

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 11777 BY
STAM AUTOMOTIVE PRODUCTS BV FOR A DECLARATION
OF INVALIDITY IN RESPECT OF TRADE MARK NO
2221578 IN THE NAME OF LONDON & GENERAL
COMMUNICATIONS LIMITED**

TRADE MARKS ACT 1994

IN THE MATTER OF Application No 11777 by Stam Automotive Products BV for a Declaration of Invalidity in respect of Trade Mark No 2221578 in the Name of London & General Communications Limited

DECISION

1. Trade mark No 2221578 is registered with the following specification of goods:

Class 1

Chemical products used in industry, chemical additives for fuel, detergent additives for petrol

Class 3

Cleaning, polishing, scouring and abrasive preparations; perfumery products

Class 4

Industrial oils and greases; lubricants

2. The mark is tecflow ceramic (it is presented in lower case letters). It stands registered from the filing date of 8 February 2000.

3. By application dated 27 July 2000 Stam Automotive Products BV applied for a declaration of invalidity in respect of this registration.

4. The applicants are the registered proprietors of community trade mark No 630517, TECFLOW, in respect of “chemical additives to oils, including chemical additives containing polytetrafluoroethylene to improve the quality of oil”. This community trade mark registration has a filing date of 22 September 1997.

5. The applicants say that identical and/or similar marks and goods are involved and that as a result having regard to Section 47(2) No 2221578 is open to objection under Section 5(1) or 5(2)(b). There is also a reference to Section 40(1) of the Act. It is suggested that the application was accepted in error. I do not regard the provisions of Section 40 as having any part to play in an invalidity action.

6. The registered proprietors filed a counterstatement in which they concede that “chemical additives for fuel” in their own specification may be considered similar to the opponents’ goods but make no further admissions. It would seem that the proprietors do not resist the application in so far as it is directed towards ‘chemical additives for fuel’.

7. Both sides ask for an award of costs in their favour. Only the applicants filed evidence. This is in the form of a statutory declaration by Cornelis Stam, their General Manager. I will come to Mr Stam’s evidence in due course.

8. The parties were invited to say whether they wished to be heard. Neither side asked for a hearing. Accordingly a decision will be taken from the papers on file. Acting on behalf of the Registrar I give this decision.

9. The relevant statutory provisions are to be found in Section 47(2) of the Act read in conjunction with Section 5(1) and 5(2) as follows:

Section 47

"(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier mark or other earlier right has consented to the registration."

and

Section 5

"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."

10. For reasons which I do not altogether follow the applicants rely on Section 5(1) and 5(2)(b) but make no mention of Section 5(2)(a) which is the identical marks/similar goods provision. I will take the grounds at face value.

11. Section 5(1) acts as an absolute bar (absent consent) to an application proceeding to registration if or to the extent that identical marks and identical goods or services are involved. The marks at issue here are TECFLOW (applicants' mark) and tecflow ceramic (registered proprietors' mark), the latter being presented in lower case lettering.

12. The issue as to whether marks are identical or similar was considered in opposition No 44755 by The Baywatch Production Company to an application for the word BAYWATCH by Mr Gananath Wimalal Ediriwira; 0-051-01. In fact the applicant's mark was the word BAYWATCH represented in what the Appointed Person on appeal described as capital letters in different sizes. The Registry's Hearing Officer had held that the fact that one of the marks was presented in upper or lower case or a combination of both will not normally have a bearing on whether the marks are identical. The Appointed Person on appeal took a different view. He said:

"I am not satisfied that the marks are identical. I think it is important in the context of Section 5(2) that the word "identical" is given its normal English meaning since under Section 5(2)(a), if the trade mark used is identical and is used in relation to identical goods or services, an absolute monopoly is granted. Just as there is an important distinction between anticipation and obviousness in patent law, so also there is an important distinction between identity and similarity for trade mark law. Here there is a plain difference. The earlier registered mark consists solely of capital letters in the same size. The mark opposed consists of capitals in different sizes. They are therefore not identical".

13. Even allowing for the applicants' view that the word 'ceramic' is descriptive in relation to the goods (or at least some of them) I do not think that the respective marks before me can be said to be identical on the basis of the strict approach taken in BAYWATCH. A question also arises as to whether or rather to what extent the sets of goods are identical. The registered proprietors have goods in Class 1 which given the generality of the term 'chemical products used in industry' must, I think, encompass the applicants' goods. The remaining goods cannot in my view be said to be identical taking the meaning of the words at face value. The Section 5(1) objection, therefore, fails.

