

O-082-09

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2433987

BY STERLING CHASE ASSOCIATES LIMITED

TO REGISTER THE TRADE MARK:

STERLING CHASE

IN CLASSES 9, 16, 35 & 41

AND

IN THE MATTER OF OPPOSITION NO 95060 BY

STERLING INTERNATIONAL SPRL

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By Sterling Chase Associates Limited to register the trade mark:
STERLING CHASE in classes 9, 16, 35 & 41

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Sterling International Sprl

BACKGROUND

1. On 29 September 2006, Sterling Chase Associates Limited (“SCA”) applied to register the words STERLING CHASE as a trade mark in classes 9, 16, 35 & 41. SCA seek registration for the following goods and services:

Class 09: Computer software; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; optical data carriers; electronic publications; data processing equipment and computers; parts and fittings for all the aforementioned.

Class 16: Printed matter; photographs; stationery; instructional and teaching material; promotional and marketing material; books.

Class 35: Advertising; business management; business administration; office functions; sales consultancy; sales promotion services; marketing advisory services; marketing services; marketing research; marketing analysis; information, advice and consultancy in relation to the aforementioned.

Class 41: Education; providing of training; entertainment; sporting and cultural activities; sales training; corporate sales training; marketing training; information, advice and consultancy in relation to the aforementioned.

2. On 8 March 2007, Sterling International Sprl (“SIS”) opposed the registration of SCA’s trade mark on the sole ground of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). SIS bases its opposition on its earlier Community Trade Mark (“CTM”) for the word STERLING in classes 35, 36 & 42.

3. SCA filed a counterstatement denying the grounds of opposition. Both sides filed evidence; this is summarised below. The matter then came to be heard before me on 30 January 2009 at which Anna Edwards-Stuart of Counsel, instructed by SCEPTRE, represented SCA. SIS did not attend the hearing,

however, written submissions (in the form of a skeleton argument) were instead provided.

EVIDENCE

***SIS's* evidence**

4. The evidence comes from Mr. Julius Stobbs of Boulton Watt Tennant, *SIS's* trade mark attorneys in this matter. He begins his evidence by stating that it is not uncommon for companies (particularly in the field of consultancy and marketing) to operate under the surnames of its founder members or current partners. Exhibit JEBS1 contain an extract from the web-site *FinancialDirector.co.uk* (the extract is a list of the top 75 consultancy firms) and an extract from *ipa.co.uk* (the extract is a list of the top 50 advertising firms) to support this claim. I note that there are a number of firms that operate under what appear to be surnames e.g. Collinson Grant, Allery Scotts, PriceWaterhouse Coopers, Towers Perrin, Abbott Mead Vickers, McCann-Erickson Advertising. Although the extracts were obtained after the date of *SCA's* application, I have no reason to believe that the position would have been any different prior to the application date.

5. Mr. Stobbs then states that it is not uncommon for such companies (of the type identified above) to shorten their names. In support of this he refers to Exhibit JEBS2 which consists of various Internet extracts showing such abbreviation e.g. Delloite Touch Tahmatsu abbreviated to Deloitte; PriceWaterhouseCoopers to PwC; Oglivy & Mather to Oglivy; Mustoe Herring Levy to Mustoes. He completes his evidence by stating that it is also not uncommon for such companies to change their company names to reflect either changes in partnership/directorship or in trading style. Exhibit JEBS3 cites a number of examples including, Towers, Perrin, Forster & Crosby becoming Towers Perrin in the 1980s.

***SCA's* evidence**

6. The evidence comes from Mr. Dewdney Drew of SCEPTRE, *SCA's* trade mark attorneys in this matter. He firstly refers to the co-existence on the register in class 35 of marks incorporating the word sterling (case details are provided in Exhibit DWD1). Mr. Drew notes the co-existence of STERLING SOLUTIONS with STERLING HAY for similar/identical services in class 35 and STERLING MILLS, STERLING and Richard Sterling (stylised) for retail services.

7. Mr. Drew then refers to definitions of the words STERLING and CHASE (the definitions are in Exhibit DWD2 and are taken from the website *askoxford.com*). He states that the word STERLING will denote either the British Currency or an adjective denoting excellence or great value (*Compact Oxford English Dictionary*). He concedes that STERLING can also denote a name or surname (a reference from the *Concise Dictionary of First names*) but that this significance is

secondary. He further states that when the word STERLING is followed by a known surname, the word STERLING is likely to be taken as a first name or a surname; he provides a further extract from the *Concise Dictionary of First names* to show that CHASE is also a known surname.

