

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2010307
BY TAMARIND INTERNATIONAL LIMITED TO REGISTER
THE MARK RELAY IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 44312 BY FASHION BOX S.p.A.**

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BY Tamarind International Limited to register
the mark RELAY in Class 25**

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**IN THE MATTER OF Opposition thereto
under No. 44312 by Fashion Box S.p.A.**

BACKGROUND

On 8 February 1995 Tamarind International Limited of 19th Floor, Tower 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong applied under the Trade Marks Act 1994 to register the trade mark RELAY in Class 25 for:

"Articles of clothing"

The application, numbered 2010307, was published for opposition purposes on 13 December 1995.

On 12 March 1996 Fashion Box S.p.A. filed notice of opposition to this application. The Grounds of Opposition are in summary:

- Under Sections 5 and 6 of the Act because the trade mark the subject of the application is similar to the opponents' registered trade marks as detailed below:

No.	Mark	Class	Specification
1201267	REPLAY	25	Articles of outerclothing, but not including skirts or slacks for women, or any goods of the same description as skirts or slacks for women.
1339509		25	Articles of outerclothing included in Class 25.



Coats, overcoats, jerkins, jackets, trousers, skirts, shirts and blouses, hosiery, pullovers, sweaters, cardigans, tracksuits, sweatshirts, foulards, ties, socks and stockings, hats, caps, boots, shoes and slippers; all included in Class 25.

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As the subsections of the Act are not particularised, I take it that they intend to refer to subsection 5(2)(b) of the Act as the marks are clearly not identical. The opponents also say that their mark "has been extensively used by us in the United Kingdom for many years in respect of articles of clothing".

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2. Under Section 3 of the Act because in relation to the goods the mark is devoid of distinctive character; is not capable of distinguishing the applicants' goods from those of other undertakings and is of such a nature as to deceive the public.

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On 21 June 1996 the applicants filed a counterstatement denying the above grounds and saying they also rely on the existence of registration number 1204871 for the trade mark RELAY in Class 25 in respect of "Articles of clothing for men, youths and boys." They also say that they will show that their predecessors have extensively used the mark in the United Kingdom and that no confusion has arisen.

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Both sides seek an award of costs.

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The matter came to be heard on 10 October 2000 when the applicants were represented by Mr T Mitcheson of Counsel instructed by Barlin Associates and the opponents were represented by Ms F Clark of Counsel, instructed by Marks and Clerk.

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I should say by way of further background that this is one of two cases involving the same parties and the same marks which were heard on the same day. The other involves trade mark No. 1545994 for a narrower specification of "Footwear; sports shoes and training shoes" which is the subject of opposition number 47839. That action is taking place under the terms of the Trade Marks Act 1938.

Opponents' Evidence

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The opponents' evidence consists of a statutory declaration by Attilio Biancardi dated 19 December 1996. He says he has been the Managing Director of Fashion Box S.p.A., the opponents, since December 1992. Mr Biancardi says that goods bearing the trade mark RELAY have been sold continuously throughout the United Kingdom since 1984 and are currently imported into the United Kingdom by a company called Elanmain Limited (trading as Options) of London. He says their mark has been used on a wide range of men's and women's clothing and accessories and that each year the opponent company markets summer and winter collections under the mark which typically include coats; jackets, jerkins; trousers, including jeans and sweat trousers; shirts, T-shirts, sweatshirts; skirts, dresses, blouses; knitwear, including pullovers, sweaters and cardigans; headwear including hats and caps;

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footwear including shoes, boots, trainers; underwear, including vests and pants; shorts; tops for women; hosiery, including socks; tracksuits; waistcoats; suits; gloves; scarves; swimwear; belts; bags, purses, wallets, key-cases; costume jewellery.

