O-447-12

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO 1057651 IN THE NAME OF PRYVATNE AKTSIONERNE TOVARYSTVO "ROSAVA" FOR THE TRADE MARK



IN CLASS 12

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY THEREOF UNDER NO 16167 BY SAVA, DRUZBA ZA UPRAVLJANJE IN FINANCIRANJE, D.D.

Background

1.On 13 October 2010, Zakryte Aktsionerne Tovarystvo "Rosava" (based upon a Ukrainian application), requested protection in the United Kingdom of the international registration ("IR") shown on the cover page of this decision. The request included the following description of the trade mark:

"Claimed, trade mark "ROSAVA" represents a verbal trade mark written with Latin letters in a modern simple style. As a basis the word ROSAVA assumes the name of rive Ross on the bank of which our company is situated. The ending AVA plays word-formative function. As a whole, the claimed mark is simple, laconic and easy to pronounce and remember."

2. The request was considered to satisfy the requirements for protection and particulars of the IR were published in the Trade Marks Journal on 24 December 2010 for the following specification of goods in class 12:

Casings for pneumatic tyres, inner tubes for pneumatic tyres, brake linings for land vehicles.

3. No opposition to the grant of protection was received. Consequently, the IR was protected in the UK with effect from 25 March 2011. The IR now stands in the name of Pryvatne Aktsionerne Tovarystvo "Rosava" ("PAT"). As nothing appears to turn on this change, I need say no more about it.

4. On 10 May 2011, SAVA, druzba za upravljanje in financiranje, d.d. ("Sava") filed an application to have this trade mark declared invalid under the provisions of sections 47(2)(a) and section 5(2)(b) of the Trade Marks Act 1994 ("the Act") which state:

"47(2) The registration of a trade mark may be declared invalid on the ground-

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

(b)...

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

(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,

(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.

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(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed."

And:

"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, or

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

5. Sava directs its application against all of the goods for which PAT's trade mark stands registered. Sava relies upon the following trade mark registration, which it

states has been used in relation to all of the goods upon which it relies as shown below:

Trade mark	No.	Application	Registration	Goods relied
		Date	Date	upon:
Routel	2135625	11.6.1997 IC claimed: 6.1.1997 (Slovenia)	4.6.1999	Class 12: Rubber tyres and inner tyres for automobiles, motorbikes, bicycles, scooters; rubber shock absorbers; rubber parts built into vehicles. Class 17: Protective covers for parts of machines; rubber covers of rollers of printing machines; rubber sealing profiles; mastics such as included in Class 17; insulating materials; other rubber products such as included in Class 17; rubber tilts for dumping grounds; rubber closures for sealing channels and pits.

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

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

(a) a registered trade mark, international trade mark (UK) or 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

PAT's registration qualifies as an earlier trade mark under the above provisions.

7. On 20 July 2011, PAT filed a counterstatement which denies the ground upon which the invalidation has been brought and puts Sava to proof that it has used the trade mark upon which it relies. In view of PAT's request, and as Sava's application for invalidation was filed on 10 May 2011 and its earlier trade mark completed its registration procedure on 4 June 1999, it is necessary, as per section 47(2)(B) above, for Sava to show genuine use of the goods upon which it relies, in the period 11 May 2006-10 May 2011.

8. Both parties filed evidence. Whilst neither party asked to be heard, both parties filed written submissions in lieu of attendance at a hearing; I will refer to these submissions as necessary below.

EVIDENCE

Sava's evidence

9. Sava's evidence-in-chief consists of a witness statement (accompanied by 15 exhibits) from Franci Strajnar. Mr Strajnar is a director and member of the board of Sava. The evidence was accompanied by written submissions dated 22 November 2011 from Claire Sugden, a trade mark attorney at Boult Wade Tennant, Sava's professional representatives in these proceedings. Its evidence-in-reply consists of a witness statement from Ms Sugden dated 19 June 2012 and a second witness statement (accompanied by 5 exhibits) from Mr Strajnar.

PAT's evidence

10. This consists of a witness statement (accompanied by 8 exhibits) from PAT's technical director, Aleksandr Daliba.

11. While I have read both parties' evidence, for reasons which will shortly become apparent, it is not, in my view, necessary for me to summarise it here.

DECISION

12. Ordinarily, I would at this point in my decision consider the use that Sava has made of its earlier trade mark in the relevant period and, guided by the principles outlined in *Ansul BV v Ajax Brandbeveiliging* BV [2003] RPC 40 and *Laboratoire de la Mer Trade Mark* [2006] FSR 5 (as summarised by the Appointed Person in *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd (Sant Ambroeus Trade Mark)* [2010] RPC 28), decide if genuine use had been shown, and if it had, determine what constituted a fair specification.