8. Mr. Drew then refers to Exhibit DWD3 which consists of an extract from the Trade Marks Registry's Work Manual relating to the word STERLING. The extract highlights that the word has a laudatory significance. On this basis, it is Mr. Drew's view that words with such significance are either not accorded protection at all, or have only a narrow penumbra of protection. Mr. Drew also refers to Exhibit DWD4 which is an extract from the web-site of Companies House which lists a large number of companies that include the word STERLING as part of its name; he states that the word is clearly popular, presumably, he states, due to its laudatory connotation.

9. Further evidence of what Mr. Drew describes as co-existence is shown in Exhibit DWD5. This relates to companies called STERLING CONSULTANCY SERVICES (who provide treasury management advice), STERLING CONSULTANCY SERVICES (who specialize in business development, marketing support, management assistance and quality training), STERLING CONSULTANCY (recruitment within the recruitment industry), STERLING CROSS (recruitment), STERLING BRIDGE (recruitment and business solutions to the onboard rail/airline field), STERLING CONSULTANCY (systems and training for accountants), STERLING FURNITURE (furniture retailing), STERLING MILLS (outlet shopping retailer) & STERLING HAY (accountants). He completes his evidence by stating that STERLING is low in distinctive character, he highlights again the conceptual difference between the marks and concludes that confusion will not arise because the average consumer will not believe that STERLING CHASE is the longer form of STERLING. He makes references to the case *COMFORT AND JOY* [1997] E.T.M.R. 557 to support this view.

S/S's reply evidence

10. As with its primary evidence, this comes from Mr. Stobbs. He makes reference to Exhibit DWD5 of Mr. Drew's evidence in relation to the alleged co-existence of various STERLING companies. Mr. Stobbs observes that it is not clear whether these companies operate in the UK, he highlights that other distinguishing features are present on the various web-sites (crests etc.) and that the fields of activity seem to be different. To support his latter argument, information on the activities of these companies is provided in Exhibit JEBS4. He also refers to Exhibit JEBS5 which is filed to illustrate the business activities of S/S namely, advice in management and strategy, partnership seeking, licensing in the luxury, fashion and distribution areas (and linked services).

DECISION

Proof of use regulations

11. In opposition proceedings, earlier marks for which the registration procedure was completed before the end of the five year period ending with the date of publication of the applied for mark may only be relied upon to the extent that it has been used (or that there are proper reasons for non-use)¹. SCA's mark was published on 8 December 2006. S/S's earlier mark completed its registration procedure on 26 September 2006², therefore, the proof of use provisions do not apply. Consequently, the earlier mark may be considered for its full range of services.

Legislation and the relevant authorities

12. Section 5(2)(b) of the Act states:

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

(a)

(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.”

13. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which read:

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or International trade mark (EC) 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.”

14. When reaching my decision I have taken into account the guidance provided by the European Court of Justice (“ECJ”) in a number of judgments germane to this issue, notably: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki*

¹ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

² According to the records of the Office for Harmonization in the Internal Market (Trade marks and Designs) (“OHIM”)

Kaisha v. Metro-Goldwyn-Mayer [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). The above judgments set out the primary principles to be applied in matters such as these; I will refer to them, when relevant, in more detail later in this decision.

Comparison of the goods and services

15. All relevant factors relating to the goods/services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

16. Other factors may also be taken into account such as, for example, the distribution channels concerned (see, for example, paragraph 53 of the judgment of the CFI in Case T-164/03 *Ampafrance S.A. v OHIM – Johnson & Johnson GmbH (monBeBé)*). I also take into account the decision in *British Sugar Plc v. James Robertson & Sons Ltd* [1996] RPC 281, where MrJustice Jacob stated:

“...I think the following factors must be relevant in considering whether there is or is not similarity:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

