# **TRADE MARKS ACT 1994**

# IN THE MATTER OF APPLICATION NO. 2137465A BY MER PRODUCTS LIMITED TO REGISTER A TRADE MARK IN CLASSES 8, 9, 14, 16, 18, 25, 26, 28 AND 30

AND

# IN THE MATTER OF OPPOSITION THERETO UNDER NO. 48541 BY NYLSTAR SA

## **TRADE MARKS ACT 1994**

IN THE MATTER OF Application No. 2137465A BY Mer Products Limited to register a trade mark in Classes 8, 9, 14, 16, 18, 25, 26, 28 and 30

and

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IN THE MATTER OF Opposition thereto10under No. 48541 by Nylstar SA

## BACKGROUND

15 On 28 June 1997 Mer Products Limited of Whitehead House, 120 Beddington Lane, Croydon, Surrey, CRO 4TD applied to register a series of three marks, as shown below:

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2137465A.CBJ

	Class 09
	Fridge magnets; fire extinguishers; fire blankets; sunglasses.
5	Class 14
10	Watches, timepiece and clocks; jewellery for personal wear; earrings; badges; keyrings and keychains; pins; pendants; jewellery charms; all being made principally of precious metal or coated therewith; tie pins; tie clips; cufflinks.
	Class 16
15	Stationery; pens, pencils, and marker pens; pencil sharpeners; erasers; masking tape; adhesive tapes for stationery or household use; adhesives for stationery or household use; plastic and paper disposable bags; carrier bags.
	Class 18
20	Garment bags, shopping bags, beach bags, handbags; umbrella covers; umbrellas and parasols.
	Class 25
25	Boots, shoes and other footwear; caps; berets; hats; headwear; outer clothing; coats; jerseys; mittens; gloves; motorists clothing; overalls; T-shirts; scarfs; shirts; ties, socks.
	Class 26
20	Badges for wear; badges for ornamental novelty; belt clasps; brooches; buckles.
30	Class 28
	Games, toys and playthings; balloons; balls for games; novelties for parties.
35	Class 30
	Biscuits; cookies; cakes; snacks; confectionery, including chocolates and sweets; chewing gum.
40	The application, numbered 2137465A, was published for opposition purposes on 11 February 1998.
45	On 11 May 1998 Nylstar SA filed notice of opposition to this application. The grounds of opposition were later amended to incorporate reference to the opponents' Community Trade Mark Registration No. 297143. This amendment was dated 23 August 1999 and was accepted by the Registrar. In summary, the grounds of opposition (as amended) are:

2137465A.CBJ

	1. Under Section 5(2) in that the opponents are the proprietors of the following trade marks:				
F	No.	Mark	Class	Specification	
5 10	723533	MERYL	25	All goods included in Class 25 made wholly or principally of regenerated cellulose but not including footwear.	
15	1434752	MERYL	26	Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers; all included in Class 26.	
20	297143 (OHIM)	MERYL	18	Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and	
25				walking sticks; whips, harness and saddlery.	
30			22	Ropes, string, nets, tents, awnings, tarpaulins, sails, sacks and bags (not included in other classes); padding and stuffing materials (except of rubber or plastics); raw	
35			23	fibrous textile materials. Yarns and threads, for	
			23	textile use.	
40			24	Textiles and textile goods, not included in other classes; bed and table covers.	

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Clothing, footwear, headgear, lingerie, underwear, stockings and tights.

