

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2159576
BY MERIDIAN (LUTON) LIMITED
TO REGISTER THE TRADE MARK:**

ATOMIC

IN CLASS 28

AND

**THE OPPOSITION THERETO
UNDER No 51355
BY ATOMIC AUSTRIA GMBH
BASED UPON THE EARLIER TRADE MARK:**

ATOMIC

**Trade Marks Act 1994
in the matter of application no 2159576
by Meridian (Luton) Limited
to register the trade mark:
ATOMIC
in class 28
and the opposition thereto under no 51355
by Atomic Austria GmbH**

BACKGROUND

1) On 27 February 1998 (the relevant date) Meridian Golf Limited applied to register the trade mark **ATOMIC**. The application was assigned to Meridian (Luton) Limited (Meridian) on 2 November 1998, the assignment being published in the “Trade Marks Journal” on 27 January 1999. The application was published for opposition purposes in the “Trade Marks Journal” on 31 May 2000 with the following specification:

golf clubs

The above goods are in class 28 of the International Classification of Goods and Services.

2) On 30 August 2000 Atomic Austria GmbH (AA) filed a notice of opposition to this application.

3) AA is the owner of United Kingdom trade mark registration no 1025868 for the trade mark **ATOMIC** which is registered for:

skis, ski-bobs, toboggans (not-motorised) for sport, ski-sticks; bags and cases, all adapted for use with any of the aforesaid goods

These goods are in class 28 of the International Classification of Goods and Services. The application for the registration was filed on 1 March 1974. It is currently registered.

4) AA states that the respective trade marks are identical and that the goods of its registration are similar to the goods of the application. As a result there is a likelihood of confusion and registration of the application would be contrary to section 5(2)(a) of the Trade Marks Act 1994 (the Act).

5) AA holds that the respective goods are similar but in the event that this is found not to be the case it submits that registration of the application would be contrary to section 5(3) of the Act. AA states that the respective trade marks are identical. It states that its trade mark has a reputation in the United Kingdom and that use of Meridian’s trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of its earlier trade mark.

6) AA states that registration of Meridian’s trade mark would be contrary to section 5(4)(a) of the Act as Meridian’s use of the trade mark **ATOMIC** is liable to be prevented by virtue of an earlier right, in particular the law of passing-off.

7) AA states that the trade mark ATOMIC has been used in the United Kingdom since 1978. Ski poles, ski boots, ski clothing and ski bags have been sold in the United Kingdom since 1996. AA states that such goods have also been available in ski resorts frequented by United Kingdom tourists for many years. It states that use in the United Kingdom and abroad has been extensive and continuous since the dates of first use.

8) AA requests that the application is refused and seeks an award of costs.

9) Meridian filed a counterstatement. It denied that the respective goods are similar and denied all the grounds of opposition.

10) Meridian requests that the opposition is dismissed and also seeks an award of costs.

11) Only AA filed evidence.

12) After the completion of the evidence rounds I advised the two sides that I believed a decision could be made without a hearing. However, both sides were advised that they retained their right to a hearing. Neither side requested a hearing so I will make a decision after a careful study of the papers. Neither side has made written submissions.

EVIDENCE OF AA

Declaration of Josef Neureiter

13) Mr Neureiter is the export manager of AA.

14) Mr Neureiter states that AA is one of the top three European manufacturers of skis and ski equipment. He states that skis and ski equipment bearing the trade mark ATOMIC have been on the market in the United Kingdom since 1978.

15) Mr Neureiter gives the following turnover figures for goods sold under the ATOMIC trade mark in the United Kingdom:

1994	£52,762
1995	£26,589
1996	£33,805
1997	£103,072

He does not state if this represents retail or wholesale value. Mr Neureiter states that it must be borne in mind that the above figures do not cover the rentals of skis and ski equipment by United Kingdom citizens whilst outside the United Kingdom. He states that nevertheless these figures place AA regularly among the top five manufacturers of skis sold in the United Kingdom. Mr Neureiter exhibits various invoices and a report dated April 2001. The report is entitled "The UK Ski Market Brand and Sales Analysis for Atomic" and was prepared by Profile Sports Marketing Consultancy.