17. For ease of reference, the competing specifications are identified in the following table.

SCA's specification	S/S's specification
<p>Class 09: Computer software; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; optical data carriers; electronic publications; data processing equipment and computers; parts and fittings for all the aforementioned.</p> <p>Class 16: Printed matter; photographs; stationery; instructional and teaching material; promotional and marketing material; books.</p> <p>Class 35: Advertising; business management; business administration; office functions; sales consultancy; sales promotion services; marketing advisory services; marketing services; marketing research; marketing analysis; information, advice and consultancy in relation to the aforementioned.</p> <p>Class 41: Education; providing of training; entertainment; sporting and cultural activities; sales training; corporate sales training; marketing training; information, advice and consultancy in relation to the aforementioned.</p>	<p>Class 35: Personnel management consultancy; personnel recruitment; employment agencies; temporary work namely the provision of qualified personnel, for a specific duration, for other companies, in order to carry out temporary tasks; procurement of personnel; business management assistance, business organisation and management consultancy, in particular consultancy relating to business strategy, marketing strategy, production strategy, distribution strategy; business organisation auditing and organisation studies; market studies; professional consultancy relating to the art trade, personnel management and recruitment, business strategy; psychological testing; all the aforementioned services excluding commercial retailing of clothing, footwear, headgear.</p> <p>Class 36: Financial affairs; financial analysis; seeking financial partners; business consultancy and in particular in the field of the sale, acquisition or amalgamation of companies; financial services, namely: investment in companies seeking to develop young designers' activities; professional consultancy, non-business, in the field of finance.</p> <p>Class 42: Professional consultancy, non-business, relating to jewellery, horological instruments, perfumery, cosmetology, leather goods, footwear, eyewear, household linen, decorating and furnishing, tableware, clothing, fashion, and any wine and industrial property fields; strategy consultancy relating to the licensing of intellectual property.</p>

18. I will make the comparison with reference to the classes of goods and services sought by *SCA*.

Class 9 of *SCA*'s application

19. In its submissions, *S/S* highlights potential similarity against its services in classes 35, 36 and 42. Its main arguments are that computer software (as covered by *SCA*'s specification) and services such as business management and financial services (as covered by *S/S*'s specification) could be offered by the same companies and, furthermore, that specific computer hardware and software exists for business management service providers to utilise. Similar arguments are made in relation to an alleged conflict with class 42 because professional consultancy services may use software in the process of the provision of the service itself.

20. The fact that a service provider may utilise specific hardware and software during the process of providing a particular service does not make the goods and the service similar. The nature of a service, say a business consultancy service, is to provide other businesses with help and advice on business matters. The software, on the other hand, assists the service provider to discharge its service; the software does not necessarily interact with the recipients of the service itself. All of this creates a different end user, purpose and method of use, all of which limits the scope for any finding of similarity.

21. The better argument relates to computer programs etc. that are offered to the same end user (other businesses) as either an alternative to receiving the service or as a complement to it. So, for example, in relation to say, a business management consultancy service (class 35 of *S/S*'s specification) a computer program may be offered to the same business user to gain advice and assistance on running its business either as an alternative to receiving the actual consultancy service or, as something that complements the consultancy service being offered.

22. Whilst there is no evidence to support that such a product exists, it does not strike me as a fanciful suggestion. At the hearing, Ms Edwards-Stuart dismissed the allegation of alleged similarity relatively quickly as she clearly felt that any link was tenuous. For the reasons given, I do not consider the link to be a tenuous one. The end users and purposes could be the same and the goods may be competitive or complementary. I consider, in relation to computer programs, that similar goods/services are involved and that they are similar to a moderate degree.

23. In relation to apparatus for recording, transmission or reproduction of sound or images, I am less persuaded. There is nothing obvious that I can see that would form the same link as the one described above. In the absence of evidence to support the alleged similarity, I consider that the goods are dissimilar.

The same finding extends to “data processing equipment and computers; parts and fittings for all the aforementioned” as the link with physical equipment (as opposed to software) is, again, not so obvious.

24. In relation to data carriers and optical data carriers, there is nothing to suggest that these carry computer programs. I take the view that if they were meant to do so then the goods would require explicit categorisation as such. Therefore, I do not find these goods to be similar.

25. That leaves electronic publications. These could, of course, include electronic publications in the same field as the services which *SIS* offers and could, consequently serve a similar a function (providing advice in the particular field) to the same end users. This, in line with my earlier findings, creates a moderate degree of similarity.

Class 16 of SCA's application

26. In relation to printed matter and books, this is analogous to my decision above in relation to electronic publications. There is a reasonable degree of similarity. The same does not, however, apply to photographs and stationery; there is no clear relationship between these goods and *SIS*'s services and no evidence or submissions have been put forward to demonstrate one. There is no similarity here.

27. In relation to instructional and teaching materials, whilst these could be used to complement a training course relating to business management etc. with such a course being offered by business consultants, *SIS*'s specification covers only consultancy and not training. Whilst a link may still exist, it is not as clear as I have found in relation to printed matter etc. All things considered, there is some, albeit, a low degree of similarity.

