

TRADE MARKS ACT 1994

**IN THE MATTER OF AN APPLICATION
UNDER NUMBER 10621 BY NORDIC TIMBER COUNCIL AB
FOR A DECLARATION OF INVALIDITY IN RESPECT OF
TRADE MARK NUMBER 2053599
IN THE NAME OF NORDIC SAUNAS LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF an application
under number 10621 by Nordic Timber Council AB
for a Declaration of Invalidity in respect of
trade mark number 2053599
in the name of Nordic Saunas Limited**

DECISION

Trade mark registration No.2053599 is in respect of the mark NORDIC and is registered in Class 20 in respect of:

Beds, frames for beds of all kinds, adjustable beds, cots, mattresses, water filled mattresses; parts and fittings for all the aforesaid goods.

The registration currently stands in the name of Nordic Saunas Limited.

By an application dated 3 March 1999, Nordic Timber Council AB applied for the registration to be declared invalid. They say that they are the proprietors of United Kingdom trade mark application number 2052561 for the trade mark NORDIC and a device, details of which can be found as an annex to this decision. The application is made on the following grounds:

- Under Section 3(1)(b)** the mark is devoid of any distinctive character.
- Under Section 3(1)(c)** because the mark consists solely of a word which denotes the geographical origin of the goods.
- Under Section 3(6)** because the mark is a sign denoting geographical origin and is therefore likely to prejudice the legitimate rights of other traders,
- Because the application has been filed with an unduly wide specification of goods and is therefore likely to prejudice the legitimate conduct of other traders,
- because the application was filed without being used in relation to the goods covered and with no bona fide intention to use the mark in relation to those goods and is therefore contrary to Section 42 of the Act.
- Under Section 5(2)(a)** because the mark applied for is similar, if not identical to the applicant's earlier application and covers goods which are so similar such that there exists a likelihood of confusion.

The registered proprietor filed a counterstatement in which they deny the grounds on which the application has been made.

The registered proprietor and the applicants for revocation both ask for an award of costs in their favour.

Both sides have filed evidence in these proceedings. The matter came to be heard on 8 June 2001, when the applicants were represented by Mr Meade of Counsel, instructed by FJ Cleveland & Co, their trade mark attorneys, and the registered proprietors by Mr Tim Ludbrook of Counsel, instructed by Stevens, Hewlett & Perkins, their trade mark attorneys.

Applicant's evidence

This consists of two Statutory Declarations. The first is dated 12 November 1999, and comes from Charles Trevor, the Director of the United Kingdom branch of the Nordic Timber Council AB, a position he has held since May 1995. Mr Trevor says that prior to this he worked for the Canadian High Commission in London promoting the use of timber and has 12 years experience in the timber industry. He confirms that the evidence given comes from his personal knowledge and company records.

Mr Trevor says that the applicants first used the trade mark Nordic and device shown in exhibit CT1, in the United Kingdom in 1996 in relation to wood and timber produced, manufactured and sold by members of their association. He relates the filing of his company's trade mark application 2052561, referring to exhibit CT2, which consists of a copy of the Form TM3 application form. Mr Trevor lists the goods covered by that application, noting that the furniture covered by the registration could be, and often is manufactured from wood and timber. He goes on to say that his members are the main suppliers to the United Kingdom pine furniture industry and supplies approximately 400,000 cubic metres of pine each year. Mr Trevor says that it would be difficult to find many UK pine furniture manufacturers who do not buy timber from the members of Nordic Timber Council.

The second Statutory Declaration is dated 12 November 1999, and comes from Imogen Wiseman, a registered Trade Mark Attorney in the employ of FJ Cleveland, the applicant's representatives in these proceedings. Ms Wiseman confirms that the evidence she gives comes from personal knowledge and her experience in the field of trade marks.

Ms Wiseman sets out the basis for the application and goes on to give the following reasons why she considers the mark NORDIC to lack distinctiveness:

the word NORDIC means originating or deriving from the Nordic countries, of Sweden, Norway and Finland, and that the dictionary definitions shown in exhibit IW1 show that NORDIC is often used to replace the word SCANDINAVIAN.

the results of a domain name search shown as exhibit IW2 revealed that over 100 sites, many originating from one of the Scandinavian countries, have registered domain names containing the word NORDIC, which shows the word to have geographical significance and serves to denote that a business or the goods and services originate from Scandinavia

the results of a search into the use made of the mark by the registered proprietors only revealed use in respect of sun beds and tanning apparatus, which, she says would not be covered by the registration.

