

**TRADE MARKS ACT 1938 (AS AMENDED)
AND TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 1521703 BY
COMTECH KOMMUNIKATIONSSYSTEME
VERWALTUNGSGESELLSCHAFT MBH
TO REGISTER THE MARK ESCOM IN CLASS 9**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 47795
BY ASCOM HOLDING AG**

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DECISION

20 On 19 December 1992 Escom Vertriebsgesellschaft mbH applied to register the mark ESCOM
in Class 9 for a specification of goods which reads:

“Computer hardware, computers, printers, monitors, parts and fittings for all the
aforesaid goods; diskettes.”

25 The application is numbered 1521703. At some stage there appears to have been an
assignment of the application to the current applicants. Nothing is said to turn on this point.

On 13 November 1997 Ascom Holding AG filed notice of opposition to this application. The
grounds are in summary:

30

(i) under Section 11 by reason of the opponents’ use of and reputation in the
marks ascom and ASCOM

35 (ii) under Section 12(1) by reason of the opponents’ registration of the mark
ascom in Class 9 (No. 1424334). Full details of the specification for this
registration are given later in this decision.

The opponents also ask for the application to be refused in the exercise of the Registrar’s
discretion or for an appropriate limitation of the specification to be applied.

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The applicants filed a counterstatement denying the above grounds.

Both sides ask for an award of costs in their favour. Only the opponents filed evidence.
Neither side has asked to be heard. Acting on behalf of the Registrar and after a careful study
of the papers I give this decision.

45

By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly all references in the later parts of this decision are references to the provisions of the old law.

Opponents' evidence

The opponents filed a statutory declaration by John Bromley, the Financial Director and Company Secretary of Ascom UK Holding Limited. He says he is authorised to make the declaration both on behalf of his own company and Ascom Holding AG (the opponents).

Mr Bromley exhibits

JB/1 - copies of the Ascom Group's Annual Reports for 1996 and 1997. He refers also to various UK trading subsidiaries

JB/2 - details of registration no. 1424334

JB/3 - leaflets illustrating some of the ascom/ASCOM products available in the UK

JB/4 - samples of company letterheads and invoices showing use of the mark

JB/5 - recent advertisements

JB/6 - material illustrating the sponsorship arrangements the company has with the English National Gymnastic Team and Renault cars

JB/7 - a print out of the opposed application along with comments on the respective marks and goods

Mr Bromley says that the ascom mark was adopted in 1987. Sales figures are quoted for the years 1993 to 1997. They are substantial sums but relate to periods after the material date. Reference is also made to promotional spending over the last six years but as Mr Bromley's declaration is dated 14 December 1998 it seems likely that little if any of this took place prior to the material date.

Ascom products are said to have been sold to customers throughout the United Kingdom. The customers include Sainsbury's supermarkets, Marks & Spencer, Midland Bank and British Telecom.

I will refer to other material contained in the evidence to the extent necessary in the decision which follows.

The matter falls to be decided under Sections 11 and 12 of the Act. These Sections read as follows:

“11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.

5
12 (1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

- 10
- a. the same goods
 - b. the same description of goods, or
 - 15 c. services or a description of services which are associated with those goods or goods of that description.”

The reference in Section 12 (1) to a near resemblance is clarified by Section 68(2B) of the Act which states that references in the Act to a near resemblance of marks are references to a
20 resemblance so near as to be likely to deceive or cause confusion.

The established tests for objections under these provisions are set down in Smith Hayden and Company Ltd’s application (Volume 1946 63 RPC 101) later adapted, in the case of Section 11, by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand,
25 these tests may be expressed as follows:-

(Under Section 11) Having regard to the user of the opponents’ marks, ASCOM or ASCOM, is the tribunal satisfied that the mark applied for, ESCOM, if used in a normal and fair manner in connection with any goods covered by the registration proposed will
30 not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

(Under Section 12) Assuming user by the opponents of their mark ASCOM in a normal and fair manner for any of the goods covered by the registration of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception amongst a substantial
35 number of persons if the applicants use their mark ESCOM normally and fairly in respect of any goods covered by their proposed registration?”

I will start with Section 12. For this purpose it will be convenient to set out the respective
40 specifications:

No. 1521703 (the applied for mark)

45 Computer hardware, computers, printers, monitors, parts and fittings for all the aforesaid goods; diskettes; all included in Class 9.