28. That leaves promotional and marketing material. The closest link would be with the term “consultancy relating to marketing strategy” as, potentially, after using the service relating to marketing strategy, marketing materials may be output which may be seen as allied goods and services. This creates a moderate degree of similarity.

Class 35 of SCA's application

29. *SIS* also have services in class 35 many of which are worded in very similar terminology. Terms in *SCA*'s specification such as “business management; business administration; office functions; marketing advisory services; marketing services; marketing research; marketing analysis; information, advice and consultancy in relation to the aforementioned” are covered, in some capacity, by similar terminology in *SIS*'s specification. As such, the services are either identical or, at the very least, highly similar.

30. In relation to “advertising, sales consultancy; sales promotion services” these terms are close enough, given the similar end users and overriding purpose, to terms such as consultancy on marketing strategies and other forms of business advice; the services here are reasonably similar.

Class 41 of SCA’s application

31. In relation to “education, providing of training, sales training, corporate sales training, marketing training, information” (and advice and consultancy for all of this) I can see that a business consultancy service may also offer training in the same or related field, the end users will, therefore be the same, as will the overriding purpose of the services. There is a reasonable degree of similarity here.

32. In relation to “entertainment, and sporting and cultural activities” (and advice and consultancy for all of this) I can see no relationship with any of *S/S’s* services and no evidence or submissions have been put forward to demonstrate one. There is no similarity here.

The average consumer and the purchasing act

33. As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who this is. Where I have found similarity between the goods and services, they relate to goods and services targeted at businesses rather than the general public at large.

34. Whilst the case-law informs me that the average consumer is to be regarded as reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27), this general presumption can change depending on the particular goods (or services) in question (see, for example, the decision of the CFI³ in *Inter-Ikea Systems BV v OHIM* (Case T-112/06) where the average consumer was assessed as having a higher degree of attention than the norm). To this extent, it seems to me that a business person choosing a company to provide him or her with some form of business consultancy/training service and/or related goods, will do so with a good degree of consideration. These are unlikely to be frequent purchasing decisions and they are also likely to represent a not insignificant monetary investment. For all these reasons, the average consumer will display a higher degree of attention than the norm.

³ The Court of First Instance of the European Communities

Comparison of the marks

35. When assessing this factor, I must do so with reference to the visual, aural and conceptual similarities between the respective marks bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23). For ease of reference, the respective marks are shown below:

SCA's mark

SIS's mark

STERLING CHASE

STERLING

36. From a visual point of view, there is an obvious point of similarity that will strike the eye, namely, that the word STERLING appears in both marks. However, SCA's mark also contains the word CHASE which, again, will strike the eye. In terms of visual impact, neither the word STERLING nor CHASE dominates the overall impression of SCA's mark. Given this, and given the noticeable point of difference I have highlighted, despite the marks having some similarity, I cannot say that this is to a particularly high degree.

37. In relation to aural similarity, I can add little more than I have already said in relation to the visual analysis. Again, neither the word STERLING nor the word CHASE will dominate the aural impression and, therefore, given the addition of the word CHASE in the verbal use of SCA's mark, any similarity caused purely by the common presence of STERLING cannot be regarded as particularly high.

38. In terms of conceptual similarity, I must begin by assessing any conceptual meanings that underpin the respective marks. SCA's mark consists of the words STERLING CHASE. The word STERLING has a number of meanings, some of which are set out in evidence. The word can relate to the British currency, it can also be a word of laudatory significance. The evidence also shows that it has surnominal significance. In relation to the word CHASE, this, again, has surnominal significance, but although not set out in evidence, it is also a word with a number of meanings the most obvious relating to running or pursuing something⁴. The question that arises is what meaning/meanings the average consumer will take from the mark when they encounter it?

39. In my view, and in line with Ms Edwards-Stuart's submission at the hearing, the average consumer will regard the words STERLING CHASE as two surnames. I come to this view for a number of reasons. Firstly, although the words STERLING and CHASE have well known defined meanings in the English language, their combination does not create a composite whole. It could, theoretically, be seen as a combination of words indicating some form of pursuance of the British currency, but this strikes me as fanciful and nothing more than a theoretical possibility rather than representing the likely reaction of the average consumer. I also take into account SIS's evidence which

⁴ Collins English Dictionary (5th Edition)

demonstrates, particularly in relation to business to business consultancy type services, that it is reasonably common for such firms to be trading under signs of origin that refer to the surnames of the persons responsible for the business. For this reason, I believe that the average consumer will regard STERLING CHASE as relating to the surnames STERLING and CHASE and that this indicates something to do with the founders, partners or directors of the firm or company offering the service.

