O-274-11

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION No. 2534993 STANDING IN THE NAME OF P. H. HEALTHCARE LTD

AND

IN THE MATTER OF A REQUEST FOR A DECLARATION OF INVALIDITY THERETO UNDER No. 83859 BY PAUL HARTMANN AG

BACKGROUND

1) P. H. Healthcare Limited (hereinafter the registered proprietor) has the following trade mark registered in the UK:

Mark	Number	Date Applied for and date registered	Class	Specification
MICRON	2463677	21.12.2009 / 16.07.2010	10	Disposable examination gloves, disposable protective gloves for medical purposes, examination gloves for medical use, gloves for dental use, gloves for medical examinations, gloves for medical purposes, gloves for medical use, gloves for surgical purposes, gloves for surgical use, gloves for use during operations, gloves for veterinary use, medical examination gloves, medical gloves, protective gloves for use by persons working in medicine, protective gloves for use by persons working in the dentistry.

2) By an application dated 9 September 2010 Paul Hartmann AG (hereinafter the applicant) applied for a declaration of invalidity in respect of this registration. The grounds are, in summary:

3) The applicant is the proprietor of the following trade marks:

Mark	Number	Date Applied for and	Class	Specification
		date registered		
Peha-Micron	1572174	31.10.1994 / 14.07.1995	10	Surgical gloves; disposable examination gloves and protective gloves for medical and/or surgical use; all included in Class 10.
Peha-Micron	M626278	06.10.1994 24.07.2006 (UK designation)	10	Gloves for medical, medicinal and surgical use.

4) The applicant states that it has used its marks in the UK since at least 2005, and that the mark in suit is very similar to its earlier marks as are the goods. The applicant contends that the mark in suit offends against Section 5(2)(b) of the Act.

5) The registered proprietor filed a counterstatement, dated 20 July 2010 denying that the marks or goods were similar. They also claim that the applicant has not used its marks 1572174 or M626278 in the UK. They also point out that the applicant has a "family" of marks which all have the prefix "PEHA" (PEHA-TAFT, PEHA-PROFILE, PEHA-ISOPRENE, PEHA-NEON and PEHA-SHIELD). The applicant is put to strict proof of use.

6) Both sides filed evidence. Both ask for an award of costs. The matter came to be heard on 11 July 2011 when the applicant was represented by Mr Reddington of Messrs Williams Powell; the registered proprietor was represented by Mr Evans of Messrs Chapman Molony.

APPLICANT'S EVIDENCE

7) The applicant filed a witness statement, dated 21 January 2011, by Michael Geisel the Director Regional Management of the applicant company, who has been employed by it since 1988. He states that the applicant has used its marks for the goods for which they are registered in the UK since at least 2005. He provides the following turnover figures for the UK:

Year	Quantity (packages)	Value €
2005	97	1,244
2006	215	3,722
2007	304	5,804
2008	512	11,516
2009	613	16,645
2010	614	16,204

8) At exhibit MG1 he provides a selection of invoices dated from 30 November 2006 to 2 August 2010 which all show use of the mark "Peha-micron". All are addressed to a single company in Warwickshire. At exhibit MG2 he provides a copy of the front cover of a promotional leaflet for his companies Peha-Micron surgical gloves as distributed in the UK during the last five years. Also in this exhibit are photographs of the packaging used on upon latex gloves for surgical use. Both of which prominently display the applicant's mark "Peha-micron" upon surgical gloves. Mr Geisel points out that the mark has no meaning when used on surgical gloves, and that the term "micron" *solus* is perfectly capable of being used as a mark on its own, when used with a house mark such as "Peha". He states that the house mark "peha" is the German pronunciation of the letter combination "PH", being the initials of **P**aul **H**artmann.

REGISTERED PROPRIETOR'S EVIDENCE

9) The registered proprietor filed a witness statement, dated 21 March 2011, by Mark Holdaway the Chairman of PH Medisavers Limited (formerly PH Healthcare Limited) the registered proprietor. He states that he has held this position for 23 months. He states that his company has been manufacturing and selling medical gloves in the UK since April 2009. He also states that the parent company, BM Polyco Ltd has been in the business of manufacturing all kinds of gloves, including medical gloves, since 1979. Mr Holdaway states that neither his company, nor its' parent company were aware of the activities of the applicant in the UK under their mark Peha-Micron, until this mark was cited by the UKIPO. He states that the opponent wrote asking his company to withdraw its application and threatening opposition. His company did not withdraw its application and no opposition was filed. He provides sales figures for September 2010 - February 2011 which show that during this period sales have totalled approximately £1.7 million. At exhibits MH2 & 3 he provides print outs from the website of the applicant which shows that they use the mark Peha-Micron in relation to medical gloves and that they use a range of other "Peha" marks on other medical gloves. It would appear that each glove has slightly different characteristics, designed for surgery, wound management, patient care etc. This would support the contention that "Peha" is the "house" mark and the second part of each name TAFT, PROFILE, MICRON, ISOPRENE, NEON and SHIELD are secondary marks.