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	2.	Under Section 5(3) because the trade marks applied for are similar to the earlier marks and their use, without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade marks.
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	3.	Under Section 5(4) because use of the marks applied for is liable to be presented by virtue of the law of passing off.
15	4.	Under Section 3(1)(b) because the marks applied for are devoid of any distinctive character.
	5.	Under Section 3(3)(b) because the marks applied for are of such a nature as to deceive the public as to the origin of the goods.
20	6.	Under Section 3(4) because use of the marks would be prohibited in the United Kingdom by enactment or rule of law.
	On 7 August	1998 the applicants filed a counterstatement denying the grounds of opposition.
25	Both sides see	ek an award of costs.
	Both the appli	cants and the opponents have filed evidence but neither party has asked to be

Both the applicants and the opponents have filed evidence but neither party has asked to be heard. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

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### **OPPONENTS' EVIDENCE**

This consists of an Affidavit, dated 23 February 1999, by Christian Gelain of Rhone-Poulenc SA, France. He says he is a duly authorised officer of Nylstar SA on trade mark matters. He
explains that Nylstar SA of Lyon, France is a joint venture of Rhone-Poulenc and Snia Fibre. The company manufactures fibres and yarns which are mainly sold to weavers. In the UK the products are marketed through their wholly owned subsidiary, Nylstar Ltd in Manchester. The weavers then provide fabrics to manufacturers of ready made products. One of the important family of fibres/yarns of Nylstar SA is sold under the trade mark MERYL. The
fibres and yarns were initially marketed in the UK by Rhone-Poulenc Fibres. Since 1996 the relevant business has been in the hands of Nylstar SA and, for the UK, Nylstar Limited.

Under agreement with Nylstar SA, weavers and manufacturers using MERYL yarns and fibres apply the trade mark to any products made from MERYL fabrics, those fabrics being approved by and registered with Nylstar Limited. Different forms of products may be made from MERYL fabrics and sold by agreement in association with the name MERYL or MERYL prefixed names, for example MERYL Microfibre and MERYL Souple for lingerie or

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sportswear products. Ready-made products have labels applied to them e.g. swing tag labels and photocopies of such labels are produced as Exhibit CG1.

MERYL fibres and yarns, fabrics and ready-made products are sold extensively, including
 throughout the UK in nationwide stores such as Debenhams, Marks & Spencer, British Home
 Stores and the mark is used, with permission, in connection with ready made products sold
 under brands such as PLAYTEX, GOSSARD, PRETTY POLLY and ARISTOC where
 MERYL fabric is used. Exhibit CG2 gives a selection of typical packaging used in the UK.
 (An example is attached as Annex A to this decision). The range of products include clothing,
 sports clothing, bathing suits, lingerie, hosiery, socks, tights, underwear, fabric shoes,
 umbrellas, luggage.

The mark was first used in France at least as early as 1949 and in the UK for "at least 10 years". (It is not clear whether this means 10 years prior to the filing date or the date of the affidavit). Exhibit CG3 lists UK customers of Nylstar's fibres and yarns who are authorised to use the trade mark MERYL in connection with fabrics made from MERYL fibres and yarns, covering the years 1996 to 1999.

Nylstar provides labels to authorised users of the MERYL trade mark, one label per item sold.
Therefore, the number of labels is a measure of the number of ready-made items made from MERYL fibres or yarns. Exhibit CG4 lists the number of labels issued to authorised users by customer area. The figures relate to 1997 (700,000 +) and the first half of 1998 (650,000 +). I should mention that as the relevant date is June 1997 (the date of filing) most of the information is of little assistance as it is after the filing date for the application. Exhibit CG5
shows a listing of authorised companies for 1998 (ie. also after the filing date) and explains that records for earlier years are incomplete but confirms they include Gossard, Aristoc, Charnos, Bryncir, BHS, Pretty Polly, Next and Dorothy Perkins.

Exhibit CG6 shows examples of advertisements which have appeared in the UK.

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Exhibit CG7 provides a copy of an advertisement listing exhibitions at which MERYL products were promoted throughout the world, including the UK, for 1998. Although it is after the filing date, Mr Gelain says it is typical of previous years.

### 35 APPLICANTS' EVIDENCE

This consists of a Statutory Declaration dated 26 May 1999 by Mr David Flahive, Director of Mer Products Limited, formerly Worldwide Marketing & Promotions Limited, a position held since 1984. He says that the opponents' marks were not cited during the examination procedure undertaken in respect of their marks and that it follows that the Examiner did not consider the mark MERYL to be similar to any of the series of three MER marks.