40. In relation to the word STERLING alone, Ms Edwards-Stuart's submitted that it is not the surnominal significance that the average consumer would notice here, but more likely a reference to laudatory qualities. Whilst it is possible to make safe inferences on the part of the average consumer when a word, which is well known, has a singular strong connotation, it is more difficult to do so in relation to a word which has a number of meanings. The average consumer may see the word as denoting some form of laudatory significance, on the other hand, it may be taken as a reference to the British currency. It may even be seen as a surname. The result of this is that the average consumer will probably understand that the word has a range of meanings, therefore, in terms of the conceptual comparison, I do not consider that the potentially different conceptual meanings that may be taken can be a highly significant factor creating a strong conceptual counteraction. Equally, neither does this create a strong degree of similarity.

Distinctive character of the earlier trade mark

41. The distinctiveness of the earlier mark is another factor to consider because the more distinctive it is (based either on inherent qualities or because of the use made of it), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). No evidence of use of *SIS*'s mark has been presented, therefore, I only have the inherent qualities of the mark to consider. I have touched on the meaning of the word STERLING in my assessment of conceptual similarity. From an inherent point of view, one of its meanings is a laudatory one. Taking this into account, it is difficult to say that the mark is highly distinctive. However, in relation to services such as business consultancy it still has some distinctive character, but, I would suggest, this is at the lower end of the spectrum.

42. I add that some of the services in *SIS*'s specification relate to financial affairs, for these services the monetary significance is likely to be significant and one would assume that the word would have very little distinctiveness here. However, this is not the area where the goods and services primarily clash, therefore, this adds little to the question of whether there exists a likelihood of confusion.

Likelihood of confusion

43. I need to consider the possibility of both direct and indirect confusion. I will begin by considering direct confusion, whereby the average consumer mistakes one mark for the other and, due also to similarity between the goods/services, is confused about the economic origin of the goods/services sold under the respective marks. It is clear that the relevant factors have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

44. I must bear in mind that the average consumer 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 perception of the marks by the average consumer is of key importance here as this will impact on the propensity of the marks to be imperfectly recalled. It strikes me that the STERLING CHASE mark is highly unlikely to be imperfectly recalled as STERLING. STERLING CHASE will, as I have already found, be perceived as a combination of two surnames, and I see no reason why the average consumer will drop the second name in his recollection. Similarly, STERLING is unlikely to be imperfectly recalled as STERLING CHASE. All of this militates strongly against imperfect recollection.

45. I note the evidence filed by *S/S* to the extent that businesses in these sorts of areas often drop part of their full names in trade and, therefore, the average consumer is used to seeing this in the marketplace. However, I do not consider that this can be extended to cover the average consumer themselves dropping part of a trade mark. The trade mark that is intended to be used is STERLING CHASE and this is what the average consumer will store away for future recall. Taking all of this into account, and considering all relevant factors, despite the identity/close similarity of some of the goods/services, I do not believe that the average consumer will mistake one mark for the other. **There is no direct confusion.**

46. In terms of indirect confusion, whereby the average consumer makes an association between the marks, due to some similarity between them (and the respective goods/services), which causes them to believe that the goods/services come from the same or an economically linked undertaking. The key argument here (from *S/S's* point of view), is, essentially, that STERLING plays an independent distinctive role within STERLING CHASE which will cause confusion and, furthermore, this is enhanced because the average consumer may assume that STERLING is an abbreviated form of STERLING CHASE and that the

businesses are, therefore, economically connected in some way. The evidence from *SIS* in relation to the trading styles of businesses that utilise surnames is more relevant here, the argument being that the average consumer will be aware of the not unusual practice of surnominal based business names being changed due either to a new trading style or perhaps to a change at director/partner level in the particular firm. The evidence shows a number of examples of this happening. However, the existence of this circumstance does not necessarily equate to the average consumer believing that STERLING must be the truncated (for whatever reason) form of STERLING CHASE. Each case must, of course, be considered on its own facts.