10) That concludes my review of the evidence filed in these proceedings insofar as I consider it necessary.

DECISION

11) Section 47 of the Trade Marks Act 1994 reads:

"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."

12) An "earlier trade mark" is defined in section 6, the relevant part of which states:

"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."

13) In these proceedings the applicant is relying upon two marks. Both are clearly earlier marks which and are subject to The Trade Marks (Proof of Use, etc) Regulations 2004. Paragraph six of which states:

"6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

a) an application for registration of a trade mark has been published,

b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

b) the registration procedure for the earlier trade mark was not completed before that date, or

c) the use conditions are met.

2B) The use conditions are met if-

a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

b) it has not been so used, but there are proper reasons for non-use.

2C) For these purposes –

a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

2D) In relation to a Community trade mark, any reference in subsection (2B) or (2C) to the United kingdom shall be construed as a reference to the European Community.

2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

14) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the marks has been made. The guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);

- the use must be 'on the market' and not just internal to the undertaking concerned (*Ansul*, paragraph 37);

- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);

- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);

- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);

- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);

- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);

- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);

- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);

- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);

- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

15) I also take note of the CFI case T-334/01, *MFE Marienfelde GmbH v OHIM* (HIPOVITON) where at paragraph 37 they stated:

"37. However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness."

16) The applicant has provided sales figures for the years 2005-2009 inclusive which shows steady if unspectacular sales averaging approximately £8,000 per annum. These figures are corroborated by a sample of invoices which show use of the mark "Peha-micron" on surgical gloves in the UK. They have also provided an example of packaging and also a page from their website which shows surgical gloves being advertised under the Peha-Micron mark. The applicant's marks are registered for:

- a) 1572174: Surgical gloves; disposable examination gloves and protective gloves for medical and/or surgical use; all included in Class 10; and
- b) M626278: Gloves for medical, medicinal and surgical use.

17) Whilst the sales are very modest there is no suggestion that they are not genuine. Indeed the registered proprietor did not even raise the issue in their skeleton whilst at the hearing they accept

that use had been shown. To my mind, the combination of turnover figures, invoices, packaging and promotional material are more than sufficient to meet the requirements set out above. The use shown is of surgical gloves and I see no reason to reduce the specifications from what is registered.

18) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). In the recent case of *La Chemise Lacoste SA v Baker Street Clothing Ltd* [ALLIGATOR O/333/10) Mr Hobbs QC acting as the Appointed Person set out the test shown below which was endorsed by Arnold J. in *Och-Ziff Management Europe Ltd and Oz Management Lp v Och Capital LLP; Union Investment Management Ltd & Ochocki*, [2010] EWCH 2599 (Ch).

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods/ services in question; who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(e) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element in that mark;

(f) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;

(g) 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;

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient;

(i) 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;

(j) if the association between the marks causes the public to wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

19) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the registered proprietor's mark and the marks relied upon by the applicant on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods in their specifications.

20) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. (as he was then) sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

"The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in DUONEBS should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in Reed Executive & Ors v. Reed Business Information Ltd & Ors, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become more distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case."

21) The applicant has shown use of its marks, but it is relatively meagre and so it cannot enjoy enhanced protection because of reputation. However, I do accept that the applicant's marks are inherently very distinctive for the Class 10 goods for which they are registered.

22) I must now determine the average consumer for the goods of the parties, which are, broadly disposable medical gloves. It is my view that the goods offered by the two parties are aimed at a somewhat specialist market where medical examinations or procedures require very high hygiene levels and thus the wearing of specialised gloves which are disposed of after treating a single

patient. Such items will not be purchased without careful consideration, especially as it is clear that there are a number of different types of disposable glove made specifically for different tasks. At the hearing the parties agreed that the average consumer would be a professional purchaser in a clinic, hospital or company where sterile goods were required. Although I must take into account the concept of imperfect recollection.

23) The registered proprietor accepted that the goods of the two parties are identical.

24) I now turn to consider the marks of the two parties. As both the applicant's trade marks are effectively identical I shall use only trade mark 1572174 as the basis for my comparison. For ease of reference these are reproduced below:

Applicant's Trade Marks	Registered Proprietor's Trade Mark
Peha-Micron	MICRON

25) At the hearing the registered proprietor put forward the following:

"1. The Proprietor submits that the Applicant's earlier Trade Mark contains the dominant and highly distinctive prefix PEHA- which cannot be ignored and which is not contained in the Proprietor's Trade Mark. The average consumer would pay attention to the prefix PEHA- and would make an association with the Applicant by virtue of the Applicant's other PEHA products namely PEHA-TAFT (M600181), PEHA-HAFT (M600644 & U00000600644), PEHA-CREPP (M675870 & U00000675870), PEHA-SOFT (E2734291), PEHA SOFT SATIN (E5609615), PEHA-SUCTION (E7073001), PEHA-DRAIN (E7066731), PEHA-PROFILE, PEHA-ISOPRENE, PEHA-NEON, PEHA-FOL (M657063), PEHA-GEL (M657064) and PEHA-SHIELD. PEHA is itself the subject of M155820 & E8287153. The Proprietor submits that the Applicant is clearly using the prefix PEHA- as a distinctive house-mark to distinguish its range of goods.

