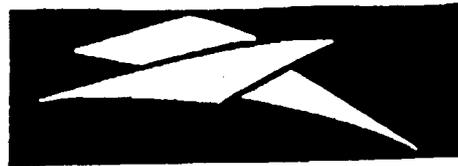


**IN THE MATTER OF Application No 2052547
by Le Shark Limited to register a trade mark
in Class 25**

**AND IN THE MATTER OF Opposition
thereto by Reebok International Limited**

Background

1. On 20 January 1996, Le Shark Limited applied for the registration of a series of two trade marks, which are shown below.



2. The application was made in Class 25 and the goods listed were "Articles of outer clothing".

3. On 3 September 1996, Reebok International Limited filed notice of opposition. The grounds of opposition (insofar as they were pursued before me) are:

- (a) Under Section 5(2) of the Act because the opponent is the proprietor of an earlier trade mark registered in Class 25 under No 1533511. The mark consists of a device which the opponent submits is similar to the applicant's marks.
- (b) Under Section 5(4)(a) of the Act because the opponent claims to own a goodwill in the UK under the device mark it has registered, and submits that use of the applicant's marks, at the relevant date, would have been liable to be prevented under the common law of passing off.
- (c) Under Section 3(6) of the Act because the applicant must have been aware of the opponent's mark at the date of application and the opponent submits that the degree of resemblance between the parties respective marks means that the applicant sought to register marks in respect of which it could not claim to be the proprietor.

4. The applicant denies the grounds of opposition. Both sides seek an award of costs.

5. The matter came to be heard on 17 November 1999 when the opponent was represented by Mr C Birss of Counsel, instructed by R.G.C. Jenkins & Co, and the

applicant was represented by Miss J Reid of Counsel, instructed by Markforce Associates.

6. At the hearing, Miss Reid indicated that the applicant wished to limit its specification of goods by adding an exclusion, "but not including footwear". Mr Birss conceded that he had no better case under Section 5(4)(a) than he did under Section 5(2). I need therefore only consider the grounds of opposition under Section 3(6) and 5(2).

7. Before I do so I will briefly summarise the evidence.

The Evidence

8. The opponent's evidence-in-chief takes the form of a Statutory Declaration dated 22 May 1997 by Barry Nagler, who is a Director of Reebok International Ltd. Mr Nagler says that his company uses and owns numerous registrations around the world for a device mark which he calls the 'stripecheck II design'. He says that the mark has been used on and in connection with footwear, clothing, headgear, bags, accessories, sporting goods and equipment, and related products. A copy of the device in question is included as Exhibit BN-2. The mark in question is reproduced below.



9. Mr Nagler explains that the 'stripecheck II design' is a development of an earlier mark used by the opponent which he refers to as the 'stripecheck design'. Mr Nagler says that his company has used the 'stripecheck design' trade mark continuously in respect of footwear since at least as early as December 1974. He says that the 'stripecheck II design' is registered in over 160 countries worldwide. The 'stripecheck II design' trade mark was introduced in 1994. Mr Nagler says that worldwide sales under the original 'stripecheck design' trade mark from 1986 through to 1993 were just under US \$8 billion. He says that from 1994 through to 1996 the approximate annual worldwide unit sales of his company's goods sold under the 'stripecheck II design' trade mark were as follows:

Approximate Annual Sales in pairs of shoes

Year	Number of Pairs
1994	25,000,000
1995	76,000,000

1996 74,000,000

Approximate Annual Sales in units of clothing, headgear, bags, accessories, sporting goods and equipment, and related products

Year	Number of Units
1994	4,500,000
1995	13,000,000
1996	17,500,000

10. Mr Nagler states that his company estimates that the footwear sold under the 'stripecheck design' trade mark and the 'stripecheck II design' trade mark represent up to 18% of the overall market for such footwear worldwide.

11. Mr Nagler says that the 'stripecheck II design' trade mark has been promoted by various means including, catalogues, brochures, advertisements in newspapers, magazines and other printed media, television, television advertisements, advertisements on the Internet, and sponsorship and promotion of sporting events etc. He says that advertising expenditure in the United Kingdom for the 'stripecheck II design' trade mark has increased annually. Annual expenses during 1994 through to 1996 are said to be as follows:

Year	Amount (US \$)
1994	5.746,000,000
1995	6.508,000,000
1996	7.720,000,000

12. Exhibit BN-6 to Mr Nagler's declaration consists of samples of advertising and promotional material showing the 'stripecheck II design' trade mark. The only "samples" which are clearly before the relevant and relate to the UK are a copy of an advertisement from the Financial Times dated 19 November '94 and an extract from a publication called 'Tennis' dated October 1994. The latter has a cover price in dollars, Canadian dollars and sterling. These publications show sportsmen and women wearing sports tops and shoes bearing the opponent's mark. It is not clear whether the use on sports tops is as a trade mark or as a promotional vehicle for other goods, such as shoes.

