

O-111-14

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2617718
BY H & R JOHNSON TILES LIMITED TO REGISTER THE TRADE MARK**

Mat Lab

IN CLASSES 19, 41 AND 42

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 104132
BY THE MATHWORKS, INC**

BACKGROUND AND PLEADINGS

1) On 16 April 2012, H & R Johnson Tiles Limited (“the applicant”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the mark **Mat Lab** in respect of the following goods and services:

Class 19: *Ceramic tiles; non-metallic building materials including flooring and wall linings.*

Class 41: *Exhibition services relating to designs for education and training purposes, all for architects and designers.*

Class 42: *Architectural and design services, but not including any such services provided by means of computer software.*

2) On 24 August 2012, the application was published in the Trade Marks Journal and on 21 November 2012, The Mathworks, Inc (“the opponent”) filed notice of opposition to the application. The grounds of opposition are in summary:

- The application offends under Section 5(2)(b) of the Act because it is in respect of a similar mark and similar goods and services and that there exists a likelihood of confusion on the part of the UK public;
- It also offends under Section 5(3) of the Act because the opponent’s earlier mark has a reputation and this will result in an increased likelihood of confusion. It claims that the applicant’s mark will take unfair advantage of the reputation and distinctive character of the earlier mark. It also claims detriment to the distinctive character of the earlier mark by diluting the ability of the opponent’s mark to identify the goods and services for which it is registered. Finally, it also claims tarnishment of its mark where the applicant’s goods are of poor quality, thereby affecting the value attached to the opponent’s mark;
- It offends under Section 5(4)(a) of the Act because the opponent has used “EMBEDDED MATLAB” in the course of trade in the UK since 1993. It claims that such use gives the right to prevent use of the applicant’s mark under the laws of passing off.

3) The opponent also claims protection under Section 6(1)(c) of the Act because its mark is a well-known mark as defined by Section 56(1) of the Act.

4) The relevant details of the earlier mark relied upon for the purposes of Section 5(2)(b) and Section 5(3) are detailed below:

Mark details and relevant dates	List of goods and services
<p>CTM*5811245</p> <p>Embedded MATLAB</p> <p>Filing date: 4 April 2007</p> <p>Date of entry in register: 5 February 2008</p> <p>Priority date: 23 March 2007</p>	<p>Class 9: <i>Computer hardware and software; computer software, including software for use in performing computations, creating and executing computational algorithms, analyzing data, accessing data, visualizing data, and deploying computer software applications and electronic hardware implementations of those algorithms; computer software for matrix calculation; CD-Roms; magnetic, optical and electronic data recording materials; compact discs; DVD's, video and tape cassettes; electronic publications.</i></p> <p>Class 16: <i>Printed publications, books, periodicals and magazines; printed matter; instructional and teaching material; manuals sold together with computer software.</i></p> <p>Class 42: <i>Computer consulting and support services; customer support services in connection with computer hardware and software; computer programming; computer systems analysis; research and development of computer hardware and computer software; computer software design; consultancy, advisory and information services all relating to the aforesaid.</i></p>

*Community Trade Mark

5) The applicant subsequently filed a counterstatement denying the opponent's claims.

6) Both sides filed evidence in these proceedings and both sides ask for an award of costs. Neither side requested to be heard but the opponent filed two sets of written submissions. I make my decision after a thorough consideration of all the papers.

Opponent's Evidence

7) This takes the form of a witness statement by Richard Rovner, Vice President of Marketing at the opponent company. The evidence can be summarised as follows:

- The mark MATLAB has been used in the UK since 1993 and the mark relied upon, "embedded MATLAB", since 2007;
- Sales turnover in the UK under the marks "MATLAB" and "embedded MATLAB" have grown steadily from approximately £2.3 million in 2006 to £3.4 million in 2012;
- Advertising and promotional expenditure in respect of both "MATLAB" and "Embedded MATLAB" has ranged approximately between \$388,000 and \$543,000 per annum between 2007 and 2012;
- Exhibit RR3 consists of copies of user guides in respect of "Embedded MATLAB" products. Where the origin of these guides is shown, it lists