5 The approximate turnover of goods bearing the mark REPLAY, sold in the United Kingdom, expressed in pounds sterling (converted from Italian Lira based on an average exchange rate for each year) is as follows:

£ Sterling

10	1984	300,520
	1985	442,066
	1986	627,763
	1987	682,253
15	1988	629,993
	1989	342,624
	1990	536,480
	1991	683,274
	1992	1,099,911
20	1993	1,775,163
	1994	2,188,997
	1995	2,215,637

25 Advertisements for goods sold under the opponents' mark have appeared in various magazines available in the UK including Arena (1989), Glamour (1990), Sky Magazine (November 1994) GQ (December 1994 and February 1995), Sportswear International (Winter 1992/93), The Face (March 1993), Esquire (December 1994), More! (November - December 1994) and others which appeared after the filing date of 8 February 1995. In support of this, Exhibit AB1 contains copies of selected invoices relating to goods sold in the UK under the trade mark REPLAY since 1984.

30 Exhibit AB2 shows copies of catalogues illustrating the goods for sale in the UK under the opponents' mark.

35 Exhibit AB3 shows copies of tags and labels used on the goods sold in the UK under the opponents' mark.

40 Some additional and more recent evidence has been filed in the related proceedings under the 1938 Act. This unusual state of affairs has arisen because the inter partes stage of the proceedings in that case began over a year and a half after the present action. Evidence from the action under the 1994 Act has therefore been adopted into the 1938 Act proceedings but not vice versa. As a result I cannot take into account the 'updating' evidence. Much of it in any case relates to periods after the material date of 8 February 1995.

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Applicants' Evidence

5 The applicants' evidence consists of a statutory declaration by Mr Daniel Levy dated 30 June 1997. He says he is the Chairman of Tamarind International Limited which has its principal place of business in Hong Kong. He says that the trade mark RELAY was adopted by his Company's predecessors in business in or about the year 1983 and that the mark has been in continuous use since that date in the United Kingdom in relation to a range of clothing for men and boys. He says the mark RELAY was registered by his Company's predecessors in the United Kingdom under number 1204871 as of 7 October 1983 in respect of "articles of clothing for men, youths and boys" and the registration and Common Law rights in the mark have been assigned to his Company by Deed of Assignment dated 15 September 1995.

15 The principal goods sold in the UK under and by reference to the trade mark RELAY since 1983 comprise "woven shirts, casual jackets, sweaters, T-shirts, knitted shirts, denim wear, jeans, trousers and sweatshirts." Total turnover in the goods sold under the trade mark in the UK, he says, amounts to approximately £35 million f.o.b. value and current annual turnover amounts to approximately £952,380 f.o.b. value. He says that retail selling prices would be greater amounting to £100 million to £125 million in total sales under the mark in the UK. He goes on to say that his Company's merchandise as marketed under the RELAY trade mark has been exhibited at various menswear shows in the UK by his Company's predecessors and that approximately £300,000 has been spent in promoting the goods by reference to the trade mark since its inception.

25 Mr Levy says that by virtue of the use made of the mark since its inception in 1983 the trade mark RELAY has acquired a considerable reputation and is recognised by the trade and members of the public as indicating an exclusive connection with his Company.

30 Exhibit DL/1 provides copies of swing tickets and specimen labels showing the manner of use of the trade mark RELAY.

35 Mr Levy also refers to the statutory declaration by Mr Biancardi on behalf of the opponents. He says that his Company's use of RELAY and registration 1204871 in 1983 pre-date the opponents' claimed date of first use of REPLAY in 1984 and so the applicants enjoy an earlier right in the UK. He also says that, notwithstanding the extensive use, his Company has no knowledge or experience of confusion arising between its trade mark and that of the opponents. He further says the two marks are not confusingly similar as alleged by the opponents as they are each English words having well defined meanings and are words recognisable by the purchasing public in the UK.

Opponents' Evidence in Reply

45 This consists of a statutory declaration dated 23 December 1997 by Mr Kevin Whalley, of Marks and Clerk the opponents' trade mark agents and a statutory declaration, also dated 23 December 1997, by Mr Aron Richard Sharpe of Elanmain Limited.