No. 1424334 (the opponents’ registration)

5 Telecommunication, measuring, electronics and precision engineering apparatus and
instruments; telephony, telegraphy, radio communication and data transmission apparatus
and instruments for automatic and manual switching and message switching for public and
private networks, concentrators; in-house communication apparatus and instruments, data
10 installations, local area networks, power supply apparatus and instruments; pulse code
modulation and carrier frequency apparatus and instruments for transmission via cable and
optical fibres, radio, microwave and satellite; antennas and antenna installations, modems,
corded and cordless telephones, private automatic branch exchanges, micro-cellular
apparatus and instruments, video phones and videotext terminals, telephone answering
15 apparatus, call charge meters, automatic wake up apparatus, alarm systems; alarm
management and centralised dictation apparatus and installations; radio paging
installations; electronic search apparatus for locating avalanche victims; public pay phones;
voice processing apparatus and instruments; integrated service digital network
installations, apparatus and adaptors; fixed and mobile radio apparatus and instruments
20 for voice and data transmission and transceivers; mobile telephones and cellular
installations and pertinent transceivers; teleprinters, facsimile machines, data terminal
apparatus, high frequency broadcasting apparatus and installations for tele-monitoring
and tele-metering; mail handling and monetics installations, apparatus and instruments, all
for use with word and data processing apparatus; data recording apparatus, billing and
25 accounting machines; franking and fee-stamping machines; letter folding and inserting
machines; postage scales, charge meters, letter opening machines; flexitime recording
installations; identification apparatus and instruments; tubular mail installations; cash
registers, data recording apparatus; automatic cash dispensers; teller assist units; apparatus
and instruments for measuring, recording and evaluating rotary revolutions, speed and
30 distance tachographs, tacho-meters for road and railway vehicles; traffic control and light
control apparatus and instruments; ticket vending, ticket cancelling and ticket office
dispensers; signalling and information display apparatus and instruments; apparatus and
instruments for electronic and micro-electronic relays; integrated circuits, sensors; printed
circuit boards; plug-in cards; communication routing apparatus and instruments; apparatus
35 and instruments for the monitoring of personnel; cash dispensing machines; electronic
apparatus for the control of car parking; apparatus for the control of tunnel lighting; axle
box counters and axle pulse generators, all for use in measuring distance and/or speed;
electronically controlled doors and locks; electronic apparatus for identifying and
responding to authorised entry of personnel; electronic mail handling and cash control
40 apparatus; word and data processing apparatus; all included in Class 9; but not including
sound reproduction apparatus, amplifiers, preamplifiers, tuners, tuner/preamplifiers,
speaker switches, compact disc players, remote control apparatus for sound reproduction
apparatus, AC line conditioners, passive input selectors; audio wires and cables; and not
including any goods of the same description as these excluded goods.

The established test in relation to comparison of goods is that set out in Jellinek's application
1946 RPC 59. Briefly, I must have regard to the nature, purpose and channels of trade of the
goods concerned.

45 It will be apparent that the opponents' specification covers a very broad range of goods. A large
proportion of them are in the telecommunications field though many other diverse applications
are covered by the items in the latter parts of the specification. Mr Bromley in his declaration says

that “..... many ‘ascom’ products incorporate computers (certain telephones, for example) or are used with computers (transmission and fax modems, for instance). Thus there are undeniable and practical links between the respective sets of goods and therefore, in my estimation at least, ample reason for fearing confusion.” I do not doubt that he is correct to say that a large number of the goods listed are computer operated or capable of being so. However, that does not in itself mean that the applicants’ computers (and related products) are goods of the same description. Two decisions of the Secretary of State’s tribunal have considered this issue.

In SIGMAGRAPH Trade Mark (0/36/89) the applicants were seeking to register the following specification: “Electrical and optical apparatus, all incorporating electronic scanning apparatus for recording photographic matter and for facilitating the assembly and composition of photographic matter for printed pages.” The hearing officer took the view that the goods “may consist essentially of a computer or a number of computers.” On that basis this application was said to face objection having regard to a registration of the word SIGMA for, inter alia, computers. In giving his decision in the appeal Robin Jacob QC (as he was then) referred to the earlier CYBERVISION case. The following extract from the decision deals with the relevant point.

“He [Counsel for the applicants] relied upon the decision of Mr Aldous QC in CYBERVISION (unreported 5 November 1984). In that case there was a prior registration including “computer apparatus” and the application covered “automatic machines incorporating computers for the assembly of components”. Mr Aldous held that the goods were not of the same description applying the “business and practical test” of Jellinek. He said:

“A computer can be used to store data for which it can be retrieved for many purposes whereas a computer controlled automatic machine for the assembly of components seems to me to be different in nature falling within the category of assembly machines which a computer does not.”