16) The invoices are from 1995 to 1997.

17) The report is divided into six sections:

- ski equipment – brand awareness –skis
- ski equipment – brand ownership –skis
- ski equipment – brands considered –skis
- ski equipment – brands considered in the future–skis
- United Kingdom ski sales by brand volume 1987-1994
- United Kingdom ski sales by brand volume 1995-2000

18) Ski equipment – brand awareness –skis. The report states that there is 89% brand awareness of ATOMIC which places it at the top of this category. However, the report does not tell me what is meant by brand awareness.

19) Ski equipment – brand ownership –skis. The report shows ATOMIC in joint third place with 13% of the market. The top two brands have 38% and 27% of the market.

20) Ski equipment – brands considered –skis. The report shows ATOMIC being in joint third place with 19%. The top two brands have 26% and 20%.

21) Ski equipment – brands considered in the future –skis. The report shows ATOMIC in third place with 33%. The top two brands have 41% and 35%.

22) The above information is replete with problems. It is all derived from the SIGB Skiing Survey of 1990. The position of 1990 does not tell me the position at the relevant date. More importantly all this information is hearsay. It is not directly from the compiler of the report. I am not even told what the SIGB Skiing Survey was and for whom it was conducted. There is no indication of methodology or sample size. Certainly no supporting documentation such as completed questionnaires. Taking all these factors into account I consider that this area of the survey can be given very little weight. I certainly cannot rely on it for the brand awareness of ATOMIC in 1990 let alone at the relevant date. It will be seen below that 1990/1991 was very much the high point of ATOMIC sales and so 1990 was certainly atypical as far as the years following are concerned.

23) The information for the last two areas of the report derive from the compiler. The figures therein have not been challenged and although clearly rounded are not open to the same problems as the survey evidence. I consider it reasonable to accept them at their face value. The figures are as follows:

	87/88	88/89	89/90	90/91	91/92	92/93	93/94
Atomic	5000	7000	7000	4500	3500	1700	300
Blizzard	8000	6000	1500	750	550	200	200
Dynamic	2500	3500	3500	1550	1000	500	0
Dynastar	17000	14000	11500	9500	8700	7500	2000
Elan	0	1000	2500	1000	950	300	200
Fischer	3500	4500	6000	4500	4000	2500	1600
Head	8000	9000	6500	4000	3500	3000	2300
K2	2000	5000	5500	4500	4500	3500	3300
Kastle	4000	4000	3500	2000	500	2000	4750
Rossignol	15000	12500	9500	1800	3500	2100	6000
Salomon	0	0	0	1400	2000	4500	5750
Volkl	1000	3000	3500	2000	1750	1400	1000
Total	66000	69500	60500	37500	34450	29200	27400

	94/95	95/96	96/97	97/98	98/99	99/00
Atomic	1400	1200	1000	1000	1500	3500
Blizzard	200	0	200	250	200	250
Dynamic	0	0	0	0	0	0
Dynastar	3250	2000	800	500	500	500
Elan	0	0	0	0	0	0
Fischer	2300	2700	3000	3500	3250	2500
Head	3250	3400	3500	4000	3500	3500
K2	2800	2500	1850	1500	1700	2000
Kastle	7000	1000	0	0	0	0
Rossignol	5000	5650	5200	5000	5800	6500
Salomon	6500	6000	5800	5300	7250	8500
Volkl	1400	1000	850	500	1000	1500
Total	33100	25450	22200	21550	24700	28750

The figures for 98/99 and 99/00 are after the relevant date and so I do not take them into account. The 97/98 figure might encompass a period after the relevant date and so cannot be taken fully into account but are of use as being indicative of market share.

24) The report also states that the figures do not include rental sales. If these were included the total figure would be about 10% higher. I do not know what rental sales means, on the surface it would appear an oxymoron. However, as all the figures, I presume, would be increased by 10% it would not have a great effect as the point of showing the various brands and the total figure is to gain an idea of the relative market share of ATOMIC.

