

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK Application
No. 2028241 to register trade a marks in the name of**

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**AND IN THE MATTER OF Opposition
No. 46602 by Hein Gericke GmbH.**

10 **Decision**

Top Shop/Top Man Limited, 214 Oxford Street, London W1N 9DF applied on 26th July 1995 to register on the mark PRO SPORT for goods in Class 25:

15 ‘T-shirts, sweatshirts, shorts, underwear, casual jackets, socks.’

(The application was assigned to Arcadia Group Brands Limited, Colegrave House, 70 Berners Street, London W1P 3AE on 23 July 1999.)

20 The application is opposed by Hein Gericke GmbH on the basis of s 5(2)(b) of the Act. The applicants deny the grounds and both parties ask for their costs. The opponents are the owners of the following registration:

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30 This was applied for on 31st October 1994 and registered on 16th October 1998 for the following goods:

‘Articles of clothing for sportswear and casual wear; gloves; caps, hats and shawls; footwear; all included in Class 25.’

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A Hearing took place on 6 July 2000, with Mr Fernando of Counsel, instructed by Edward Evans & Co., appearing for the applicants, and Mr Krause, of Haseltine Lake Trade Marks, appearing for the opponents.

40 The Evidence

I do not think there is much to be gained in this case by execution of a detailed evidence summary. For the opponents, there is one declaration, by Mr Martin Hermann Krause, of their trade mark agents, dated 16th October 1997. He confines himself to a critique of evidence supplied to the Registry by the applicants when they applied for their mark, intending to show honest concurrent user (this material consists of a statutory declaration and is enclosed in Exhibit MHK3).

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For the applicants, their evidence amounts to a Statutory Declaration by Mr Adam Alexander Goldman, a Director of Top Shop/Top Man Limited. Mr Goldman seeks to rebut Mr Krause's analysis and introduce evidence of the applicants' user. I will refer to this as it becomes relevant to the ground pleaded.

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The Decision

The only ground is under s 5(2)(b), which states:

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'A trade mark shall not be registered if because -

(1) .. ,

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(2) 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.'

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Mr Fernando, for the applicants, raised what was effectively a preliminary point concerning the status of the opponents' mark, as an 'earlier trade mark' under the Act. This is essentially a matter of interpretation of s 6(2). This section says:

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'(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.'

Mr Fernando referred to an amendment to the Statement of Grounds, which has resulted in the following wording:

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'Hein Gericke GmbH (hereinafter referred to as "the Opponent") is the proprietor of trade mark registration no. 1557308 which was pending registration and was to be registered for the goods "articles of clothing for sportswear and casual wear; gloves, caps, hats and shawls; footwear; all included in Class 25" at the time that Opposition No. 46602 was filed by the Opponent.'

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He then said that for a mark to come within s 6 it must be registered and therefore, as the opponents' mark did not qualify at the time the opposition was launched, it was not an earlier mark under the Act and s 5(2)(b) did not apply. I was referred to *Amaze Collection Trade Mark* [1999] RPC 725, where it is stated at page 729, line 14:

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'The applicant has applied under sections 5(2)(b) and 5(3). However, both these sections are only relevant when the applicant's mark is registered. In this case although Mr Williams applied to register his mark, the application was deemed abandoned and therefore never registered. The application therefore fails on these grounds.'

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The approach suggested by Mr Fernando does not accord with the text of s 6(2), with Registry practice or with recent registry decisions. Practice Direction PAC 1/99, published in Journal 6280, with effect from 1 July 1999 states:

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5 ‘According to Sections 5(1) and 5(2) of the Act, relative grounds for refusal exist when a conflicting earlier trade mark is “protected”. Section 6 explains that “earlier trade mark” includes an earlier pending mark “subject to its being so registered”. A pending trade mark cannot therefore form the basis of a formal refusal of an application unless or until the earlier mark becomes registered.’

10 But it can when it is. Registration in the *Amaze* case never took place, and is not comparable to the situation here. In the *Party Land Trade Mark Application* case (13th July 2000 O/096/00), the Hearing Officer stated:

15 ‘Although the earlier trade mark claimed by the opponents has not yet been registered, it nonetheless qualifies as an earlier trade mark under the provisions Section 6(2), but only if it goes on to achieve registration.’

20 A mark applied for becomes an ‘earlier mark’ once it is registered. The protection granted is thus applied retrospectively to the application date when the mark enters the register, and this is what has happened here. The opponents’ registration is an earlier marks for the purposes of s 5(2)(b).

25 In approaching this matter, I have taken into account the guidance provided by the European Court of Justice (ECJ) 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. It is clear from these cases that:

30 (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

35 (b) the matter must be judged through the eyes of the average consumer, of the goods/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;

40 (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

45 (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it.