Taking Mr Whalley's declaration first, he notes the fact that Mr Levy is in London while the applicants' business is in Hong Kong and that Mr Levy states that the records of the Company are available to him. He refers to Mr Levy's statement that the trade mark RELAY was adopted by the "predecessors in business" of Tamarind in or around 1983 and that the mark was in continuous since that date in the UK. He also notes that RELAY was registered by the applicants' predecessors as No. 1204871, filed on 7 October 1983 and turnover of goods in the UK since the mark's inception amounts to approximately £35 million f.o.b.

Mr Whalley says that he obtained copies of relevant documents from the file for 1204871 and shows copies of the following documents in Exhibit KW1:

S TM16 dated 11 July 1991 showing the mark was assigned from the original applicants Jaytex Limited to Milford Trading (UK) Limited

S TM16 dated 25 January 1994 showing the mark was assigned from Milford Trading (UK) Limited to Discovery Bay Co. Limited.

S TM16 dated 2 October 1995 showing the mark was assigned from Discovery Bay Co. Limited to the present applicants.

Mr Whalley notes that all the predecessors are British Companies and says that it is not apparent to him how Mr Levy had access to records of these companies so as to make his declaration. Mr Whalley goes on to refer to a revocation action by the current applicants against No 1204871, the registration that now stands in the applicants' name. It appears that, subsequent to the launching of the revocation proceedings, Tamarind took an assignment of the registration and withdrew their action against it. In the circumstances I do not think I can derive any meaningful assistance from the claims made in that action and the observations now offered in relation to that case.

Turning to the declaration by Mr Sharpe, he says that he is a co-Director of Elanmain Limited, trading as Options, that his Company was established in August 1989 by him and his co-Director Mr Robert Michael Brown. He says that soon after establishing his Company they commenced importing into the UK as a sole distributor from the opponents their range of REPLAY clothing, He further says that his Company currently distributes the goods to around 200 retail outlets in the UK including Fenwicks, House of Fraser, Harrods and Selfridges as well as independent fashion shops. He goes on to say that he is aware of sales of the applicants goods which are generally sold through high street multiple traders and "generally have a less up-market image" than the opponents' goods.

Mr Sharpe says "I can categorically state that there have been some instances in the past where my customers have confused goods sold under the mark REPLAY of Fashion Box with goods sold under the similar mark RELAY."

Mr Sharpe refers to Exhibit AB3 of Mr Biancardi's Declaration, which illustrates the opponents' tags and labels and to Exhibit DL1 of Mr Levy's Declaration which illustrates the applicants' tags and labels. He refers to similarities not only between the words but also the diamond shaped label and use of the words "Quality" and "Guaranteed".

Finally, Mr Sharpe says that, from his own knowledge, the opponents' goods were sold under the name REPLAY as early as the beginning of 1982, when he personally sold denim shirts, and not 1984 as stated in Mr Biancardi's Declaration.

5 **Applicants Evidence Under Rule 13(8)**

This consists of a Statutory Declaration by Mr Daniel Levy, dated 2 March 1998.

10 Mr Levy confirms that although resident in London he has access to the applicants' records in Hong Kong and travels there regularly to attend Board Meetings. He confirms that the full records of the applicant and those of its predecessors are available to him. He says that he did not state in his previous Declaration that he had access to the records of Jaytex Limited, Milford Trading (UK) Limited and Discovery Bay Company Limited. However, he says that
15 Jaytex Limited and Milford Trading (UK) Limited were both at one time wholly owned subsidiaries of Milford International Limited, a Hong Kong Company, all under the ultimate control of a Mr Peter Ripper and it was Milford International Limited and other related companies to whom he referred as being the applicants' predecessors.

20 In response to the reference to the Revocation proceedings by the opponents through Mr Whalley's Declaration he says the applicants were alleging non-use by Discovery Bay Company Limited, not by the applicant or its predecessors. He confirms that the turnover figure £35 million f.o.b. does not include use of the trade mark RELAY by Discovery Bay Company Limited, if any.