25) The report does not indicate if there are other brands in the market place in the United Kingdom. I have inferred from the title of the charts and the explanatory note that if there are

other brands in the market place that they are de minimis. I have taken the total figures as being the total for sales of skis within the United Kingdom.

26) It can be seen from the above figures that from its high point of around 12% of market share in 90/91 the ATOMIC brand fell quite rapidly. It was 10% the following year, 5.8% the next year and then dipped to an all time low of 1%. From 93/94 to 97/98 it has been 4.2%, 4.7%, 4.5% and 4.6% respectively. It can be seen that in terms of position in relation to the other brands for market share ATOMIC again reached its high point in 90/91 and then suffered a substantial drop. In 96/97, assuming that the zero figures mean that the brands were not in the market, ATOMIC was sixth out of nine.

27) Mr Neureiter states that there have been direct sales through Wilson Sporting Goods. He states that ATOMIC goods can be obtained from most recognised winter sports retailers. Mr Neureiter states that there are forty five ATOMIC retailers in the United Kingdom. He states, "Obviously these stores all stock other sporting equipment, clothing and accessories." This is certainly not obvious to me. As Wilson are the sales agents for ATOMIC in the United Kingdom it is not even obvious how Mr Neureiter would know this. He has not substantiated his assertion with evidence or detail.

28) Mr Neureiter states that marketing of products bearing the trade mark ATOMIC takes place by way of advertisements, in particular on the back of winter holiday brochures and in-store promotions. Mr Neureiter also states that AA has a website. He exhibits brochures for ATOMIC for the years 94/95 to 98/99 inclusive.

29) Mr Neureiter states that AA is a member of the Austrian Ski Pool. However, he does not state when it became a member and the supporting exhibit was downloaded in 2001. Consequently, this information does not tell me what the position was at the relevant date.

30) Mr Neureiter states that he is aware of the current trend in sports equipment manufacturers of moving away from specialising in producing goods relating to one sport and towards a more general approach to the provision of all sporting goods. He states that this had led to a number of well known brands being used for both winter sports golf equipment and golf equipment. Mr Neureiter exhibits various printouts from the Internet to substantiate his contention. The usual problem arises from them in that they emanate from 2001 and so well after the relevant date. If they do show what he alleges do they show what was the position in 1998? Trends in branding and marketing can rise, and fall, very rapidly.

31) The printout relating to Reebok deals with clothing and shoes. I do not see that this is on a par with the actual sporting equipment. The Adidas printout relates to golf and skiing equipment. However, the goods are sold under different trade marks: TaylorMade and Salomon. So it does not show use of the same trade mark for such goods. The printout for Oakley relates to eyewear and in particular sunglasses. I do not see that there is a parallel with the goods involved in this case. A Nike printout shows use on sports clothing and footwear and a golf ball, the latter would appear to be a recent innovation. Again there seems no close parallel with the issues in this case. The printout from Fischer relates to skis and the cross-over with the aerospace industry. I do not see any parallel with this case. A printout from Head shows references to tennis, squash, racquetball, skiing, snowboarding and tyrolia. However, all these are are thumbnail pictures. There is nothing to tell me what exactly is Head's involvement in these sports. I don't know if it is a manufacturer of clothing for the pastimes or equipment or both. So the printout tells me little useful. A further printout from

Nike tells me nothing specific about the product range. A printout from Tim Jenkins Golf shows Nike being used for golf bags. Finally there is a printout from Wilson Sporting Goods. This includes other trade marks such as ATOMIC. The trade mark Wilson can be seen on several types of ball but nothing else. It could also be that it is used on a shuttlecock and a sports shoe but the printout is not clear enough to be seen.

32) All in all the exhibits referred to in paragraph 31 do not, in my view, substantiate the claims of Mr Neureiter referred to in paragraph 30. The best that can be said is that sports clothing manufacturers seem to make clothing for various sports, not something that is particularly surprising. As far as equipment goes there would seem to be a demarcation by trade mark as for instance Adidas using TaylorMade and Salomon for different sports. The Head printout is too elliptical to tell me anything useful.