He went on to say:

“I cannot equate the way a computer works with the way a computer controlled machine for the assembly of components works. One stores and provides data whilst the other assembles components.”

Here Mr Morcom says that the devices of the application whilst they may include computing apparatus are not themselves computers. The machines use screens and inputs like computers but in practical terms he says the machines are image entering devices. I think that must be right. Doubtless customers will appreciate that the specialised devices of Dainippon contain computerising devices but it does not follow they would regard them as computers. Anyone wanting to buy a computer as such would not buy a Dainippon device of the kind covered by this application. I think that Mr Bauld fell into error when he said that those goods “consist essentially of a computer or a number of computers.” They include computers but their essence is what they do, namely scan images so that there may be assembly and composition of photographic matter for printed pages.”

On that basis I think I should be slow to find that the opponents' dedicated items of equipment (albeit that they may employ computing power) and the applicants' computer hardware are goods of the same description.

5 Even so particular care is needed in my view where some of the dedicated items of equipment are in the telecommunications field. Telecommunications and computing are or can be closely related. They are sometimes even spoken of as being converging technologies. By way of example of this interrelationship it could be argued that a modem whose purpose is to act as an interface or link between a computer and the telephone network has characteristics or points of similarity with
10 both sets of goods. On the other hand it would in my view be going too far to suggest that, say, telephone switching equipment or a private automatic branch exchange were goods of the same description as a computer simply because such items might rely on computing power for their operation. Suffice to say that, as always, each case must be considered on its merits.

15 In the circumstances of the case before me I have come to the view that I do not need to consider each and every item in the respective specifications as there are a number of both general and specific terms in the opponents' specification which must cover the same goods as the applicants seek to register (or at least goods of the same description). Thus "electronics apparatus and instruments" is of such indeterminate scope that it must include computer hardware. Other items
20 such as "data installations" and "local area networks" could be computer related items. Likewise the applicants' "monitors" and "printers" could be the same as, or goods of the same description as, the opponents' "data terminal apparatus" and "teleprinters" taking the words of the specifications at face value. "Data recording apparatus" and "word and data processing apparatus", in the absence of a more refined description or explanation of the intent behind the
25 terms, seem to me to be not inappropriate ways of describing a computer (in one of its uses). There are other items too such as "integrated circuits" and "printed circuit boards" which would be encompassed within the "parts and fittings" of the applicants' specification. In short I find that the same goods or goods of the same description are involved.

30 I go on to consider the marks themselves. The standard test in relation to comparison of marks is that propounded by Parker J in Pianotist Co's application (1906) 23 RPC 774. The relevant passage reads:-

35 "You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances,
40 you come to the conclusion that there will be a confusion - that is to say - not necessarily that one will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public, which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

45 The opponents' registration is the word ascom in lower case letters but that is not of particular significance given that normal and fair use of the mark applied for could include both upper and lower case use. The visual similarities between the marks are plain to see.

The respective marks differ in their initial letters. It is sometimes the case that a different initial letter, particularly in short words with strong initial consonants, can have a significant impact on the overall question of whether confusion is likely. However, where the initial letters are vowels, which can have less distinct sounds or be imperfectly articulated, greater importance attaches to the other elements of the words. Had the respective marks been dictionary words which people are used to distinguishing I might have been persuaded that confusion was unlikely. But that is not the case. Even allowing for the fact that the goods are unlikely to be purchased without some care and attention the applicants have not discharged the onus on them to satisfy me that there is no reasonable likelihood of confusion. The opposition, therefore, succeeds under Section 12.

My above finding effectively decides the matter. I do not propose to consider the Section 11 objection in depth. The Section 11 test requires me to focus on the opponents' user. Mr Bromley's evidence mainly deals with the position after the material date. The exhibits, insofar as they have any discernible date, suffer from the same problem. It would seem from the specification of their registration that they see their interests as spanning a very broad range of goods. In these circumstances it is all the more important to precisely identify the goods on which use could be claimed at the relevant date. In the absence of a properly substantiated case covering the period between 1987 (when the mark is said to have been adopted) and the material date of 19 December 1992 I do not think the opponents can succeed under Section 11.

As my finding under Section 12 has a mandatory consequence I do not need to consider the issue of an exercise of the Registrar's discretion.

The opponents have been successful and are entitled to a contribution towards their costs. I order the applicants to pay the opponents the sum of £535.

Dated this 13 day of January 2000

**M REYNOLDS
For the Registrar
the Comptroller General**