Ms Wiseman goes on to refer to the applicant's earlier rights from their trade mark application number 2052561, details of which she exhibits as IW4, noting that it pre-dates the registration.

Registered proprietors evidence

This consists of a Statutory Declaration dated 7 February 2000, and comes from Ian Ross Read, the Managing Director and Chairman of Nordic Saunas Limited, a position he has held since he formed the company on 8 March 1965. Mr Read confirms that the contents of his Declaration come from the company records, to which he has full access, from his own knowledge, or from information made available to him.

Mr Read refers to the filing of the trade mark which is the subject of these proceedings. He goes on to comment on the Declarations by Mr Trevor and Ms Wiseman, noting the assertion that his company filed the application for NORDIC without a bona fide intention to use the mark in relation to the goods. He says that the intention was to use the mark in relation to a range of adjustable beds, and that in January 1996 his company made an approach to a supplier in the United States. He refers to exhibits IRR1 and IRR2, which consist of a copy of a letter dated 23 January 1996 relating to the possible supply of such goods, the provision of a sample bed and a quantity of product literature, and to Mr Read's reply dated 24 January 1996.

Mr Read says that these beds were to be sold under the trade mark NORDIC. He refers to exhibits IRR3 and IRR4, which consists of a letter dated 24 January 1996, from Mr Read to a company called Oliver & Graimes, giving instructions to prepare art work for a new adjustable bed, and a copy of the advertisement which depicts an adjustable bed available from NORDIC Special Needs, the only use of NORDIC being in the name of the supplier. The advertisement is endorsed as being for the "Sat Telegraph" but there is no indication that the advertisement was ever placed.

Mr Read says that the intended launch of the product did not take place because the beds did not conform with British Fire Regulation Standards, and he refers to exhibits IRR5 and IRR6, which consist of a memo dated 11 February 1997 from FIRA relating to the testing of samples of mattress and base mattress, and the results showing the samples to have failed. Mr Read says that his company is still looking for an alternative supplier

Mr Read denies that the application was filed for an unduly wide specification, saying that the goods listed are types of beds or parts of beds and would sell through the same retail outlets.

Mr Read goes to the Declaration by Imogen Wiseman, and in particular, to the dictionary references exhibited, noting that the entries for NORDIC refer to a racial type of people and do not make reference to goods. He refutes the assertion that NORDIC is a word so descriptive of geographical origin saying that this is contrary to the view taken by the Trade Marks Registry which has accepted 9 applications, details of which are given in exhibit IRR7. The exhibit consists of a print taken from Marquesa on 26 November 1999, and lists nine registrations for the trade

mark NORDIC, (7 belonging to Nordic Saunas Limited) in respect of a range of goods. Some (but not all) of the registrations are noted as having been Advertised Before Acceptance which indicates that they were considered, prima facie, to lack sufficient distinctiveness for registration, but I place no weight on this. Mr Read also discounts the value of the domain name search, noting that only 43 of the proprietors come from the countries of Sweden, Norway and Finland, the rest, some 83 in number being from other countries which does not bear out the contention that the businesses originate from Scandinavia.

Mr Read refers to exhibit IW3 which refers to an investigator speaking to a member of his company's sales and marketing department, saying that whilst staff should be aware of the products available, they are less likely to know about the plans for the NORDIC adjustable bed.