2. The proprietor submits that the public would consider the whole mark in assessing similarity and would pay particular attention to the prefix PEHA. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant component PEHA."

And:

"4. The proprietor submits that every single item of evidence filed by the Applicant shows that their mark is only ever used in the form of PEHA-MICRON. The Applicant evidently chose to register the mark PEHA-MICRON and not MICRON because the mark is not dissectible in their mind.

- 5. As regards, comparison of the visual and aural aspects of the marks, we submit that:
 - a. the earlier mark lacks the dominant component PEHA. We submit that there is a lesser likelihood of confusion where the earlier trade mark has a highly distinctive character in this way. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
 - b. the word PEHA has no meaning in English and is essentially an invented word;
 - c. the marks as a whole contain a different number of syllables;
 - d. the mark MICRON consists of one word compared with the PEHA-MICRON which consists of two words;
 - e. the earlier mark lacks the prefix PEHA- and a consumer would pay more attention to the prefix and apply lesser importance to the suffix. Hence, there is no possibility of an average customer orally confusing the two marks. Even small differences in the marks will be noticed, particularly where the difference appears at the beginning of the mark. They look different and they sound different. The average consumer will, amongst other things, retain in his mind the predominant prefix of the earlier mark, namely the word PEHA, when he finds goods of the same kind designated by the mark MICRON, he will not think the goods have the same commercial origin. Consequently, the risk that he might associate the two marks with each other is minimal.

6.In Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc it was stated that 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. However, the opposite is the case here because prefix the PEHA makes the origin of the goods abundantly clear, namely the company that always uses (and registers) marks having the prefix PEHA. Just because the marks both comprise the word MICRON, a mere association, in the sense that the later mark might bring the earlier mark to mind, is not sufficient for the purposes of Section 5(2); Sabel BV v Puma AG, paragraph 26.

7. For the above reasons, we contend that there is no visual, aural or conceptual identity between the earlier mark and the later mark. On the basis of the above arguments, we contend that there is no likelihood of confusion between the marks. In addition the perception of marks in the mind of the average consumer of the goods or services in question plays a decisive role

in the global assessment of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (Sabel BV v Puma AG [1998] ETMR. 1).

8. For the purposes of global assessment, the average consumer of the medical products concerned would be reasonably well-informed, and reasonably observant and circumspect. In addition, account should be taken that the average consumer's level of attention is likely to be high due to the category of goods and services in question (Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. [2000] FSR. 77). A purchaser of PEHA-MICRON products would recall the distinctive PEHA element of the mark and would remember that element more than MICRON when ordering.

9. The more distinctive the earlier mark (based either on inherent qualities or because of the use made of them), the greater the likelihood of confusion (see Sabel BV v.Puma AG). From an inherent starting point the earlier mark is very distinctive. It gives a strong indication of the origin of the goods.

10. The marks should be compared as a whole and through the eyes of the average consumer i.e. neither through the eyes of an uneducated consumer in a hurry, nor yet through the eyes of a trade mark practitioner, or other party specifically asked to contrast and compare the two. The latter is particularly important, since it is unlikely that, having regard to the goods, situations would occur where both products would appear side-by-side."

26) The registered proprietor contends that the dominant and distinctive part of the applicant's mark is the pre-fix "Peha". It also states that it would be wrong to artificially divide the marks. These statements seem to be at odds with each other as it does not explain why the average consumer would not take cognizance of the second part of the mark "micron" as this would not appear to have any meaning when used in relation to the type of goods involved in this case. Although I accept that the word "Peha" is an invented word and it is used as a pre-fix. To my mind the applicant's mark consists of two words which are equally distinctive and dominant.

27) I take into account the following paragraphs from the Medion case which read:

"[30] However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark

used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

[31] In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established."

28) The registered proprietor contends that the term "Peha" is used as a house mark by the applicant and that the average consumer would be aware of this. There are clearly visual differences between the marks, in that the applicant's mark consists of two words whereas the registered proprietor's is just a single word. Equally clearly the whole of the registered proprietor's mark is within the applicant's mark, i.e. the word "Micron".

29) There is an obvious aural difference as well as an element of identicality.

30) Conceptually, neither mark has any meaning.

31) Considering the marks as wholes and acknowledging the differences I consider the marks to have a moderate to high level of similarity.

32) I take all of the above into account when considering the marks globally. I also take into account the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa. In the instant case the goods are identical and the marks have a moderate to high level of similarity. I believe that there is a likelihood of consumers being confused into believing that the goods provided by the registered proprietor are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2) (b) therefore succeeds.

COSTS

34) The applicant has succeeded and is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300	
Preparing evidence and considering and commenting on the other side's evidence		
Preparing for and attending a hearing	£800	
TOTAL	£1,800	

35) I order the registered proprietor to pay the applicant the sum of £1,800. This sum 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 05 day of August 2011

G W Salthouse For the Registrar the Comptroller-General