14. In approaching the objection under Section 5(2)(b) I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1 and *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77.

15. It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;

- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (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; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (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; *Sabel BV v. Puma AG*, paragraph 24.

16. The applicants have not provided evidence to suggest that their mark has a highly distinctive character in the UK as a result of use. On the other hand I have no reason to suppose that TECFLOW is other than an inherently distinctive coinage. Certainly neither side has suggested that I should treat it otherwise.

17. In relation to the mark under attack the applicants make the point that “the word ‘ceramic’ is wholly descriptive of lubricants and the like, the modern product being ceramic powder which has the same molecular structure as graphite” (paragraph 7 of Mr Stam’s declaration). The registered proprietors have filed no evidence or submissions to cast doubt on that claim. With some reservations (particularly as regards the range of goods for which it might be held to be descriptive) I accept the applicants’ claim. The consequence of that state of affairs is that customers are likely to place greater reliance on the distinctive element tecflow and it is that word which I consider to be the dominant component of the registered proprietors’ mark. Applying the normal tests as set out above it is not difficult to conclude that the respective marks are very closely similar. The matter, therefore, turns on the goods themselves.

18. It was held in *Canon v MGM*

“In assessing the similarity of the goods or services concerned all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary....”

19. In *British Sugar Plc v James Robertson & Sons Ltd*, [1996] RPC 281 Jacob J also considered that trade channels should be taken into account.

20. Mr Stam's evidence on behalf of the applicants contains what amount to submissions in relation to the respective goods as follows:-

"I have read the Counterstatement filed by the registered proprietors in these proceedings on 10th October 2000 and I note their admission of the validity of my company's application so far as "chemical additives for fuel" are concerned.

So far as the other goods covered by the specification of goods of trade mark No 2221578 are concerned, it is evident that chemical additives to oils, chemicals to be used in oil, ceramic products to be used in oil, lubricants, greases and fuel oils are all similar goods as they comprise the normal range of goods of any specialised oil manufacturer or merchant. All these goods are sold by the major oil companies such as Shell, BP or Exxon. So far as any of the other goods of the specification of goods of trade mark No 2221578 are concerned, chemical products used in industry are similar to chemical additives to oils, as all are chemicals. Detergent additives for petrol are similar to chemical additives to oil, as all are additives relating to fuels. Industrial oils and greases and lubricants are similar to chemical additives to oil, as all are in the nature of, or connected with fuel. Cleaning, polishing, scouring and abrasive preparations are similar to chemical additives to oil as the respective goods are sold alongside each other eg at garages and fuel stores. Perfumery products are similar to chemical additives to oil as they also contain oil and chemicals."

21. The registered proprietors appear to accept that the invalidation action must succeed at least in so far as 'chemical additives for fuels' is concerned. I take that to be an admission that those particular goods are either the same as, or very closely similar to, the 'chemical additives to oils' contained in the applicants' community trade mark registration. It is hardly, I think, a surprising proposition. If the admission had not been made I would nevertheless have come to the same view. It must also follow that the registered proprietors' other Class 1 goods are the same or closely similar. 'Detergent additives for petrol' can be, and probably are, chemical additives for fuel. One is simply a sub-category of the other. 'Chemical products used in industry' is an overarching term that must include the other goods in the Class 1 specification. There may, of course, be other items within that broad term which may not be similar but the registered proprietors have made no attempt to identify goods which would not conflict. The result is that I find the whole of the Class 1 specification to consist of or contain goods which are either identical or closely similar to the applicants' goods.

22. It is perhaps not altogether surprising that this should be the case as a Dr Keller, who is said to have admitted in Swiss proceedings that he is the person behind London & General Communications Ltd, is also said to be the owner of a company which was the applicants' distributor in France. I will come back to this later in the decision. Suffice to say for present purposes that it at least places the parties in the same area of trade. I bear this in mind in approaching broad terms in the registered proprietors' specification that is to say general headings such as 'chemical products used in industry'.

23. It also seems to me that it is but a small step from the applicants' 'chemical additives to oils' to the 'industrial oils and greases; lubricants' in the registered proprietors' Class 4 specification. The former are likely to be purchased for use with the latter. The customers will be the same and the channels of trade are likely to be the same at the retail level at least. They are complementary products in every sense. I, therefore, find these goods to be similar as well.

