

TRADE MARKS ACT 1994

IN THE MATTER OF international registration
number 585021 in the name of ARP Datacon AG

and

IN THE MATTER OF an application for a declaration of
invalidity number 16021 by Kaga Electronics Co Ltd

BACKGROUND

1. The details of International trade mark 585021 are as follows:

CLAXAN

Date of international registration: 31st March 1992

Date of protection in the UK: 22nd May 2000

International priority claimed: 7th January 1992

Registered proprietor: ARP Datacon AG

Specification of goods

Computers, personal computers, portable computers (laptops), printers, terminal,
modems.

2. On 15th October 2001, Kaga Electronics Co Ltd (the 'applicants') applied for a declaration
of invalidity, relying on section 47(2)(a) and, in turn, section 5(2)(b) of the Act. The details of
their earlier registrations are as follows:

UK registration 1201322 for:

TAXAN

Class 9

Electrical and electronic apparatus and instruments; parts included in Class 9 of all the
aforesaid goods; magnetic floppy discs; magnetic interface cards; television surveillance
cameras being optical apparatus

Date of filing: 8th August 1983

and

Community trade mark registration 000391730 for:

TAXAN

Classes 9, 37 and 42

Electrical and electronic apparatus and instruments; Computer hardware, firmware, software, programs and peripherals; Computers, visual display apparatus, monitors, graphics cards, interface cards; Data recording apparatus, floppy disks, hard disks, optical disks; Television apparatus; Multi-media audio visual units; Apparatus and instruments for use in connection with computer graphics; Optical apparatus and instruments; Television surveillance cameras; Parts, fittings and accessories in class 9 for all the aforesaid goods.

Date of filing: 13th September 1996

3. On 9th November 2001, the registry sent a copy of the application to the registered proprietors at their address in Switzerland given on the international register. They were invited to file a counter-statement and Form TM8 within 6 weeks. The accompanying letter from the registry said that, under rule 33(3), failure to file these papers within the period may result in the application for a declaration of invalidity being granted in whole or part.
4. No defence of the mark having been filed by the registered proprietors, either within the relevant period or at any time, I wrote to the applicants on 18th January 2001 asking them whether they wished to file evidence or submissions in support of their case, or if they wanted to be heard. I gave one month for response and said that if there was no response I would proceed to issue a decision based on the papers on file. As I have received no response I now proceed to a decision based only on the papers on file.

DECISION.

5. Firstly, I should say that I do not believe that this decision is in the nature of a default decision. In other words, the fact that the registered proprietors have not filed a counter-statement does not mean that an automatic decision invalidating the mark should follow. In the Firetrace case (BL 0-278-01), the registrar's hearing officer said at paragraph 17:

It is not sufficient to simply allege that a registration offends either section 46 or 47 of the Act without doing more to prove that the allegation has substance. That said, when an application for revocation (other than non-use) or invalidation is made and the registered proprietors choose not to respond to such a request, I do not think that it is necessary for the applicants in those circumstances to have to fully substantiate their allegations beyond providing evidence which supports the prima facie case.

6. The reason that the hearing officer arrived at this view is the statutory presumption in section 72 of the Act which states:

In all legal proceedings.....the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.

Thus, the applicant must do sufficient, prima facie, to displace the statutory presumption.

7. In this case the applicants allege that their earlier trade marks are within the meaning of section 5(2)(b) of the Act similar to that of the registered proprietor and that both are registered for the same or similar goods. The registered proprietor has not denied this at all. The relevant parts of the statutory provisions are (I am only quoting the essential parts of the sections):

Section 47 Grounds for invalidity of registration

47.—(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(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 trade mark or other earlier right has consented to the registration.

Section 5 Relative grounds for refusal of registration

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.

7. Both the applicants' marks are earlier trade marks for the purposes of section 5(2)(b). The UK mark was filed in 1983 and the Community mark in 1996. Although the CTM was filed after the date of international registration of the mark in suit, it nevertheless predated the date of protection in the UK.

8. It is established practice that the registrar approaches section 5(2)(b) of the Act having regard to the following factors identified by the 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] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. 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;

(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); *Sabel BV v. Puma AG*, paragraph 26;

(h) 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;

(i) 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.

Similarity of goods ?

9. Trying to apply the ECJ tests as above, without evidence or submission from either side, is far from simple. A convenient start, however, is the respective specifications of goods; are they the same or similar ? In my opinion there is no question that the goods covered by the mark in suit are, prima facie, the same as those of the applicants' two earlier marks. Whilst the mark in suit limits itself to types of computers and peripheral hardware, the applicants' specifications are broader in scope, but would undoubtedly encompass all the registered proprietors' goods.

Differences in the marks and likelihood of confusion.

9. My starting point is that, absent submissions or evidence to the contrary, I regard both TAXAN and CLAXAN as inherently distinctive marks for the goods specified. I am aware of nothing in the marks which alludes to the goods or is otherwise non-distinctive. I go on therefore to consider the visual, aural and conceptual similarities or differences that arise from comparison of the respective marks. CLAXAN is different from TAXAN in a key respect, namely, it starts differently. It could be argued that, visually and phonetically, the 'CL' integer more than counterbalances the common element 'AXAN'. The importance of the first syllable is a well known feature in trade mark law (see *Kerly's Thirteenth Edition para 16-69 and London Lubricants (1925) 42 RPC 264 at 279*). Conceptually, one might also argue that TAXAN is an invented word, whilst CLAXAN is, phonetically at least, similar to 'KLAXON', a dictionary word.

10. Taking these differences into account, overall I find the two trade marks are not similar. It may well be that in actual use there is something about the way in which the goods in this case are sold that would displace this finding, but as the applicant has not provided any information other than the bare allegation that the trade marks are similar I am not able to infer that. And whilst the registered proprietors have taken no part in these proceedings I cannot infer that they admit the allegation.

The application for a declaration of invalidity is therefore refused.

Dated this 04 day of April 2002

Edward S Smith.
For the Registrar, the Comptroller-General