Let me state first, before examining the arguments presented by the parties, that I regard the goods at issue to be identical, or at least very similar. This matter will fall to be decided on a comparison of the marks themselves.

5 For the applicants, Mr Krause made the following observations, relating to the opponents' mark:

10 '... there are elements other than the words PRO SPORTS, but I would submit that when one looks at the words, the use of a checkered flag is relatively non-distinctive. The device that surrounds the word PRO SPORTS, again it cannot be discerned whether that is some form of steering wheel or wheel, but what does stand out are the two words PRO SPORTS. The words beneath, "by Hein Gericke" are in considerably smaller print, but they are legible, but I would submit that if you were looking at the dominant element of this trade mark it is simply those two words PRO SPORTS. Those words differ from the applicants' trade mark by one letter only, and I would submit that ... difference is *de minimis*'

15 I was also referred to an earlier decision (*Application No. 1557308 in the name of Hein Gericke GmbH and opposition thereto under No. 44096 by Top Shop/Top Man Limited*, 13th August 1998) concerning the same parties, where the opponents in this case were the applicants then and sought to register their mark and device (as displayed on page 1) and the applicants here sought to oppose, on the basis of an earlier right under s 5(4)(a) based on use of their mark PRO SPORT. They failed to establish that right because of the quality of their evidence, and the opposition failed. The Hearings Officer, Mr Reynolds, said:

25 'I have not found this to be an easy matter to decide. The opponents are a large and well known high street chain of shops. The sales figures indicated represent a sizeable level of business and I note also that their mark is said to have been used continuously since 1991. Had I been satisfied that at least a significant proportion of the turnover claimed had arisen prior to 31 October 1994 and had full documentation been provided in support there would in my view have been a significant case for the applicants to answer. However Mr Krause identified a number of significant weaknesses in the opponent's position. It seems to me that, by relying on evidence prepared originally for a quite different purpose the opponents are asking the tribunal to make a series of assumptions in their favour in order to reach the outcome they seek. In short it is not that the opponents could not mount an arguable case (given the bare facts of the matter) but I do not think they have done enough in their evidence to substantiate whatever claim they might have to be the proprietors of an earlier right. They, therefore, fail in the first leg of the passing off test. In these circumstances I do not need to consider the issues of misrepresentation and damage in detail. I will, however, comment on them very briefly in case the matter goes to appeal. The applicants' mark is a composite one with a visually strong device element. It also contains in small print the words "by Hein Gericke" which I take to be a house mark. ***However the central and essential feature by which the mark is likely to be known and referred to is the words PRO SPORTS. This would inevitably, I think, lead to confusion with the opponents' mark PRO SPORT.*** If therefore, the opponents had substantiated their claim to a reputation in the latter I would have found in their favour on the other legs of the passing off test.' (Emphasis added).

Mr Krause brought my attention to the sentence highlighted and said that the key point of reference within the mark are the words PROSPORT; this is what people will remember.

5 For the applicants, Mr Fernando did not wish to emphasise the words above the other features in the opponents' mark, i.e. the checkered flag background, the steering wheel and the words Hein Gericke. Looked at in this way, and referring in particular to infringement under s 10, he then said that the monopoly of protection granted to the opponents' mark is potentially enormous:

10 'If the logic is right - that PRO SPORTS on a background of a steering wheel and a checkered flag with the words "Hein Gericke" stops PRO SPORT - then it ... must follow that similarly that particular opponents' mark must stop the use of a steering wheel that is similar, similar in the way that PRO SPORT is similar to PRO SPORTS as alleged, and
15 similarly a slightly tweaked steering wheel, one that they allege would be stopped, and a slightly tweaked checkered flag would be stopped.'

He added that the breadth of a protective monopoly must be proportionate to the distinctiveness of the mark at issue. Each of the 'themes' (steering wheel, flag, etc..) in the opponents' mark are 'common themes' and '..one must say that the opponents' mark has an
20 extremely narrow monopoly. For that reason, when one looks at section 5(2)(b), it must be that the applicants' mark cannot be so similar to the opponents' mark that there exists a likelihood of confusion within the meaning of that provision.'