24. I have rather more difficulty in deciding whether or not the registered proprietors' goods in Class 3 can be said to be similar. Before coming on to the areas of difficulty I can, however, say that I see no basis for including perfumery in my consideration of the matter. The applicants put their case on the basis that perfumery products contain oil and chemicals. So they may but so may many other quite different goods. On any reasonable view of the matter the perfumery products trade is a wholly different one to chemical additives to oils, it serves different customers and operates through different trade channels.

25. The real difficulty lies with the generality of the term "cleaning, polishing, scouring and abrasive preparations". These words are drawn from the Class heading for Class 3 in the International Classification Guide (the Nice Classification). At its broadest it will cover a wide range of, for instances, household, laundry and cosmetic preparations which serve the purposes mentioned. It will also cover car care products intended to clean, polish etc. The registered proprietors have not indicated that they use, or intend to use, their mark in relation to all such goods or any particular sub-set of goods. It is not unreasonable to infer from the surrounding circumstances that they at least intend to use the mark on car care products. I approach the matter on the basis that I must allow for such a possibility.

26. Even within the automotive field 'cleaning, polishing, scouring and abrasive preparations' can cover a number of different applications. Most obviously perhaps there would be cleaning and polishing etc products that are intended to improve the external appearance of vehicles but I do not consider that such goods can, on the CANON and TREAT tests, be said to be similar to an oil additive which is used in the internal workings of a car. Mr Stam suggests that such goods would be sold alongside each other at garages and fuel stores. That may be so but he provides no evidence to substantiate the point. It is not such an obviously true point that I am prepared to accept the submission unquestioningly. They are certainly not in competition with or complementary to one another in a way that suggests they would be retailed in close proximity to one another. Without trade evidence on the point I am not prepared to accept that external vehicle cleaning products are similar to oil additives. The same is true of cleaning preparations etc for cleaning the inside of cars (upholstery cleaners, trim cleaners etc).

27. However there is nothing in the broad terms used in the registered proprietors' specification that limits the goods to being only for the external or internal (in the sense of passenger compartments) cleaning of vehicles. Also covered would be items such as cleaning preparations for flushing vehicle radiators and engine degreasing preparations. Would such goods be similar to oil additives? They are certainly closer being essentially products bearing on the internal mechanisms or workings of vehicles. It may be - I put it no higher - that such products are made by the same firms. They would certainly be available at relevant retail outlets. Again trade evidence would have helped, but my impression is that they would not be offered in the same goods areas. Nor do I think that they can be said to be in competition with

one another or complementary. They may by chance be purchased at the same time but not by design (as may be the case with oil and oil additives). Making the best I can of it I find that the registered proprietors' Class 3 goods are not similar to oil additives.

28. Taking the above into account and bearing in mind that I regard TECFLOW as an invented word and a reasonably strong mark I find that there is a likelihood of confusion in relation to the goods in Classes 1 and 4 but not in relation to Class 3. The application, therefore succeeds to that extent.

29. There is a further point. Mr Stam says:

“Apart from the issue of the identity or similarity of the respective specifications of goods, my company is entitled to invalidation of trade mark No 2221578 in respect of all the goods for which its registration is being sought on the basis that the person behind the registered proprietors was formerly a sole agent for my company's products in France and Switzerland and improperly appropriated and registered the mark in full knowledge that the trade mark TECFLOW was the property of my company.”

30. His evidence deals with the relationship between his company and Dr Keller, who is said to be the person behind the registered proprietors. Also exhibited is a copy of the distributorship agreement between the applicants and another of Dr Keller's companies in France. It seems also that threats (unspecified) have been made to the applicants' customers in the UK. The applicants do not say on what basis I am meant to deal with these claims. They have not made any claim that the registration was obtained in bad faith contrary to Section 3(6). I do not, therefore, propose to consider these general claims or the potential consequences arising therefrom any further.

31. The outcome is that the application has partially succeeded under Section 47(2) and 5(2)(b). Under Section 47(6) the registration will be declared invalid and be deemed never to have been made in respect of the goods in Classes 1 and 4.

32. The applicants are entitled to a contribution towards their costs to reflect their partial success. I order the registered proprietors to pay them the sum of **£600**. 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 21ST Day of November 2001

**M REYNOLDS
for the Registrar
the Comptroller General**