13. I would then have gone on and applied the guidance contained in the decision of the Appointed Person Mr Geoffrey Hobbs QC in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11) (by reference to the Court of Justice of the European Union (CJEU) cases mentioned in that decision i.e. *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; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P, identifying the average consumer for the goods at issue, deciding how those goods would be selected in the course of trade and making a comparison of the competing goods.

14. However, as, in my view, the comparison of the competing trade marks is the key issue in these proceedings, my conclusions in this regard are likely to be decisive. I have approached the comparison of the competing trade marks on the basis that all of the other factors at issue in these proceedings are in Sava's favour i.e.:

(i)that it has made use of its earlier trade mark in relation to all of the goods for which it is registered (in paragraph 26 of its submissions PAT appears to accept that Sava have made use of its earlier trade mark in relation to, inter alia, "rubber tyres and inner tyres for karts, motorbikes, bicycles and scooters");

(ii) that the competing goods at issue are either identical or highly similar (in its submissions Sava relies solely upon its goods in class 12);

(iii) that the average consumer will pay only a minimal level of attention to their selection thus making them more likely to be subject to imperfect recollection (whereas even if one assumes the average consumer for the goods at issue to be a member of the general public selecting tyres for their vehicle, the level of attention paid will be at least average);

(iv) that Sava's earlier trade mark is possessed of not only a high degree of inherent distinctive character (PAT accepting that Sava's earlier trade mark will not convey any meaning to the average consumer), but also that as PAT accept that Sava have made use of its earlier trade mark this distinctive character is likely to have been improved upon.

15. The trade marks to be compared are:

PAT's trade mark	Sava's trade mark		
ROSAVA	Rowal		

16. The average consumer is considered to be reasonably well informed,

circumspect and observant but perceives trade marks as wholes and does not pause to analyse their various details. In addition, he rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has kept in his mind. In reaching a conclusion on similarity, I must identify what I consider to be the distinctive and dominant components of the respective trade marks and, with that conclusion in mind, I must then go on and compare the respective trade marks from the visual, aural and conceptual perspectives.

Distinctive and dominant elements

17. Having referred me to the judgment of the CJEU in *Medion AG v Thomson multimedia Sales Germany & Austria GmbH*, Case C-120/04, in its submissions dated 22 November 2011, Sava said:

"In practice, we submit that this decision has lead to the UK Trade Marks Registry adopting the following policy where an earlier trade mark is incorporated into a later trade mark. Thus, the UK Registry holds in opposition proceedings that there is a conflict:

Where trade mark A is incorporated in trade mark B and:

1. The respective goods are identical;

2. The element which corresponds to the trade mark A retained an independent role in trade mark B;

3. The common element is not prima facie lacking or low in distinctive character.

...the general rule of thumb is that if a sign as a whole is fully incorporated in the other sign, the signs are similar and when the goods are identical or highly similar and absent other specific factors, there will also be a likelihood of confusion. Although usually more attention is placed to the beginning of a word, it generally does not matter much whether the common element constitutes the first or the second element of the composite mark. In particular, where the later trade mark is the composite mark, it should not matter too much whether the later mark incorporates the earlier mark as its first or second element..."

18. In its submissions PAT said:

"22. Contrary to [Sava's] submissions, one cannot assume that because an element of the marks is identical that the marks are similar unless the identical part constitutes the dominant element in the overall impression created by each mark, such that all the remaining components are insignificant (*Matrazen Concord v OHIM* [2003] ETMR at para 33).

23. The applicant submits that SAVA is the dominant element of both trade marks. We submit that there is no one element which dominates [PAT's] mark as it is comprised of one word, ROSAVA. The mark is a single word, it is not a composite mark such as THOMPSON LIFE [considered in the *Medion* case mentioned by Sava]. The dominant element of [PAT's] trade mark is not SAVA and we submit that [Sava's] contention is incorrect as SAVA does not retain an independent role with ROSAVA".

19. Sava's earlier trade mark is shown above. It consists, essentially, of two elements. The first element is a series of conjoined letters the first of which appears to be a letter "S" (which may or may not be in upper case), and the second and last of which are lower case letters "a". The third letter could be a letter "u", a letter "w" or a letter "v" (the evidence indicating that it is intended to be read as a letter "v"). The second element appears to the right and slightly above the final letter "a" and consists of a rectangle in which appear a circle and a device of a stick figure holding a barbell above its head. Both elements are distinctive, but the first element is clearly the dominant element of the trade mark.

20. PAT's trade mark consists of the six letter word ROSAVA presented in bold in upper case in a slightly stylised but unremarkable font. As none of the trade mark is highlighted or emphasised in any way, there are no distinctive and dominant elements; the distinctiveness lies in the totality.

The visual, aural and conceptual comparison

21. In its submissions Sava say, in relation to the competing trade marks:

"They differ only in that [PAT's] trade mark includes two additional letters RO at the beginning. The marks are therefore visually similar to the extent they share the identical suffix SAVA.