This conclusion is based on rather shaky assumptions about the relative distinctiveness of the various elements in the opponents' mark, particularly the words. As I discuss below, the words PRO SPORTS are clearly the dominating feature of the opponents' mark, and it does not follow that because they may effect registration of marks that include these words (or similar), the same will apply to marks which incorporate a steering wheel or a checkered flag. This will be determined by the distinctiveness (or otherwise) of these features.
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30 Further, I do not think that the 'monopoly' of protection a mark does or does not enjoy can be used as an argument for or against registration. The distinctiveness of a mark should be taken into account when considering the factors cited on pages 3 and 4 and I accept it follows from the case law that the more distinctive an earlier mark is, the greater may be the likelihood of confusion in a particular case and, thereby, the marks ability to repel later marks that nearly resemble it. The narrowness of other wise of the 'monopoly' is a consequence of the distinctiveness of the earlier mark, and this is either inherent in the mark itself, or has come about following significant use by it owners.
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40 Later in the Hearing Mr Fernando stated:

45 '..if you are to have a monopoly, which is what will be conferred if the mark is registered, or in the case of the opponents' mark has been registered, if you are to have a monopoly in the mark PRO SPORTS, then you have to show massive use of PRO SPORTS. You cannot show massive use of a mark that was registered because it was a combination of other elements to get you a monopoly in one particular element of that mark, because if that were right I could get registration....for Springs Water, or something like that, if I had

Springs Water with lots and lots of other elements in it, I may get registration as the device mark because there as a whole with all the combination of the elements it is distinctive; but unless I have massive use of Springs Water itself I will not have a monopoly in Springs Water because the monopoly would not be proportionate to the distinctiveness of my mark, and that point runs true in this case. The opponents', mark is registered because it is a combination of other elements our mark is registrable because of the massive use in relation to a narrow specification in relation to a particular market.'

This theme of the narrowness of the opponents' 'monopoly' thus appears to be based on the assumption that the words PRO SPORT(S) *solus* is non-distinctive because it is descriptive. I see nothing in the evidence that shows this. And I think it is irrelevant to the ground pleaded.

Mr Fernando also appeared to argue that because the applicants have massive (concurrent) user under their name (see paragraph 6 of Mr Goldman's declaration, where £20M worth of turnover is claimed), the PRO SPORT element now means the applicants, this must also limit the opponents' monopoly and thus there cannot exist a likelihood of confusion under s 5(2)(b). I do not think I can accept this, as there is nothing in this section that requires me to take account of the reputation or distinctiveness on the market place of the *applicants'* mark - only that of the opponents, who own the 'earlier mark' (see point (f) above). Further, honest concurrent user is of no assistance to an applicant once opposition proceedings have been initiated (see s 7(2)).

Alluding to the earlier decision by Mr Reynolds, Mr Fernando referred to *British Sugar plc v James Robertson & Sons Ltd* [1996] 9 RPC 281 (the 'TREAT' case) and Jacob J.'s comment that only a crossword fanatic would find that 'theatre atmosphere' infringed the mark TREAT He than said:

'PRO SPORTS plural will infringe PRO SPORT because it takes all of PRO SPORT and simply adds another "S", even with all the other device irrelevant bits, it is the theatre atmosphere point. If you had TREATS or LOVELY TREAT, or even TREATIES, possibly, it would still infringe the TREAT. It does not work the other way round because there is no "S". We have taken less of the mark. We have not got the steering wheel, we have not got the checkered flag, we have not got "Hein Gericke". So, to be fair, the trade mark point actually does not necessarily work the other way round, and for that reason we would say it is possible to differ from the view expressed by Mr. Reynolds.'

I am required to compare these marks to try to establish the likelihood of confusion under s 5(2)(b), and I must follow the guidance in the case law. PRO SPORT is the *only* element in the applicants' mark. The point that Mr Reynolds was making, and I agree, is the dominance of the PRO SPORTS in the opponents' mark. These will rest foremost in the mind of the average consumer, over and above the other components, largely because they are, I believe, most easily accessible. I myself only became aware of the possibility of the device elements in the mark being interpretable as a flag and steering wheel when this was pointed out at the Hearing. Certainly, the mark will be described by a reference to the words: Mr Fernando himself did this when said, referring to the opponents' mark, '..if one looks at the elements of the PRO SPORTS mark..' and I think others will do so too.

Following from this, and in the light of point (d) on page 3, I do not believe that I can come to any other conclusion than that the likelihood of confusion is high. The application is therefore refused.

5 The opponents are successful. They are entitled to an award of costs. At the Hearing Mr
Krause argued that these should account for the inconvenience to which the opponents were
put by the lack duplication of the exhibits to Mr Goldman's declaration. Mr Fernando pointed
10 out that certain grounds were originally pleaded, and then dropped, imposing an unnecessary
burden on the applicants. I do not see that I should alter the usual award of costs in this case
and I order the applicants to pay the opponents £635. This sum is to be paid within seven
15 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.

Dated this 21st day of August 2000

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**Dr W J Trott
Principal Hearing Officer
For the Registrar
the Comptroller-General**