33) Mr Neureiter goes on to make various assertions and submissions. I do not consider that I need to comment upon them. However, I note that he states the following:

“Many winter sports companies seek alternative sports to balance out their activities in the summer. For this golf is an obvious alternative.”

Despite his assertion that this is obvious and common he gives no evidence as to the use of the same trade mark on, to take the example of this case, golf clubs and skis. The issue before me is that of common use of trade marks. It is not the issue of whether a large company such as Adidas own several trade marks which are used on products for different sports.

Witness statement of Christopher John Bloor

34) Mr Bloor is the sales manager for Wilson Sporting Goods Co Limited. Mr Bloor states that this company and AA are both owned by The Amer Corporation. He states that he handles the sales, marketing, distribution and administration for AA in the United Kingdom. He states that skis and ski equipment bearing the trade mark ATOMIC has been on the market in the United Kingdom since 1978 and that the goods are currently available throughout the United Kingdom at forty five retail outlets. He exhibits a list of the retail outlets which emanates from 2 May 2001, more than three years after the relevant date.

35) Mr Bloor states that sales of ATOMIC products have increased “in the last few years” owing to the increased interest and affordability of skiing holidays and dry-slope skiing. He states that sales in 2000 were approximately £440,000 and turnover for 2001 is anticipated to be between £650,000 and £700,000. Both figures relate to periods after the relevant date and the latter figure is an estimate.

36) Mr Bloor comments on the promotion of ATOMIC goods. However, the figure he gives and the examples he exhibits all emanate from after the relevant date. He gives no details and furnishes no exhibits for periods prior to the relevant date.

37) Mr Bloor states that Wilson Sporting Goods Co Limited attends the Soltex Trade Show in Manchester and gives demonstrations at twenty-five dry slope centres and to the trade. He states that Wilson Sporting Goods Co Limited employs three full time sales personnel, including himself, to travel the United Kingdom promoting ATOMIC goods. Mr Bloor does not indicate how much of the time of the sales personnel of Wilson Sporting Goods Co Limited is spent promoting ATOMIC goods and how much to the other goods of Wilson

Sporting Goods Co Limited and The Amer Corporation. Mr Bloor states that Wilson Sporting Goods Co Limited distributes various point of sales literature, including a product and registration mini CD with all skis sold. He exhibits a copy of this CD which bears a copyright date of 2001, after the relevant date.

38) The rest of Mr Bloor's evidence is submission rather than evidence and I will say no more about it.

Witness statement of Eddie May

39) Mr May is the marketing manager of Umbro International Limited. Mr May states that in 2001 Umbro devised an advertising campaign to underline the fact that it only produces football products. He exhibits examples of the advertisements. He states that the campaign was to highlight that Umbro, unlike most sporting goods producers, specialises in one sport only, football. He states that Umbro see this as a valuable point of difference in the sports market.

40) He states that due to his position in the sports market he is aware that most sports goods producers sell goods for many sports.

Witness statement of Konrad Bartelski

41) Mr Bartelski represented Great Britain as a downhill racer in the 1980s. He is still involved in the sport as writer, commentator and chairman of selectors for the British Olympic and World Cup teams.

42) Mr Bartelski states that in the early 1990s he was a distributor of winter sports goods, in particular skis, bearing the trade mark ATOMIC produced by the predecessors to AA. He states that he attended sporting goods' exhibitions. He states that exhibitors included manufacturers of goods for all sporting activities, including golf and skiing. He states that in particular the company Head springs to mind as an example of a company which produces goods for both the golf and skiing markets.

43) Mr Bartelski states that the trade mark ATOMIC has been used to sponsor skiers since the 1960s, including himself in the 1980s. He exhibits a poster illustrating this sponsorship.

44) Mr Bartelski goes on to make various comments which can best be described as submissions rather than evidence of fact. Mr Bartelski states that golfing and skiing goods are advertised and promoted in the same way to the same sector of the public and are also on sale in the same outlets. The sole evidence he puts forward for this is an article from "The Observer" of 3 December 2000 in which he is quoted. The article is about skiing in decline. I cannot draw the same conclusion from the article as Mr Bartelski. He is quoted as saying:

"Nowadays the skis just spin round and little speed is lost. The jumps have been cut down further, but an element of the challenge goes. It was strange, looking down from the Kitzbehel start this year. In 12 years of racing I used to think – I wish I'd been a golf professional. This time I've felt like having a crack at it."