Mr Read agrees with Mr Trevor's statement that the beds could be made, in whole or in part, from wood or timber, but says that the wood or timber supplied by Nordic Timber Council goes through different channels of trade to a different end consumer to the articles of furniture of interest to his company, and whilst the purpose of a bed is to obtain comfort, rest or other activities, the same cannot be said of a plank of wood.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

In his skeleton arguments Mr Meade stated that the ground under Section 3(6) was not being pursued. That leaves the grounds under Section 3(1)(b), 3(1)(c) and Section 5(2)(a). Turning first to the grounds under Section 3(1), that section reads as follows:

3.(1) The following shall not be registered -

- (a)
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or rendering of services, or other characteristics of goods or services,
- (4)

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

In earlier proceedings involving the parties to this dispute, the Nordic Timber Council sought to revoke or have declared invalid another trade mark registration for the word NORDIC owned by Nordic Saunas Limited. The case was appealed to the Appointed Person and was heard by Mr Simon Thorley QC. In his decision Mr Thorley set out in paragraphs 24 to 37 of the decision of

the European Court of Justice in the Windsurfing Chimsee case (1999 ETMR 585), and went on to say:

“...When the ECJ in paragraph 30 and 37 ask the question whether a geographical name is “liable to be used in the future...as an indication of the geographical origin of that category of goods” they make it plain that this assessment is an objective one which must be reached by giving due regard to the degree of familiarity amongst the relevant class of persons with the geographical place name in question, with the characteristics of the place designated by that name and the category of goods concerned. Equally, whilst it is plain that Mr Meade’s example of North Pole for bananas would not be capable of designating the geographical origin of bananas, I do not accept that this is necessarily a small category of permissible geographic names as he sought to suggest. Each geographical name must be considered in relation to the goods in question and where there is no current association of that geographical name with the goods in question, all relevant factors must be taken into account in assessing whether the name is capable of designating the geographical origin of that category of goods to the average consumer.”

There is no dispute that NORDIC is an alternative description for the group of countries more usually referred to as Scandinavia, and I would say that this would be well known fact amongst the relevant consumer of the goods in this case. It is, however clear from the Windsurfing case and Mr Thorley’s decision, that the mere fact that a sign is an indication of geographical origin does not automatically mean that it cannot be capable of distinguishing, and that other factors such the familiarity of the relevant class of persons with the geographical name, the reputation, if any, the area may have (particularly where this is in respect of the goods in question) and its characteristics. It is also necessary to consider the nature of the goods/services although not only to the extent of whether they could be manufactured in the area.

In the Nordic appeal that I have mentioned above, the mark had been registered in Class 19 for a range of building materials, including raw and semi finished wood products. In his decision Mr Thorley took the following view:

“There is no difficulty in answering that question in this case. The broad class of goods for which registration is now sought is, (save for peridotite rock), in effect, goods made of wood. At the hearing wooden panelling was focussed upon. Whilst there is no evidence of the expression NORDIC being used in relation to timber at any of the relevant dates, it is not an unnatural expression to use for timber having its origin in the Scandinavian countries. In my judgment, not only is it capable of designating the geographical origin of that category of goods, it is a wholly appropriate means of so doing. Accordingly the mark NORDIC was not capable of being registered in respect of any of the goods for which NSL now seeks registration without proof of acquired distinctiveness by reason of use.”

Although there was no evidence that NORDIC was being used in relation to timber, Mr Thorley took the view that it was not an unnatural expression for timber having its origin in the Scandinavian countries, and that in respect of the goods covered by that registration that were made of wood, NORDIC was not, at least, prima facie, capable of distinguishing. In my view it would be going too far to take this to mean that Mr Thorley was saying that in respect of any

goods made of wood the mark NORDIC was not capable of distinguishing. Such goods can be many and diverse, and it would seem illogical to say that a mark is bad for an item simply because it is bad for the material from which it is made, particularly where the use of wood is hidden or arbitrary. To adopt this approach would also be contrary to the Windsurfing case which clearly refers to the consideration being in respect of “the category of goods in question”, a fact acknowledged by Mr Thorley.

In the earlier case, which involved raw or semi-worked timber for further manufacture, or timber and timber building materials, the relevant consumer was most likely to be either a manufacturer of products composed wholly or partially of wood, a construction company, or to a lesser extent, the public at large who may purchase materials for DIY projects. The goods in this case are finished items of furniture which may be made wholly or partially of wood, and where it is likely that the relevant consumers will, to a significant extent, be the public at large.