- contact details of the opponent company at an address in the USA together with US telephone numbers;
- Exhibit RR4 consists of copies of advertisements that appeared in periodical publications with the titles *Scientific Computing World* (three from 2006/7) and *Engineering & Technology* (all undated). These are in the English language but there is no indication they were sold in the UK and one of the *Engineering & Technology* publications has a cover price in euros and another currency, likely to be dollars, but not pounds sterling. Other examples are provided from after the relevant date. These advertisements are all promoting the MATLAB computer language, but none refer to the mark “Embedded MATLAB”;
 - At Exhibit RR5 are five copies of press articles announcing that an embedded computing language has been released in October 2007. This is the opponent’s “Embedded MATLAB” product. These appeared in the publications *Electronicstalk*, *ElectronicsWEEKLY*, *Computingindustry.com*, *Electronic Product News* and *Online EETimes Europe*. The first three all contain some indication that they are targeted at, or released in the UK, the other two, whilst in English, do not have any specific indicator to show they were targeted at the UK. Other press articles are provided, but these are all from 2012 onwards and are after the relevant date;
 - At Exhibit RR6 are extracts from the opponent’s website www.mathworks.co.uk. The opponent describes itself as “the leading developer of mathematical computing software”. It identifies its markets as being the automotive, aerospace, communications, electronics and industrial automation industries. The UK address and telephone number of the opponent is provided under the heading “contact us”. The “newsroom” part of the website includes an article dated 14 February 2012 (i.e. before the relevant date) and is headed “MathWorks Expands System Design Capabilities in MATLAB”. There is also a page of the opponent’s “MATLAB Digest, Academic Edition” that outlines two seminars in the UK entitled “MATLAB and Simulink in Academia 2008”. All other references to MATLAB are either undated or are dated after the relevant date;
 - Exhibit RR7 shows the “WHOIS” data for the opponent’s website mathworks.co.uk. This shows that it was registered in 1999;
 - Exhibit RR8 consists of extracts from the opponent’s website obtained from the Internet archive, *Waybackmachine*. The first four pages do not appear to display a date. One dated 29 August 2000 lists clients by industry sector. Manchester Business School is the only obviously UK based client;
 - Exhibit RR9 provides copies of printed matter relating to events that the opponent has held in the UK. This includes an event on 13 October 2005 entitled “Wireless Communications System Design with MATLAB and Simulink”. Printed matter related to the opponent’s Aerospace and

Defence Conference 2008 lists a number of sessions that discussed its “Embedded MATLAB” product.

- Mr Rovner states that amongst the opponent’s UK clients are Jaguar Land Rover, Samsung UK, Vodafone, University of Sheffield, University of Nottingham, BAE Systems, Tesco and University of Oxford;
- Exhibit RR10 provides copies of documents demonstrating use of the opponent’s “MATLAB” and “embedded MATLAB” products by UK universities such as University of Cambridge, Oxford University and Universities of Durham, Nottingham, Warwick and York. A document relating to the MATLAB Academic Tour in 2011 (to six universities) and 2012 (commencing after the relevant date) are also included;
- Exhibit RR11 provides advertisements from third parties to promote their books about the opponent’s “MATLAB” and “Embedded MATLAB” products. A number have “MATLAB” in their title and where publication dates are recorded, they are between 2002 and February 2012;
- Mr Rovner conducted searches on the *LEXIS* database of UK news stories covering the period up to the relevant date (16 April 2012). The results of these searches are provided at Exhibit RR12. This consists of nearly 250 pages where the products sold under the opponent’s “MATLAB” and “Embedded MATLAB” are referred to. These appeared in publications such as *M2 Internet Business News*, *ENP Newswire* and *ElectronicsWEEKLY* to name a few.

Applicant’s Evidence

8) This takes the form of a witness statement by Andrew Adam, Marketing Services Manager of Johnson Tiles division of Norcros Limited. He explains that the applicant is a wholly-owned subsidiary of Norcros Limited and holds the trade marks used by his company.

9) Mr Adam provides information regarding the nature of his company’s business. Its MATERIAL LAB is a design resource studio based in London, where architects and designers can go to discover the latest materials for their projects. The mark MAT LAB is used as an abbreviation of its MATERIAL LAB mark.

DECISION

Section 5(2)(b)

10) Section 5(2)(b) reads:

“(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.”