47. Submissions were made by both parties on whether the word STERLING plays an independent and distinctive role in the context of the STERLING CHASE mark. This stems from a judgment of the ECJ in *Medion AG V Thomson multimedia Sales Germany & Austria GmbH*, a judgment which was referred to by Mr Justice Warren in *Rousselon Freres et Cie v Horwood Homewares Ltd* [2008] EWHC 881 (Ch) where he stated:

“I return now to the independent distinctive role which finds its place in *Medion*. That was a case which concerned the juxtaposition of a well-known company name, Thomson, with the registered mark, LIFE. The question for the Court was raised, and answered, in that context. Similarly, in paragraph 30 of the Judgment (see paragraph 24 above), the composite mark given by way of example is one which includes the earlier mark and the company name of a third party. But the reasoning of the decision applies equally to other types of composite mark. As the examples in paragraph 34 of the Judgment shows, the composite mark might comprise of the earlier mark and a widely-known mark of a third party or a widely-known commercial name. And it is to be noted, as appears from the same paragraph, that “the overall impression would be, most often, dominated by the widely-known mark or commercial name included in the composite sign”. There can be no suggestion, therefore, that the dominance of the well-known mark or commercial name of itself destroys whatever independent distinctive role the earlier mark might otherwise have.”

48. I must clearly consider this issue in deciding whether there exists a likelihood of confusion. What strikes me when considering this is that whilst the mark STERLING CHASE does not create a single composite phrase or meaning (compare this with, for example, the earlier decision in *COMFORT AND JOY* [1997] E.T.M.R. 577 which has been cited by *SCA*) neither do the individual words strike me as playing independent roles within the context of the mark as a whole. Both words, instead, contribute to the concept identified earlier, namely, indicating to the average consumer that the company in question has something to do with people whose surnames are STERLING and CHASE. Therefore, neither element alone would necessarily be seen as a trade mark or origin denoting sign in its own right.

49. Despite my above view, this does not necessarily rule out a likelihood of confusion, not least because of the evidence that has been presented to show that surnominal based trading names are often truncated. For this reason, I believe it quite possible that the average consumer may at least bring to mind one mark when they encounter the other and that they may pause to wonder whether there is an economic link. The question that arises then is whether such a bringing to mind would lead the average consumer to believe that the respective businesses are the same or are economically linked.

50. In answering this question there are a number of other factors to consider. Firstly, there is nothing to support the proposition that STERLING is a particularly unusual surname. This may have increased the likelihood of confusion because the sharing of a highly unusual surname between firms in the same field may be seen as more than mere co-incidence. Whilst STERLING may not be a common surname, it does not strike me as highly unusual either. Secondly, in terms of distinctiveness, no evidence has been presented to support an enhanced degree of distinctiveness and resulting penumbra of protection. Thirdly, even though the average consumer may entertain the possibility that the word STERLING alone may be being used as a surnominal reference, the fact the word also has other (and quite different) meanings (even though this may not create a strong conceptual dissonance overall) lessens the propensity for the average consumer to come to the conclusion that STERLING must be economically linked to STERLING CHASE. Fourthly, the average consumer will be aware that surnames are often used by businesses and that, by their very nature, are often shared between a number of people (depending on the degree of unusualness). Fifthly, even if the average consumer saw only a surnominal reference, and even if they then presumed that the STERLING in the business called STERLING and the business called STERLING CHASE was the same person, this may not lead to assumption that the businesses are economically connected. I say this because the average consumer may just as easily believe that Mr/Mrs Sterling has gone his or her own way and is no longer part of the business they know as STERLING CHASE; therefore, this would not, necessarily, create an economic link in the mind of the average consumer.

51. I take into account the fact that some of the services are identical or very similar, nevertheless, despite this, my finding is that the average consumer will not believe that there is an economic link between the undertakings responsible for the services offered under the respective marks. All of the factors above combine, in my view, to the sharing of the word/surname STERLING between the two marks to be a consequence of co-incidence and not connection.

52. I should add that in coming to the above decision, I have placed little significance on the alleged instances of co-existence. This is because the evidence does not clearly show that the public concerned with the goods and services in question have been adequately exposed to different undertakings operating under the STERLING name in the same field. It does, however, give

support to the proposition that STERLING is not an uncommon business name (given its various meanings) and this, therefore, supports my view on the degree of distinctiveness of the word.

Conclusion

53. The ground under section 5(2)(b), and consequently the opposition as a whole, fails.

Costs

54. SCA has been successful and is entitled to a contribution towards its costs. I hereby order Sterling International Sprl to pay Sterling Chase Associates Limited the sum of £1600. This sum is calculated as follows:

Considering notice of opposition	£200
Filing counterstatement	£300
Considering S/S's evidence	£200
Filing evidence	£400
Preparation for, and attendance at, the hearing	£500
Total	£1600

55. The above sum should 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 26th day of March 2009

**Oliver Morris
For the Registrar
The Comptroller-General**