This is the part of the article upon which Mr Bartelski bases his claim. I find this tenuous in the extreme. The only other reference to golf in the article is the description of Franz Klammer where it is stated:

“Klammer is a regular visitor to Britain, recently as an ambassador for his home province of Carinthia as it seeks more British visitors for its ski slopes and golf courses.”

First statutory declaration of Alison Jane Cole

45) Ms Cole describes herself as a fee earner in the firm of Urquhart-Dykes and Lord, the trade mark attorneys for AA.

46) Ms Cole carried out Internet searches using the words “golf” and “skiing”. She exhibits various printouts in relation to this search. All of the printouts bear the date of 20 November 2001. The first exhibit is a printout of hits from a Google search. The printout indicates that there were 73,100 hits. I give an example of the details of the first two hits:

“Ski Barrett Boyce – summer holidays in the Alps – golf....
....activities from golf to mountain biking, sightseeing to tennis plus the Megève Jazz festival, for you to enjoy. For full details of our skiing and summer.....”

“Football, tennis, golf, skiing, sailing, surfing t-shirts and....
....and sweatshirts, nightshirts, cushions, car sun screens tote bags and tea towels. The range currently includes football, tennis, golf, skiing and sailing....”

47) There is a printout from the website of holiday-rental.com. This relates to “Vancouver Island beachfront house near golf and skiing”. Amongst other things the printout states;

“This is a blessed land. Spectacular views of snow-capped mountains in winter with skiing just one hour away. Summer offers a healthy sun and a vast array of activities – swimming, kayaking, rafting, hiking, fishing, whale watching and more.”

48) There is a printout from ifyougolf.com which is described as an ifyoutravel site. The printout relates to the playing of mountain golf. The article advises that the courses begin to close around October/November and grass does not reappear until April. The references to skiing are: “Disobey these and you could be skiing through the golf course, not driving with a 3 wood.” “That’s not to say there’s anything wrong with skiing, snowboarding, ice-climbing or anything else that involves snow and danger, but you’ll struggle to hit a golf ball”.

49) There is a printout from Simon Butler skiing. The details relate to the Megève region and advise of various activities in addition to skiing that take place there ie golf, walking, mountain biking, white water rafting, rock climbing, mountaineering, paragliding, horse riding, tennis and clay pigeon shooting.

50) There is a printout from Ski Barrett-Boyce. This advises that skiing holidays are offered and that during the summer months there are a wide range of activities available in the

Megève region. Activities that are offered are golf, mountain biking, sightseeing, tennis and the Megève jazz festival.

51) There is a printout from gore-tex.co.uk which deals with Gore-tex products for golf. The only reference to skiing is simply the word at the top of the page – presumably to be clicked upon.

52) There is a printout from teezz.co.uk which puts sports designs on products such as t-shirts, tea towels and bags. The designs show various activities including tennis, skiing, snow boarding, football, golf, white water rafting and sailing.

53) There is a printout of various prints of pictures by John Ironmonger. These show golfers, skiers, snowboarders and rugby players.

54) There is a printout from financewarehouse.co.uk which shows various forms of travel insurance. The reference for Insure and Go refers to “special rates for business trips, golf, skiing, dangerous sports and all your vacation needs”. There are also pages from GolfAgent Golfer’s Insurance Scheme annual holiday travel. This advises that the insurance covers golfing and other holidays. Included in the cover is piste closure and avalanche.

55) Finally there is a printout from bulb.ac.uk which is headed “20 things you need to know about skiing”. This is a satirical article about skiing. The sole reference to golf is as follows:

“Skiing is one of the few sports where men and women take part in similar numbers. This is mainly because, along with golf, it is not in fact a sport but a piece of middle-class posing. Whereas women are not quite daft enough to play golf, they are lured into skiing by the lycra, fur and the colours of the fashion gear.”