11) The registered CTM relied upon is an earlier mark as defined in section 6 of the Act and because it was registered on 5 February 2008, being less than five years before the publication of the applicant’s mark on 24 August 2012, it is not subject to the proof of use provisions in Section 6A of the Act. The consequence of this is that the opponent may rely upon the full list of goods and services of its earlier mark for the purposes of Section 5(2)(b).

12) In reaching my decision under this ground I bear in mind that the CJEU has issued a number of judgments which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (BL O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

“(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 or 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;

(e) 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;

(f) 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 of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

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

(j) 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;

(k) 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."

Comparison of goods and services

13) In assessing the similarity of goods and services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23:

'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.'

14) Other factors may also be taken into account such as, for example, the distribution channels of the goods and services concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

15) I also bear in mind that in terms of understanding what a "complementary" relationship consists of, I note the judgment of the GC in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06 where it was stated:

"It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 Segio Rossi v OHIM - Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM - Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 El Corte Ingles v OHIM - Bolanos Sabri (PiraNAN diseño original Juan Bolanos) [2007] ECR I-0000, paragraph 48)."

16) For ease of reference the respective goods and services to be compared are:

Opponent's goods and services	Applicant's goods and services
<p>Class 9: <i>Computer hardware and software; computer software, including software for use in performing computations, creating and executing computational algorithms, analyzing data, accessing data, visualizing data, and deploying computer software applications and electronic hardware implementations of those algorithms; computer software for matrix calculation; CD-Roms; magnetic, optical and electronic data recording materials; compact discs; DVD's, video and tape cassettes; electronic publications.</i></p> <p>Class 16: <i>Printed publications, books, periodicals and magazines; printed matter; instructional and teaching material; manuals sold together with computer software.</i></p> <p>Class 42: <i>Computer consulting and support services; customer support services in connection with computer hardware and software; computer programming; computer systems analysis; research and development of computer hardware and computer software; computer software design; consultancy, advisory and information services all relating to the aforesaid.</i></p>	<p>Class 19: <i>Ceramic tiles; non-metallic building materials including flooring and wall linings.</i></p> <p>Class 41: <i>Exhibition services relating to designs for education and training purposes, all for architects and designers.</i></p> <p>Class 42: <i>Architectural and design services, but not including any such services provided by means of computer software.</i></p>

The applicant's Class 19 goods

17) The opponent submits, in its first written submissions, that its Class 9 goods are similar to *ceramic tiles, non-metallic building materials including flooring and wall linings* on the basis that the opponent's software goods are used by an array of industry sectors and that these sectors may include design and architecture. I do not accept this argument. The nature of software (for any purpose) is different to tiles or other building materials. Their intended purpose and their method of use are completely different. Consequently, they are not in competition with each other. Neither are they complementary as the respective goods are not indispensable or important for the use of the other. Finally, it is not normal or commonplace, as far as I am aware, for consumers to purchase software and tiles or building materials from the same trader and, therefore, I conclude that the respective distribution channels are also different.

18) The high point of the opponent's submission is that its software can be used by tile designers. However, a tile designer is a totally different consumer to a builder or renovator who is the likely consumer of tiles and building materials (see, by analogy, the General Court's comments in *Commercy AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (easyHOTEL)*, Case T-316/07).

19) In summary, when applying the guidance in *Canon*, *TREAT* and *easyHotel* it is self evident that there is no similarity between these goods.

The applicant's Class 41 and Class 42 services

20) The applicant's services are all aimed at educating architects and designers or are for the provision of architectural and design services. Education, through exhibitions, of architects and designers is far removed from the provision of computer services and computer software. Even where such services and software may be provided to architects or designers, this is a different relevant consumer than for the services of the architects and designers. Here the relevant consumer will be builders and individuals undertaking building or renovation projects.

21) The opponent submits there is similarity between the applicant's services and its *consultancy, advisory and information services* in Class 42. I am unconvinced by the opponent's argument. It claims both services are aimed at providing advice. In the case of the opponent, this advice relates to, among other things, "computer software design" and the applicant's services, to "designs" and aimed at "designers". I am mindful that I should not be give an overly wide construction to the meaning of the respective terms (*Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 (HC)) but rather, I should give them their natural meaning, subject to their context (*Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] F.S.R. 267 (HC)). With this in mind,

because the applicant's services are limited to being for architects and designers or are in the nature of architectural and design services, the interpretation of the unqualified word "designs" in the applicants mark is likely to be understood as being a reference to patterns and artwork rather than a reference to software design. Similarly, the normal interpretation of the unqualified word "designer", when used together with the word "architects" (as it is in the applicant's specification), will be the traditional meaning, namely, of someone who plans the look of something before it is made or built. It would not be understood as referring to the more technical task of software design. As such, to give a meaning that would include software design and software designers would go beyond the core and natural meaning. Consequently, I conclude that there is no similarity between these respective services.