13. Mr Nagler says that the 'stripecheck II design' trade mark has received wide press attention in consumer and trade publications having a large international circulation. Exhibit BN-9 to Mr Nagler's declaration consists of copies of a considerable number of these articles. I have not been provided with a summary of contents detailing the names of the publications in question, details of where particular publications are said to be circulated, or the extent of the circulation of any of the publications in question. It is not possible to tell from the articles themselves whether the publications within which they appear are United Kingdom publications

or publications which have a circulation within the United Kingdom. Most of the articles seem to have appeared in American publications. The device mark in question, which Mr Nagler describes as the 'stripecheck II design', appears prominently in many of the articles in relation to sportswear and sporting equipment. The device is normally accompanied by the word mark Reebok.

14. Mr Nagler says that some of the world's best known athletes currently wear or have worn publicly and in competition footwear, clothing and headgear bearing the 'stripecheck II design' trade mark. Exhibit BN-11 to Mr Nagler's declaration consists of copies of photographs and articles about some of these athletes. Many of these articles are after the relevant date in these proceedings or are undated. However, a few, particularly those featuring the athlete Venus Williams are dated prior to the relevant date and do show the 'stripecheck II design' trade mark prominently on the athlete's clothing. However, again these seem to be articles from American publications.

15. Mr Nagler further states that the 'stripecheck II design' trade mark received worldwide attention in the period leading up to and including the 1996 Centennial Summer Olympic Games in Atlanta, Georgia, but this is after the relevant date.

16. Finally, Mr Nagler states that because of the use that has been made of it the 'stripecheck II design' trade mark, it is recognised as being a famous and well known trade mark. In support of this claim he exhibits an advertisement from the magazine "Trade Mark World" for a book entitled Famous and Well Known Marks and a brochure and order form promoting this book which he says shows the 'stripecheck II design' trade mark as a contemporary famous and well known mark. The order form in question does include a copy of the 'stripecheck II design' trade mark which appears below the opponent's word mark 'Reebok'.

17. Mr Nagler submitted a second Statutory Declaration dated 25 August 1996. In his second Declaration Mr Nagler says that the "UK turnover figures for the marks 'stripecheck design' and 'stripecheck II design' in respect of footwear, headgear, bags, accessories, sporting goods and equipment for the years 1993 to 1996" are as follows:

Year	Value (US \$)	Units
1993	107,892,720	Unknown
1994	207,212,450	14,808,000
1995	227,116,840	11,644,000
1996	296,951,270	17,119,000

18. The applicant's evidence consists of a Statutory Declaration dated 27 February 1998 by Tobi Cohen, who is the Managing Director of Le Shark Ltd. Mr Cohen states that:-

"My company devised the trade mark the subject of application No 2052547 in late 1995

(hereinafter referred to as the mark). The mark was designed to represent in a modern way, a shark breaking through a level of sea. My company saw the mark as a natural compliment to our existing "family of shark" trade marks, essentially an updated 'shark' logo."

19. Exhibit TC-2 to Mr Cohen's declaration consists of a computer generated printout showing six other trade marks registered in the United Kingdom in the name of the applicant. All six registrations include a representation of a shark. All are relatively lifelike representations of a shark.

20. Mr Cohen continues to give details of a pre-filing search conducted on the applicant's behalf. He notes that this search did not reveal details of the opponent's registrations. I do not consider that this assists me one way or the other.

21. Mr Cohen says that his company has used the mark applied for since December 1996 in relation to cotton sweatshirts and polo shirts for men and boys. Exhibits TC-4 and TC-5 consist of a number of sketches of goods bearing the mark and a sample shirt. Mr Cohen says that the turnover figure for goods sold under the mark for the year 1997 was £106,054.

22. The opponent filed evidence in reply. This takes the form of two Statutory Declarations dated 2 June 1998 by Ian Wilkes, who is a trade mark attorney employed by R.G.C. Jenkins & Co (the opponent's trade mark agents). Mr Wilkes' first Declaration seeks to rebut the evidence of Tobi Cohen with regard to the pre-filing search conducted on behalf of the opponent. As I have already indicated, I do not find this aspect of Mr Cohen's evidence of any assistance. I do not therefore intend to say any more about Mr Wilkes' evidence in response.

23. Mr Wilkes' second declaration gives details of an informal survey, arranged by Mr Wilkes, intended to test the reaction of Mr Wilkes' friends and friends of his colleagues, to the applicant's trade mark. Ms Reid objected to the admission of Mr Wilkes' second declaration on the grounds that it consisted of hearsay which was excluded on the basis of the Registrar's practice, as set out in 1995 RPC page 381.

24. This Practice Direction was issued following the decision of the High Court in ST TRUDO Trade mark (1995 RPC page 370), where it was held that the Civil Evidence Act 1968 applied to the Registrar's tribunal. The Civil Evidence Act 1968 has subsequently been repealed by the Civil Evidence Act 1995. However, it is common ground that the 1968 Act continues to apply to these proceedings because they were started before the new Act came into force on 31 January 1997.

25. Paragraph 2 of the Registrar's Practice Direction states that:-

Where evidence is given before the Comptroller by way of Affidavit or Statutory Declaration that opponent is required to identify any facts which are not within his personal knowledge, to identify the source of the information to which he deposes and his grounds for pleading that the information is true. Any part of an Affidavit or Statutory Declaration which appears to the Comptroller to relate to matters not within the deponents personal knowledge and which does not comply with this requirement, will not be admitted in evidence and no account will be taken of it by the Comptroller.