Mr Flahive says that "MER" consists of one syllable and would be pronounced as if rhyming with "blur" or "sir", while "MERYL" has two syllables and would rhyme with "peril" or "Beryl". Therefore, he says, the marks themselves are so different that there is no likelihood of customers being confused.

Exhibit DF1 consists of a report of a Trade Mark search of the Trade Mark Registry, as at 16 April 1999, for all marks pre-fixed MER- in Classes 18, 25 and 26. This, he says, shows numerous marks not in the opponents' ownership in Class 25 which begin "MER" e.g. 280568 MERCEDES, 336944 MERIDIAN, 801551 MERITINA, 801985 MERAKLON, 1106605 MEREST WHISPER, 1110097 MERMAID, 1147763 MERONA, 1168156 MERCURY, 1189259 MERCERIA and 1189757 MERLIN. He says, therefore, that the opponents can have no valid claim to exclusivity in respect of the word MER.

Mr Flahive also refers to Mr Gelain's Affidavit of 23 February 1999 and says that it shows no use in respect of goods within the opponents' specifications, for registration 72533 or 1434752. No comment was made on OHIM registration 297143 which was added to the grounds of opposition later.

That concludes my review of the evidence.

### DECISION

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It can be seen from the above summary that the opponents have raised a large number of objections, many of which have not been explained or pursued in evidence. In my view, there has been no evidence filed in support of any of the grounds under Section 3 and they are, therefore, dismissed. The grounds remaining are, therefore, under Sections 5(2), 5(3) and 5(4).

It seems to me that Section 5(2) is at the heart of this case.

This Section reads as follows:

"5.-(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."

As identical marks are clearly not involved sub paragraph (b) applies here.

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I take into account the guidance provided by the European Court of Justice in Sabel BV v Puma AG (1998 RPC 199 at 224), Canon v MGM (1999 RPC 117) and Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BC (1999 ETMR 690 at 698).

45 It is clear from these cases that:-

- (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/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;
- (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 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.

Firstly, I will comment on the goods themselves. It is clear that the same/similar goods are involved and I do not believe it is a matter of dispute between the parties that this is so.

The goods overlap in Class 18 as both the applicants' specification and the opponents' specification for 297143 (OHIM) include "umbrellas" and "parasols". The opponents' OHIM specification also includes "Leather and imitations of leather and goods made from these materials....". Such a wide specification must include the remainder of the goods listed in the applicants' Class 18 specification.

Turning to Class 25, the width of both the applicants' and the opponents' specifications for registrations 723533 and (OHIM) 297143 show that, again, identical goods are involved.

For the remaining Classes applied for by the applicants the goods appear to be quite dissimilar or, at best, a modicum of similarity may exist. However, as I have not had the benefit of submissions on this at a hearing I assume the opponents are pursuing their case, primarily, in relation to the clash of goods in Classes 18 and 25 and that if the opposition fails in these Classes then the opponents will be in no better position in relation to the other Classes.

Therefore, I will turn to a comparison of the marks themselves and consider the composite nature of the test to be applied under Section 5(2)(b).

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The opponents refer to use in the UK of their mark and explain in some detail the way in which the mark is used. I assume, therefore, that they are seeking to demonstrate that their mark has an enhanced degree of distinctive character as a result of the use made of it. (See criteria "f" above). I must, therefore, go on to consider the use described by the opponents.

The opponents' evidence shows that their products are yarns and fibres which are sold to weavers who produce fabric which is then sold to clothes manufacturers, among others, to produce clothing from that fabric. The evidence refers to the number of labels using their mark on the clothing etc. The labels draw attention to the fibre from which the goods are made e.g. in Exhibit CG1 under the use of "Meryl MICRO by Nylstar" + device, it goes on to say - "A microfibre product incorporating the latest technology for the manufacture of high performance fabrics. Fabrics manufactured from MERYL micro are comfortable and resilient allowing a natural flow of both air and moisture. MERYL micro is the result of Nylstar research".