Phonetically [Sava's] trade mark is pronounced SA-VA and [PAT's] trade mark as RO-SA-VA. Thus [the competing trade marks are identical in respect of two out of three syllables]...The marks are phonetically similar to the extent they share the common letters S-A-V-A.

Conceptually...neither Sava [which is a river in South East Europe] and certainly not the invented word ROSAVA [the origin of which can be seen in paragraph 1 above] is likely to be understood as meaning the river Sava or the river Ros. Bearing in mind the foregoing, for the part of the relevant public who does not perceive the meaning of either mark, the conceptual comparison will not influence the assessment of similarity of marks."

22. In its submissions PAT say, in relation to the visual comparison:

"16...It is not immediately clear what word the mark is supposed to represent. The mark could be SAWA. Upon seeing it one does not read it as SAVA. One sees simply the shape and visual appearance of it.

18. ...ROSAVA has a very different visual impact upon the average consumer by virtue of the fact that is comprised of six characters, the additional characters RO being present at the beginning of the mark."

23. And in relation to the aural comparison it says:

"20. The earlier mark is very much a visual mark. The consumer must take several steps before it identifies the word behind the mark. Thus, the aural impact of a stylised mark is not easy to assess...the addition of the strong first syllable RO is sufficient to distinguish the marks."

24. Insofar as the conceptual comparison is concerned, PAT agree that neither trade mark has any conceptual meaning and argue that as a consequence the trade marks are conceptually dissimilar.

25. As I mentioned earlier, PAT's trade mark consists of a single word no part of which is highlighted or emphasised in any way. It cannot, therefore, be considered a composite trade mark. Even if Sava's trade mark is seen as S-a-v-a, as the letters S-

A-V- A appearing in PAT's trade mark do not, in my view, retain an independent distinctive role (rather they are merely part of an integrated whole), the court's comments in *Medion* relied upon by Sava do not come into play.

26. When considered from a visual perspective the competing trade marks are significantly different. It is far from certain that Sava's trade mark would even be recognised as the letters S-a-v-a; as I indicated above, there are, in my view, much more likely options. Equally, the trade mark might (as PAT suggest) be seen simply as a shape. However, even if Sava's trade mark is seen as the letters S-a-v-a, the fact that both parties' trade marks have these letters in common does not make them visually similar overall.

27. Similar considerations apply to the aural comparison. In the event that Sava's trade mark would be seen as including the letter "v", I agree that it would, most likely, be pronounced as the two syllable word Sa-va. Equally, I accept that PAT's trade mark may be pronounced as the three syllable word RO-SA-VA. However, equally possible, in my view, is ROSS-A-VA. Regardless, the presence in PAT's trade mark of the letters R-O as the first two letters are significant and do not, in my view, make the competing trade marks aurally similar overall.

28. As to the conceptual comparison, I agree with both parties that neither trade mark is likely to convey any image to the average consumer in this country. However, this does not, as PAT suggest, make the competing trade marks conceptually dissimilar; rather it renders the conceptual position neutral.

29. Although both parties' trade marks may be seen as sharing the letters S-A-V-A (and that, in my view, is highly arguable), the manner in which the competing trade marks are presented and the manner in which they are likely to be pronounced, results, in my view, in them being not similar enough to cause confusion in any circumstances. As I consider the competing trade marks to be dissimilar, the judgment of the CJEU in *Vedial SA v OHIM, France Distribution* [2005] E.T.M.R. 23 makes it clear that I need go no further. That then is my primary finding i.e. even assuming all other factors are in Sava's favour, the competing trade marks are not similar in any relevant sense and there can be no likelihood of confusion. Sava's application fails accordingly.

30. However, if it is felt that I have taken too harsh a view of Sava's position and that the sharing of the letters S-A-V-A is sufficient to engage the test for likelihood of confusion, my conclusion remains the same. The significant visual and aural differences between the competing trade marks, combined with the fact that the letters S-A-V-A in PAT's trade mark are not a distinctive or dominant element but merely part of an integrated whole, are, in my view, given the nature of the goods at issue and the manner in which the average consumer is likely to select such goods, more than sufficient to avoid any imperfect recollection from the superficial similarities caused by the shared letters S-A-V-A appearing in the competing trade marks.

Conclusion

31. Sava's application for invalidation fails.

Costs

32. PAT has been successful and is entitled to an award of costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using the TPN mentioned as a guide, I award costs to PAT on the following basis:

Total	£1200
Written submissions:	£300
Preparing evidence and considering and commenting on Sava's evidence:	£700
Preparing a statement and considering Sava's statement:	£200

33. I order SAVA, druzba za upravljanje in financiranje, d.d. to pay to Pryvatne Aktsionerne Tovarystvo "Rosava" the sum of **£1200**. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14th day of November 2012

C J BOWEN For the Registrar The Comptroller-General