considered to give rise to any reputation in the mark HEROES. Mr Paciotti also questions the relationship between the stores and the opponents
 - based on the opponents' exhibits and the above comments it is suggested that the opponents' own registration was applied for in bad faith (in the absence of a counter claim for invalidity I cannot of course comment further on this claim)
 - S no instances of confusion have arisen.

That concludes my review of the evidence.

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It will be apparent from the above summary of grounds that the opponents have raised a large number of objections, a number of which have not been explained or pursued in evidence. They do, however, have an earlier trade mark which provides the basis for a claim under Section 5(1) or (2). I propose to consider those grounds first. The Section reads:

- "5.-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.
- (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."

I take account of the guidance provided by the European Court of Justice in Sabel BV v Puma AG (1998 RPC 199 at 224), Canon v MGM (1999 ETMR 1) and Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV (1999 ETMR 690 at 698) in coming to a view of the matter.

It is, I think, self evident that the generality of the Class 25 specification of the opponents' earlier trade mark (even allowing for the qualification "all for sports and leisure") must encompass the goods of the mark applied for. The matter, therefore, turns on the marks themselves that is

Opponents' mark

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Applicants' mark

HEROES



Both marks have as their central (or only) feature the word HEROES. The applicants' mark is presented in a somewhat stylised form not unlike a stencil imprint and with the suggestion that the letters are set within an irregular border. This presentational aspect of the mark should not be ignored and is in my view sufficient for me to say that it is not an identical mark. It follows that Section 5(1) does not apply. I am confident however that the dominant and distinctive component of the applicants' mark is the word HEROES and that is how it will be known and referred to. In these circumstances it is difficult to see how the likelihood of confusion with the opponents' mark can be avoided given that they are to be applied to the same sort of goods. The presentational aspect of the applied for mark is insufficient to enable the mark as a whole to escape this criticism. Further analysis of the marks seems to me to be unnecessary and superfluous. I have no hesitation in concluding that the opposition succeeds under Section 5(2)(b).

In the light of the clear decision I have been able to reach under Section 5(2) I see no need to consider the other grounds put forward by the opponents save to say that, if on appeal I was found to be wrong in relation to Section 5(2), I do not think the opponents would be in a better position on the basis of the other grounds pleaded.

As the opposition has been successful I order the applicants to pay the opponents the sum of £635. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

40 Dated this 12 day of May 2000

45 M REYNOLDS
For the Registrar
The Comptroller General