Second statutory declaration of Alison Jane Cole

56) Ms Cole’s second declaration comments upon the approaches she has made to third parties for evidence to support AA’s opposition. I have commented upon this evidence where it has been furnished eg by Mr May. Further evidence has been supplied by Mr Toshi Mizuno, which I refer to below.

Witness statement of Mr Toshi Mizuno

57) Mr Mizuno is the deputy general manager of Mizuno Corporation (UK). Mr Mizuno states that the trade mark Mizuno is registered worldwide and is used by Mizuno Corporation (UK) as part of the Mizuno Corporation. He states that the Mizuno Corporation is a global producer of a diverse range of sporting activities (sic). He states that in the United Kingdom it is probably best known for golfing equipment.

58) He states that it is his opinion that any sporting equipment or clothing bearing the word MIZUNO would be perceived by the public as being items produced by Mizuno Corporation and he states that any golf clubs bearing the name ATOMIC would be perceived as being produced by AA.

59) Mr Mizuno does not explain on what basis he makes these claims on behalf of the public.

DECISION

Section 5(2)(a) objection – likelihood of confusion

60) According to section 5(2)(a) of the Act a trade mark shall not be registered if because

“it is identical with an earlier trade mark and is to be registered for goods or services 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.”

Section 6(1)(a) of the Act defines an earlier trade mark as:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks”

61) AA’s trade mark registration no 1025868 is an earlier trade mark within the meaning of the Act.

62) In determining the question under section 5(2)(a), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

63) The trade marks of Meridian and AA are both ATOMIC, they are identical and so the first requirement of section 5(2)(a) is met.

Comparison of goods

64) The goods of AA’s registration are *skis, ski-bobs, toboggans (not-motorised) for sport, ski-sticks; bags and cases, all adapted for use with any of the aforesaid goods*. The goods of the application are: *golf clubs*.

65) The European Court of Justice held in *Canon*, in relation to the assessment of the similarity of goods, that the following factors, amongst other things, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

66) The goods of the earlier registration are for skiing, ski-bobbing and tobogganing. The goods of the application are *golf clubs*. One would not substitute one set of goods for the other, they are not alternatives, consequently they are not in competition with one another. The respective goods are neither mutually dependent nor do they have a symbiotic relationship. So I cannot see how they are complementary. The end user of one set of goods is a golfer and the other a winter sports practitioner. It might be that a skier also plays golf but in the context of the comparison of goods this does not make him the same end user, the end user is defined by the use. The golfer cum skier also might drive a car, this does not bring about cars having the same end user as golf clubs. The nature and design of the respective products are very different. Mr Neureiter, as I noted above, comments that the goods of AA

are sold directly or through winter sports goods retailers. The names of the retailers that Mr Bloor exhibits indicate that many of them are winter sports specialists. There is no indication that any of them are general sports retailers. Even if a major emporium sold skis and golfing equipment it would seem unlikely that they would be sold in the same sales area. I consider that the respective goods would not have the same point of sale.

67) Other than that the respective goods are for sporting purposes there is no connection between them. **I find that the respective goods are not similar.**

Conclusion

68) For me to find that there is a likelihood of confusion trade marks have to be similar. This is what the Act states and it is what is pointed out in *Sabel*:

“it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if by reason of the identity or similarity both of the marks and of the goods or services which they designate, “there exists a likelihood of confusion on the part of the public”.”

69) The identity of the respective signs, the distinctiveness of the earlier trade mark (if any), the reputation of the earlier trade mark (if any) cannot turn the dissimilar into the similar. **In the absence of a similarity of goods the opposition under this ground must be dismissed.**

Section 5(3) objection

70) Section 5(3) of the Act states:

“A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

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, 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.”

71) The European Court of Justice stated in *General Motors Corporation v Yplon SA Case C-375/97* [2000] RPC 572 (*Chevy*):

“Article 5(2) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks is to be interpreted as meaning that, in order to enjoy protection extending to non-similar products or services, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the Benelux territory, it is sufficient for the registered trade mark to be known by a significant part of the public concerned in a substantial part of

that territory, which part may consist of a part of one of the countries composing that territory.”