The evidence, it seems to me, goes primarily to use in relation to fibres and yarns rather than finished products. There appears to be no evidence that the applicants trade in clothing. The same would apply to such use on other finished articles made from the opponents' yarns/fibres. Therefore, any enhanced reputation would appear to relate to use of the mark in relation to yarns and fibres rather than the finished goods at issue.

Much of the detailed evidence such as is shown in Exhibits CG2 and CG4 is, therefore, of limited persuasive value with regard to demonstrating an enhanced level of distinctive character. All the more so when turnover figures are not provided and the number of labels can only show the number of finished products made and not, necessarily, sold. Furthermore, the detailed evidence is primarily after the applicants' filing date and therefore much of it cannot be taken into account. I am willing to accept that if the mark has been used for 10 years prior to the filing date, or even prior to the later date of the affidavit, then a significant number of finished items is likely to have been sold. But, for the reasons already given, I do not consider it is of assistance to the opponents' case.

Having concluded that the evidence is not of significant assistance in demonstrating an enhanced reputation for the opponents' mark extending to the goods at issue, I go on to consider the extent to which the marks, themselves, are confusable.

To my mind the opponents' mark will be seen as an invented word or, possibly, as a person's name similar to "Beryl" such as is used by the actress "Meryl Streep". The applicants' mark may also be seen as an invented word or, possibly, as the well-known French word for "sea". I also consider that the applicants' and the opponents' marks are clearly visually and phonetically different. I consider that the differences are such that confusion is unlikely to occur, even if imperfect recollection is taken into account. (Criteria b to d above).

The applicants seek to demonstrate that the opponents have no monopoly in words beginning MER- and produce a long list of other marks on the Register in Classes 18, 25 and 26. The majority of the examples provided are known dictionary words and in my view are not on "all

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fours" with the opponents' mark. Nevertheless, there are numerous examples - MERLOZ, MERRELL, MERITINA, MERAKLON and MERONA are shown - which would seem to be invented words.

- 5 I do not consider that the applicants' arguments about the state of the register add to any consideration of the marks at issue. No evidence was filed as to how these marks got onto the register, whether they are in use or how they might be perceived in the market place. Therefore, I attach no weight to these arguments in my decision.
- 10 I consider that confusion of the marks is highly unlikely given their visual, aural and conceptual differences, even if both words are seen as invented and even if I am found to be wrong with regard to any enhanced reputation for the opponents' marks in connection with the goods at issue.
- 15 In the final analysis, the test is a composite one having regard to all the above factors. I can see no likelihood of confusion on the part of the public if the applicants' mark is registered. Therefore, the opposition fails under Section 5(2)(b).

There remain the objections under 5(3) and 5(4). These read:

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- (3) A trade mark which-
  - (a) is identical with or similar to an earlier trade mark, and
  - (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of or be detrimental to, the distinctive character or the repute of the earlier trade mark.

- (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
  - (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, or
  - (b) by virtue of an earlier right other than those referred to in subsections
     (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.
- 45 A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

I will deal with Section 5(3) first. I have already found in relation to Section 5(2) that the opponents are likely to have a reputation for yarns and fibres. Clearly such goods must be dissimilar to many of the goods covered by the applicants' specifications. However, in light of my above views on the marks themselves I do not see how the opponents are in any better position under this Section. The opposition therefore fails under Section 5(3).

So far as Section 5(4) is concerned, the matter would appear to fall under subparagraph (a). I have already taken into account the reputation attaching to the opponents' mark (to the extent I feel able) in considering the Section 5(2)(b) ground. In practice I do not think that the Section 5(4)(a) ground raises any different issues which might offer the opponents a better chance of success. This ground, therefore, also fails.

As the opposition as a whole has failed, the applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £435. This sum is 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.

Dated this 28 day of August 2000

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### **R A JONES**

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# For The Registrar The Comptroller General

30 The annexe is only available as a paper copy.