In his decision Mr Thorley posed the question of whether NORDIC is a natural expression to use in relation to timber having its origin in the Scandinavian countries, (in this case for beds, cots and the like and parts and fittings) so that, to the relevant consumer, it will be seen as the name of a place associated with such goods, or that it is reasonable to assume that it may become so in the future. Although there was no evidence of the expression NORDIC being used in relation to the goods at any of the relevant dates, but this did not inhibit Mr Thorley from finding NORDIC to be capable of designating the geographical origin of the goods, and he went so far as to say that he found it to be “a wholly appropriate means of doing so”. Likewise there is no evidence in this case but I do not see that it would be unreasonable to say that to the relevant consumer of the goods in suit, that the word NORDIC is more than capable of being taken as a designation of geographical origin of such goods, and as a consequence, the word is open to objection under Section 3(1)(c), and by extension, subsection (b) also.

Although the evidence shows the registered proprietors have made some preparations to put the mark into use in respect of an adjustable bed, it would seem that this did not, in fact, result in any goods being made available, or promoted under the NORDIC trade mark. There is an example of an advertisement shown as exhibit IRR4 which is endorsed as “Sat Telegraph”, but there is no evidence that this was ever placed, but in any event, I do not consider that one advertisement in a newspaper, albeit national, would have been sufficient to overcome the geographical significance of the mark in this case. Preparations with no exposure to the relevant consumer, no matter how well documented, cannot be sufficient to invoke the saving provisions of Section 3(1), for if the consumer has not been made aware of the trade mark it cannot, in fact, have acquired a distinctive character as a result of the use made of it.

My decision under Section 3 effectively decides the matter, but in case I am found to be wrong, I will go on to consider the ground under Section 5(2)(a). That 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,
- (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.

The term earlier trade mark is itself defined in Section 6 as follows:

6.-(1) In this Act an earlier trade mark means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

In my consideration of a likelihood of confusion or deception 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, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] 45 F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

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

- 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); *Sabel BV v. Puma AG*, paragraph 26;
- further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*, paragraph 41;
- but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

The mark relied upon by the applicants is self evidently identical to the registered proprietor's mark. As the marks have the same visual and aural identity, the means by which the consumer makes the selection and obtains the goods is of little consequence. The marks will also convey the same conceptual idea, most likely that of the geographical source of the goods, but whether or not this is the case, I see no reason the consumer should regard the mark differently for the respective goods.

The applicant's earlier mark is registered in Class 19 in respect of a range of wood and timber, and in their arguments regarding the likelihood of confusion, they make reference to the fact that beds are often made of wood and that some of the goods covered by their registration, planks in particular, are capable of being parts of beds. That may well be so, but the mere fact that an a bed is capable of being, and quite often is, made of wood, does not make wood and beds similar goods, for if that were the case, any item that is, or is capable, of being made of wood could be regarded as being similar to wood which is clearly a nonsense. Nor do I consider that because a plank can be used in a bed, presumably as a supporting slat for the mattress, that it should be considered to be a part of, or similar to a bed.

Given the very obvious geographical significance of NORDIC, it must be considered to be a mark deserving of a narrow penumbra of protection, and there is no use by the applicants that changes this position. There is no evidence that manufacturers or traders in wood and timber also trade in beds, and it seems most unlikely that this would be the case other than perhaps in the case of certain types for outdoor use, but even this is uncertain. If there is any commonality in the channels of trade, it is that the relevant consumers of the goods covered by the applicant's registration would most likely be the manufacturer of the goods sold by the registered proprietors to a different set of consumers, a fact acknowledged by the applicants in their evidence. It seems to me that the relevant consumer of the registered proprietor's goods would be quite distinct, and would be unlikely to know of the applicant's (or their organisation's members) involvement in the product.

Taking a global view on all of the above, it seems to me that the connection between the respective goods is so tenuous that even allowing for the identity in the marks it is most unlikely that the relevant consumer familiar with the applicant's goods will call to mind, let alone be confused into thinking that the registered proprietor's goods are those of the organisation that

they already know, or that they are in some way connected, and the objection under Section 5(2)(a) fails accordingly.

The application having been successful I order the registered proprietors to pay the applicants the sum of £835 as a contribution towards their costs. This sum to be paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 11 Day of December 2001

**Mike Foley
For the registrar
The Comptroller-General**