25 With regard to Mr Sharpe's reference to confusion by customers Mr Levy says "he has chosen not to or cannot provide any evidence of such alleged confusion. In any event the evidence to support such allegation should have been, if at all, included in the opponents' main evidence so that it could have been responded to."

30 With regard to Mr Sharpe's reference to the similarity of the labels Mr Levy says that he firmly believes that the use of the diamond shaped swing tag and/or label is commonplace as is the use of the words "quality" and "guaranteed" such that no one trader can claim an entitlement to their exclusive use.

35 That concludes my summary of the evidence.

40 At the hearing Ms Clark indicated that she would not be pursuing the Section 3 grounds. In my view no objection arises under that Section on the basis of the claims made in the statement of grounds. The Section 5 objection was not particularised but was worded in a way that pointed to a ground based on Section 5(2)(b). Ms Clark considered that a Section 5(4)(a) objection might also be in play but conceded that even if that were the case she was unlikely to be in a stronger position on that account. That is also my view of the matter though I have to say that I have grave doubts as to whether the statement of grounds as
45 worded could reasonably be said to have given fair notice of a claim based on the law of passing off. I do not propose to say anything further on this point.

The nub of the opposition is Section 5(2) which reads:-

"5.-(2) A trade mark shall not be registered if because -

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- (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,
- 10 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 not involved sub paragraph (b) applies here.

15 I was referred to and 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).

It is clear from these cases that:-

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- (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.
 - (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2);
 - (h) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked
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undertakings, there is a likelihood of confusion within the meaning of the section.

5 I also bear in mind that I must consider notional and fair use of both the mark applied for and the opponents' earlier trade marks (REACT Trade Mark 2000 RPC 285).

The respective specifications are set out at the start of this decision. It was common ground before me that identical and/or similar goods are involved.

10 The ECJ cases referred to above require me to take all relevant factors into account. This is a case where both sides claim use of their marks. The opponents' use is relevant to the question whether their mark (taking the word only registrations as offering their best chance of success) has a particularly distinctive character which might bear on the question of likelihood of
15 confusion. From the applicants' standpoint actual use of their mark concurrently with the opponents' earlier trade marks may also be relevant in determining whether there is a likelihood of confusion. As these factors need to be taken into account as part of the global appreciation I will start by setting out my views on the evidence filed and the extensive submissions in relation thereto.

20 Mr Mitcheson made much of the fact that the opponents use the mark REPLAY in a variety of ways. He pointed to the examples shown in Exhibit AB3 (the tags and labels) and suggested it was difficult to determine which ones were applied to the goods or whether it was the word and device as registered in No 1339509. The evidence does indeed show a variety of forms of presentation, sometimes with the device, more often without it. The invoice evidence suggests
25 both forms are used. There is also some support for Mr Mitcheson's view that other variations are used (REPLAY DONNA, REPLAY BASE etc) but I do not think these criticisms detract from the fact that the main mark used is the word REPLAY on its own albeit presented in slightly different fonts and styles. Criticism was also made of the failure to supply examples of the claimed advertising usage or details as to eg the number or regularity of such
30 advertisements. These points are not without substance but taking the opponents' evidence as a whole there is in my view sufficient substantiating detail including as to sales outlets and methods of trading for me to be satisfied that they have an established trade in the UK. Mr Mitcheson was, however, right I think to suggest that the opponents' goods are relatively expensive and that the turnover figures must be read with that point in mind. It might also be
35 said that turnover figures ranging from £300,000 in 1984 to £2.2 million in 1994 are moderate in terms of the overall size of the market for clothing in this country. It seems likely, therefore, that the opponents' REPLAY mark enjoys some reputation but bearing in mind the criteria suggested at paragraph 23 of the Lloyd Schufabrik case referred to above I cannot with confidence say that that reputation runs at more than a modest level.