72) The court also stated the following:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant factors 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.”

“The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.”

73) I have already decided that the respective trade marks are identical and that the respective goods are dissimilar. Hence the first two criteria of this section of the Act are satisfied.

74) AA needs to show that it enjoys a reputation as defined by the European Court of Justice in *Chevy*. As I have indicated above there are various failings in the evidence. The issue very much rests on the evidence of Mr Neureiter, this is the factual evidence which covers the relevant date. My finding on this issue rests, I believe, on the nature of the market for the goods of AA. The evidence of AA revolves around skiing equipment and I can discount that part of the specification of its registration which includes *ski-bobs* and *toboggans (not-motorised) for sport*. From the evidence it appears to me that there are a limited number of brands used for skiing equipment in the United Kingdom. At the maximum there have been twelve brands, in 1995/96 this went down to nine. ATOMIC has risen and fallen over the years in its sales position relative to the other brands. In 1990/91 it was second, in 1996/97 it was sixth and it fell as low as ninth in 1993/94. At the relevant date it was clearly not close to the best selling brand but had picked up from its low point of 1993/94. In a market where there are a limited number of brands it is, logically, easier for a brand to be known by a significant part of the public concerned by the products than in a market where there are a great number of brands. So it is easier to be known in the United Kingdom for skis, amongst the relevant public, than it is for beers or biscuits. As I have indicated in paragraph 22 above the first four parts of the Profile Sports Marketing Consultancy report are of little assistance to me or the case of AA. In my view, owing to the technical nature of skis and the specialist nature of the buyers, an educated and careful purchasing decision is likely to be made. This will be likely to include the comparison and consideration of various brands in order to consider their technical merits and prices. Consequently, the purchaser of skis is likely to be aware of many or most of the brands as a result of comparative studies.

75) Taking into account the length of time AA has been in the market in the United Kingdom, its position in terms of sales over the years and the limited number of brands in the market I consider that it has established a *Chevy* type reputation for skiing equipment.

76) I now need to consider whether use of ATOMIC by Meridian would take unfair advantage of, or be detrimental to, the distinctive character or the repute AA's trade mark. Meridian have filed no evidence. So there is no issue of "due cause". If all the criteria of section 5(3) are satisfied it is for Meridian to show that it has "due cause" for using the trade mark (see *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767 at pages 789 to 791).

77) The two main bases of section 5(3) are tarnishing and dilution. AA have made no claim that there would be tarnishing. Neuberger J in *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767 stated:

"The best-known example of tarnishing is perhaps to be found in the decision of the Benelux Court of Justice in *Lucas Bols v. Colgate-Palmolive* (1976) 7 I.I.C. 420 where the mark CLAERYN for gin was held to be infringed by use of the sign KLAREIN for a detergent. The court said the following:
It is ... possible ... that the goods to which [the use of] a similar mark relates, appeals to sensations of the public in such a way that the attraction and the "capacity of the mark to stimulate the desire to buy" the kind of goods for which it is registered, are impaired."

78) Tarnishing is based upon a later trade mark bringing negative connotations to the reputation of an earlier trade mark. The producers of gin would not, for obvious reasons, wish their trade mark to be associated with detergents. I cannot see how golf clubs would tarnish the reputation of skiing equipment. There is no mileage, I consider, in tarnishing for the case of AA.

79) Briefly I will refer to fettering or inhibition. The basis for this concept, as far as I am aware, rests solely with the decision of Mr Thorley QC, sitting as the appointed person, in *LOADED* BL 0/455/00. In *LOADED* the issue went to the core business of the opponent:

"Equally the possibility that the widespread use of the trade mark on clothing could materially affect the ability of *LOADED* magazine to obtain advertisements from others for their clothing in the magazine is real not fanciful for the reasons not given by Mr. Paul."

Advertising is a key part of any magazine publisher's business. If AA was to claim fettering it would need to show something more than a contingent claim that at some time it might wish to expand into golf equipment. It has not made any such claim. On the basis of the evidence before me I cannot see that AA can make a claim of fettering.