22) Taking all of the above into account, I conclude that there is no similarity between the respective services.

23) The opponent also relies on its Class 16 goods submitting that they are similar because the applicant's services "would invariably make use of printed matter as well as instructional and/or teaching material". All businesses use printed matter and the like in relation to goods and services. However, to make a finding of similarity would require the conflating of the potential content of the printed matter with the services of the application rather than considering the nature of the goods themselves against the services. The correct approach is to compare the nature of the opponent's *printed matter* with the services of the applicant. To do otherwise, would bestow infringement rights in all goods and services because all goods and services will be liable to use printed matter. In the terms of *Boston Scientific*, considering the actual goods, and not the potential contents of the goods, there is not a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the respective goods and services lies with the same undertaking. In none of the applicant's services would the use of printed matter in relation to them indicate a trade in those services. It would be indicative of the services rather than a trader and so the average consumer would not be led to believe that the responsibility for the respective goods and services lies with the same undertakings.

24) With this in mind, I conclude that there is no similarity between the opponent's Class 16 goods and the services of the applicant.

Impact of the finding of no similarity upon the Section 5(2)(b) grounds

25) In assessing the impact of my finding that there is no similarity between any of the respective goods and services, I keep in mind the following guidance from the CJEU in *Waterford Wedgwood plc v OHIM* – C-398/07 P:

31. That global assessment of the likelihood of confusion implies some interdependence between the factors taken into account and, in particular, between the similarity of the trade marks and that of the goods or services concerned. Accordingly, a low degree of similarity between the goods or services covered may be offset by a high degree of similarity between the marks, and vice versa. The interdependence of those factors is expressly referred to in the 7th recital of Regulation No 40/94, according to which the concept of similarity is to be interpreted in relation to the likelihood of confusion, the assessment of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services designated (see, by way of analogy, *Canon*, paragraph 17, and *Lloyd Schuhfabrik Meyer*, paragraph 19).

[...]

34. However, the interdependence of those different factors does not mean that the complete lack of similarity can be fully offset by the strong distinctive character of the earlier trade mark. For the purposes of applying Article 8(1)(b) of Regulation No 40/94, even where one trade mark is identical to another with a particularly high distinctive character, it is still necessary to adduce evidence of similarity between the goods or services covered. In contrast to Article 8(5) of Regulation No 40/94, which expressly refers to the situation in which the goods or services are not similar, Article 8(1)(b) of Regulation No 40/94 provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar (see, by way of analogy, *Canon*, paragraph 22).

35. [...] Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood.

26) Taking these comments into account, it is clear that when there is a finding of no similarity between the respective goods and services, one of the prerequisite elements is missing and there can be no finding of likelihood of confusion. As a result of this, it follows that the grounds based upon Section 5(2)(b) must fail.

27) The above findings are not disturbed when considering the issue of “initial interest confusion” put forward by the opponent in its second written submissions. It cites the guidance of Arnold J in the High Court Judgment *Och-Ziff Management Europe Ltd and Oz Management LP v Och Capital LLP, Union Investment Management Ltd and Ochocki* [2010] EWHC 2599 (Ch). The circumstances considered in *Och-Ziff* and all the earlier cases discussed in that judgment are all based on the premise that the parties goods and services were

in competition with each other. That is not the case here. In fact, I have found that the respective goods and services are not even similar. Consequently, there is no “bait and switch” selling on the part of the applicant, as referred in *Whirlpool Corp v Kenwood Ltd* [2008] EWHC 1930 (Ch). I find that this places the opponent in no stronger a position than already assessed.

Section 5(4)(a)

28) Section 5(4) (a) reads as follows:

“5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark”.

29) The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponents’ goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents; and

(3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant’s misrepresentation.