40 The applicants claim sales of £35 million f.o.b. value since 1983 - £100 million to £125 million in retail value terms - which prima facie suggests a substantial trade. Ms Clark subjected the applicants' evidence to a sustained and in my view largely justified criticism. There is nothing to substantiate the claimed date of commencement of use in 1983; there are no invoices,
45 advertising or other trade material; no breakdown of sales; no indication of sales outlets or

methods of trade; there is just a single exhibit showing a variety of labels and swing tickets; no details are given of the menswear shows at which the goods are said to have been exhibited; no information is given as to the geographical spread of sales or the locations where goods have been sold. In short the claims are almost wholly unsubstantiated.

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Ms Clark also spent some time examining the background to the applicants' claims arising from the changes of ownership of the mark as detailed in Mr Whalley's declaration including the revocation action launched by the current applicants against No 1204871, the registration subsequently assigned to them. I do not think I need delve into the claims made in that
10 revocation action or to reach a view on whether as Mr Mitcheson suggested it may have been a tactical action. Suffice to say that the changes of ownership that took place in relation to 1204871 meant that Mr Levy needed to establish the basis for his claims with some care not least because the figures are for the most part either approximations or estimates without any indication as to their precise source (in fact it is difficult to avoid concluding that hearsay is
15 involved). To arrive at global totals suggests that some underlying basis of calculation exists but if so it is not explained. The current annual turnover figure (said to be approximately £952,380) avoids the charge of imprecision but sits uneasily with the other figures and if 'current' relates to the date of the declaration it is after the material date.

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In short the applicants' evidence in support of their own claim to use did not survive Ms Clark's attack. To the extent that the applicants rely on this evidence to demonstrate honest concurrent use without confusion I can give it no weight. By the same token I do not derive any assistance from Mr Sharpe's claim on behalf of the opponents that "there have been some instances in the past where any customers have confused goods sold under the mark
25 REPLAY of Fashion Box with goods sold under the similar mark RELAY". This claim also lacks substantiation or even contextual explanation which might lend it some credibility.

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So far as the marks are concerned Ms Clark suggested that they are visually and aurally similar and that it is the visual characteristics which are of particular importance in the clothing
30 market because most purchases are made on the basis of visual inspection of the goods. She also argued that conceptually both marks suggested repetition (relaying a signal for instance) or shared sporting connotations. Not surprisingly Mr Mitcheson argued to the contrary that the marks created different visual impact; that RELAY was softer on the ear than REPLAY; and that conceptually the words have distinct meanings. He also contended that customers
35 pay close attention to purchases of clothing.

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It is of course possible to over analyse marks and in so doing shift the focus away from the real test which is how marks will be perceived by customers in the normal course and circumstances of trade. For this reason I have not recorded some of the detailed submissions
40 as to the structure of the words. There are self evidently points of similarity between the words but they are also relatively short words where small differences are more easily noticed. More importantly both words are common dictionary words that would be readily understood by the vast majority of people. I struggle to accept that the average person would make any conceptual link between them or that there is any real risk of aural confusion.

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The opponents' strongest case seems to me to be the visual similarity between the words accepting also, as I do, that most clothing is purchased on the basis of visual inspection. In a

5 retail environment marks may be presented or viewed in a variety of ways. I would hesitate to
rule out entirely the possibility that a customer, perhaps viewing labels from a distance, might
be mistakenly drawn to the wrong mark. However I do not see it as being a likely rather than
merely a possible occurrence. It would also be a momentary confusion that would not survive
the normal purchasing process where rather closer attention is likely to be paid to the brand
name. In short taking the matter in the round I do not consider there is a likelihood of
confusion.

10 In reaching this view I have not felt it necessary or appropriate to consider the relevance of the
applicants' existing registration No 1204871. That is a prima facie valid registration (Section
72 of the Act) but the applicants have chosen to file this separate application and the
opponents are entitled to have this action determined on its merits. I note in any case that the
specification now applied for is couched in rather broader terms than No 1204871.

15 The opposition has failed on all the grounds brought.

20 The applicants are entitled to a contribution towards their costs. I order the opponents to pay
the applicants the sum of £635. 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 14 day of November 2000

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M REYNOLDS
For the Registrar
the Comptroller-General