26. It is not clear from Mr Wilkes' evidence whether he conducted the interviews which resulted in the completed questionnaires. It appears that his colleagues may have conducted some of the interviews. Mr Wilkes states that the interviewees were shown the questionnaire prepared by him and that no further information or comments were given to those being interviewed. It is difficult to see how Mr Wilkes can give such evidence if he did not conduct all the interviews in question. After hearing submissions from Ms Reid and Mr Birss, I decided that this evidence should not be admitted into these proceedings. In failing to identify himself as the person who conducted the interviews in question, Mr Wilkes has failed to bring his evidence under the heading of "first-hand hearsay". He has not provided any alternative basis for pleading that the survey was conducted fairly or that the results are true. It is therefore inadmissible.

27. Mr Birss submitted that I should nevertheless admit the evidence in the exercise of the Comptroller's discretionary power under Section 8(3)(a) of the Civil Evidence Act 1968. However, it appeared to me that there were further problems with the survey evidence, particularly the small size of the sample, which would preclude me from giving the results any significant weight. Even if the Comptroller has the power under Section 8(3)(a) of the 1968 Act to admit more remote hearsay evidence, I did not consider that it would be right to exercise such a power in these circumstances.

Decision

28. I will deal with the opposition under Section 5(2) first.

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

(a)

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

29. The opponent's mark is registered with effect from 21 April 1993 in respect of:-

Footwear; t-shirts, shirts, sweatshirts, sweaters, jackets, hats, visors, socks, sweatpants, pants, shorts, skirts, unitards and leotards; all included in Class 25.

30. With the exception of footwear, socks, unitards and leotards, these are all items of outerclothing that fall within the applicant's revised specification. There can be no doubt that the respective goods are identical.

31. The respective marks are re-produced below.

Applicant's marks



Opponent's mark



32. The opponent's mark is clearly not identical to either of the applicant's marks . The matter therefore turns on whether the marks are similar enough to give rise to a likelihood of confusion.

33. Counsel drew my attention to the guidance provided by the European Court of Justice in *Sabel BV v Puma AG* (1998 RPC 199 at 224) and *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV* (1999 ETMR 690 at 698).

34. It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the visual, aural and conceptual similarities of the marks must be based upon the overall impressions created by the marks bearing in mind their distinctive and dominant components;
- (c) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;
- (d) the matter must be judged through the eyes of the average consumer, who normally perceives a mark as a whole and does not proceed to analyse its various details;
- (e) 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.

35. Mr Birss submitted that the respective marks created a similar overall impression He suggested a "dynamic crossed curving triangle". For her part, Ms Reid argued that the applicant's mark brought to mind a shark breaking water, whereas the opponent's mark was reminiscent of a curving roadway. Ms Reid pointed out that there was no evidence of confusion despite the fact that both marks are claimed to have been used.

36. I do not consider that the last point assists. The evidence shows that both parties generally use their device marks in combination with word marks - Le Shark and Reebok respectively. Such use is of no assistance in assessing the likelihood of confusion if the device marks were used alone. In any event, the applicant's claimed use is small and mostly after the relevant date.

37. Considered alone, both the applicant's marks and the opponent's mark strike me as abstract geometric shapes. That is how I believe the "average consumer" will take them.

38. I do not therefore consider that aural or conceptual similarity have any part to play in this comparison. These are purely visual marks. There are differences between the marks which can clearly be seen from placing them side by side. Nevertheless, they create a similar overall impression. In this respect I believe that paragraph 26 of the ECJ's decision in *Lloyd Schufabrik* (at page 198) is of assistance. It is re-produced below.

"26. For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, *Case C-210/96 Gut Springenheide and Tusky* [1968] E.C.R.I-4657, paragraph 31). However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be borne in mind that the average consumer's level of attention is likely to vary accordingly to the category of goods or services in question."

39. In my view, the respective marks create a sufficiently similar overall impression that there exists a likelihood that the average consumer, encountering the marks on different occasions, is likely to mistake the applicant's marks for the opponent's mark.

40. I have come to this conclusion without having to consider the opponent's claim that its mark has a particularly distinctive character because of the extensive use made of it. Its inherent distinctive character is sufficient to provide the basis for the above conclusions. The opposition under Section 5(2)(b) succeeds.

41. The opposition under Section 3(6) fails. Mr Cohen has given evidence that the applicant's mark was designed to represent a shark breaking through water. The opponent has not sought to cross examine Mr Cohen on his evidence, which is perfectly plausible given the applicant's name. There is no evidence to support the opponent's assertion that the marks were adopted to capture the distinctive character of the opponent's mark with the result that the applicant cannot claim to be the proprietor. The onus under s3(6) is on the opponent. It has not discharged it.

42. The opposition has succeeded and the opponent is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1100.

Dated this 18 Day of January 2000

**Allan James
For the Registrar
The Comptroller General**