30) The opponent pleads passing-off as based on the earlier sign being used in the UK since 1993 (this includes use of “MATLAB” alone, because “Embedded MATLAB” was not being used in the UK until 2007) and claiming that the applicant would have “traded on the notoriety of the earlier mark”.

31) The opponent's case based upon a claim of passing-off can potentially improve its position compared to the grounds based upon Section 5(2)(b) because there is no requirement that there is a common field of activity (*Harrods v Harrodian School* [1996] RPC 697 CA). However, the absence of a common field of activity can, nevertheless, still be highly relevant when considering damage and misrepresentation. In *Stringfellow v McCain* [1984] FSR 199, the court found that the burden of proving confusion and damage was a heavy one when there was no common field of activity.

32) The opponent's field of activity is restricted to computer and computer software goods and services, whereas the applicant's goods and services are restricted to building materials and the services of architects and designers. I have already decided that the words "design" and "designers" must be construed with reference to the context in which they appear in the applicant's specifications. They appear with the words "architects" and "architectural ... services". Consequently, I have found they do not refer to software design. As a result, it is clear that the opponent will not lose sales to the applicant.

33) The opponent relies on its submission that because of the potentially broad application of its goods and services, they may well be used by architects and designers, however, there is no evidence that this has occurred. Consequently, the respective fields of activity remain remote. I therefore find that there is no probability of deception or damage and the opposition based upon Section 5(4)(a) fails.

Section 5(3)

34) I turn to consider the ground for opposition under Section 5(3) of the Act which reads as follows:

"5.-(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

35) The scope of Section 5(3) has been considered in a number of cases notably *General Motors Corp v Yplon SA* (CHEVY) [1999] ETMR 122 and [2000] RPC 572, *Adidas Salomon AG v Fitnessworld Trading Ltd.* [2004] ETMR 10, *Premier Brands UK Limited v Typhoon Europe Limited* (TYPHOON) [2000] FSR 767, *Daimler Chrysler v Alavi* (MERC) [2001] RPC 42, C.A. *Sheimer (M) Sdn Bhd's*

TM Application (VISA) [2000] RPC 484, *Valucci Designs Ltd v IPC Magazines (LOADED)* O/455/00, *Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (Ch), *Electrocoin Automatics Limited and Coinworld Limited and others* [2005] FSR 7, *Davidoff & Cie SA v Gofkid Ltd (DAVIDOFF)* [2003] ETMR 42, *Intel Corporation Inc. v CPM United Kingdom Ltd (INTEL)* [2009] RPC 15, *L'Oreal v Bellure* [2010] RPC 1 and *Whirlpool Corp v Kenwood Limited* [2010] RPC 2.

36) The applicable legal principles arising from these cases are as follows:

- a) 'Reputation' for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *CHEVY*).
- b) Under this provision the similarity between the marks does not have to be such as to give rise to a likelihood of confusion between them; the provision may be invoked where there is sufficient similarity to cause the relevant public to establish a link between the earlier mark and the later mark or sign (*Adidas Salomon v Fitnessworld*, paragraphs 29-30).
- c) Whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case (*INTEL*).
- d) The fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link between the conflicting marks, within the meaning of *Adidas-Salomon and Adidas Benelux*. (*INTEL*)
- e) The stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it (per Neuberger J. in *Premier Brands*, and the CJEU in *CHEVY*, paragraph 30).
- f) Whether use of the later mark takes or would take unfair advantage of, or is or would be detrimental to, the distinctive character or the repute of the earlier mark, must be assessed globally, taking into account all factors relevant to the circumstances of the case (*INTEL*).
- g) Unfair advantage is taken of the distinctive character or the repute of the earlier trade mark where there is clear exploitation and free-riding on the coat-tails of a famous mark or an attempt to trade upon its reputation (*Spa Monopole v OHIM*).

h) The use of the later mark may be detrimental to the distinctive character of the earlier mark with a reputation even if that mark is not unique; a first use of the later mark may suffice to be detrimental to the distinctive character of the earlier mark; proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*INTEL*).

i) Taking unfair advantage of the distinctive character or repute of a mark relates not to detriment caused to the earlier mark but to the advantage taken by the third party. Such an advantage may be unfair even where the use is not detrimental to the distinctive character or to the repute of the mark (*L'Oreal v Bellure*). It is not sufficient to show that an advantage has been obtained. There must be an added factor of some kind for that advantage to be categorised as unfair (*Whirlpool Corp v Kenwood Limited*).

Reputation

37) 'Reputation' for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572). The same judgment went on to state:

"27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it."

38) The evidence illustrates that the opponent's turnover in the UK is in the region of £2.5 to £3.5 million a year, that it has many clients across the UK who have purchased its "Embedded MATLAB" and "MATLAB" products. Many of these clients are well known UK businesses. The "Embedded MATLAB" mark has been used in the UK since October 2007, some four and a half years use up to the relevant date. As a consequence of its business, its "Embedded MATLAB" product is discussed in the specialist press that covers the UK. Further, there is evidence that the opponent's mark is promoted through exhibitions and other events organised by the opponent.

39) Taking all of the above into account, I conclude that the opponent's mark enjoys a reputation, in its specialist markets.

The Link

40) Having established the existence and scope of a reputation, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *INTEL* that it is sufficient for the later trade mark to bring the earlier trade mark with a reputation to mind for the link, within the meaning of *Adidas-Salomon and Adidas Benelux*, to be established. The CJEU also set out the factors to take into account when considering if the necessary link exists:

“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *adidas and adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.”

41) Whilst it is clear that there is a good deal of similarity between the respective marks, I have found that there is no similarity between the respective goods and services. Further, the opponent's goods and services are targeted at specialist areas within businesses whereas the applicant's goods and services are aimed at consumers or businesses who are undertaking building and renovation projects. Therefore, there is no overlap in the relevant sections of the public. In light of there being no similarity of the respective goods and services, I have found that there is no likelihood of confusion, although I bear in mind that there need not be a likelihood of confusion for a link to be established.

42) The opponent's mark has a reputation, but the sales turnover figures are not large when considered in respect to the size of the market. Whilst, the opponent’s business is confined to a specialist area, it is clear that this specialist area can exist within many industries. Therefore, I must conclude that its potential market is very large and, in this context, the turnover is modest.

43) Taking all of this into account, I conclude that these factors combine to outweigh the factors pointing towards the public making a link between the marks, in particular, the close similarity between the “MATLAB” element of the opponent’s mark and the “Mat Lab” element of the applicant’s mark.

44) Therefore, I conclude that UK consumers will not link the marks if they are used in relation to, on the one hand, a developer of mathematical computing software, and on the other hand, tiles and building materials and services of architects and designers and exhibitions for architects and designers. Consequently, the opposition under Section 5(3) fails in its entirety.

Section 56

45) Finally, I also comment briefly upon the opponent’s claim to its mark being a well-known mark. Section 56 of the Act reads as follows:

“**56.** - (1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who-

(a) is a national of a Convention country, or

(b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country, whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section.”

46) In *Hotel Cipriani SRL et al v Cipriani (Grosvenor Street) Limited et al* [2008] EWHC 3032 (CH), Mr Justice Arnold commented that “Section 56 implements in domestic law Article 6*bis* of the Paris Convention and Article 16 of TRIPs. It provides a remedy for foreign traders whose marks are well known in the United Kingdom but do not own goodwill here.” With this comment in mind, I turn to consider the circumstances in these proceedings. I have already identified that the opponent enjoys a reputation in respect of development of mathematical computing software. However, there is no evidence that the opponent’s mark benefits from enhanced protection beyond this reputation by virtue of being a well known trade mark in the UK in respect of any other goods and services.

47) Therefore, in conclusion I find that there is no evidence to suggest that “Embedded MATLAB” is a mark that qualifies for protection as a well known mark under Section 56 of the Act. Even if this were the case, it would not improve the opponent’s position over the claims already assessed.

COSTS

48) The opposition having failed, the applicant is entitled to a contribution towards its costs. I take account of the fact that no hearing has taken place and that the opponent filed written submissions in lieu of attendance. I award costs on the following basis:

Considering Notice of Opposition and statement	£200
Statement of case in reply	£300
Preparing evidence and considering other side’s evidence	£1000
TOTAL	£1500

49) I order The Mathworks, Inc to pay H & R Johnson Tiles Limited the sum of £1500. 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 10th day of March 2014

**Mark Bryant
For the Registrar,
the Comptroller-General**