80) I have dealt with the issues of tarnishing and fettering owing to the lack of precision of the pleadings of AA. It has not clearly identified exactly what is at the core of its objection under this head. I do not consider that they form the basis of the claim under this head but for completeness I consider that it was necessary to mention them. From the nature of the evidence submitted by AA it seems to me that the main basis of the claim rests on dilution.

81) In *Daimler Chrysler AG v Javid Alavi trading as MERC* [2001] RPC 42 Pumfrey J stated

"...but Jacobs AG emphasises that the provision is not to be used to give marks 'an unduly extensive protection', emphasising that there is a question of a risk of unfair advantage or detriment: there must be actual unfair advantage or

detriment. But, for this to happen, there must be some sort of connection formed (I avoid the word association) between the sign used by the defendant and the mark and its associated reputation.”

AA has sought to establish a connection between golfing equipment and sporting equipment. It has done this on the claim that various companies supply a variety of sporting equipment. However, as I have indicated in my summary of the evidence there is a lack of substance in the evidence. There are claims and assertions but little concrete evidence. There is evidence that sports clothing manufacturers make clothing and footwear for a variety of sports. However, clothing is not involved in this case. Adidas do manufacture skis and golf clubs but under completely different trade marks. Adidas would appear to deliberately separate the goods by brand. AA is a part of The Amer Corporation along with Wilson Sporting Goods Co Limited. From the evidence it would appear that there is a clear brand and product demarcation between goods sold under ATOMIC and goods sold under Wilson, which appear from the limited evidence to be balls of various kinds. The one example that AA comes up with for golf clubs and skis sold under the same trade mark is Head. However, the evidence for this is very thin. The website printout tells me little and Mr Bartleski’s statement is not supported by exhibits. However, even if this is the case this tells me little. That one undertaking uses a common trade mark for a variety of sporting goods does not tell me that this is normal. Indeed the evidence is silent or tells me the opposite, as in the case of Adidas relying on different trade marks for different sporting goods. The matter has to be proved by the evidence, not by assertion.

82) Ms Cole’s evidence for supporting the claimed link between golf and skiing can at best be described as weak. It turns on such things as holidays being available which allow for golf or skiing or white water rafting or walking or t-shirt companies which supply t-shirts with representations of various sports on them. By the time you arrive at “20 things you need to know about skiing” the supposed link between golf and skiing has ceased to be tenuous in the extreme and become non-existent.

83) Based upon the evidence of fact, the hard facts, AA has not established a connection between golfing equipment and skiing equipment. (I note that AA has attempted a sleight of hand by trying to move the issue on from the specific goods in question to sporting goods at large. As I have indicated I do not consider that it has succeeded even for the larger sphere.)

84) The issue of whether a connection would be formed does not end there though. A connection might be formed in the mind of the relevant consumer on the basis that both sets of goods are for sporting purposes, the trade marks are identical and the weight of the reputation of AA’s ATOMIC reputation. Adding all these factors up would the public concerned with skiing equipment make a connection between golf clubs sold under ATOMIC and skis sold under ATOMIC, in the absence of evidence that there is a connection in the trades? The evidence indicates that these goods would not be sold in the same shops or if sold in large emporia would be sold in different areas. Indeed, the evidence indicates that the skiing equipment will be sold in specialist winter sports shops. It is silent on where golfing equipment is normally sold. However, I can presume that it is not sold normally for use upon snow or ice.

85) In considering this issue of connection several other factors appear relevant to me. Firstly there is the issue of product diversity. AA has shown that it uses ATOMIC for a specific range of goods for a specific sport. The relevant public is not, therefore, used to seeing it used

across a diverse range of products. The public does not from experience expect it to be used on other sporting goods. Then there is the distinctiveness of the trade mark ATOMIC. For the goods ATOMIC strikes me as a strong trade mark with a good deal of inherent distinctiveness, it does not allude to the goods. It just gives an image of something strong and modern. In *Premier Brands* the following is said:

“Mr Arnold contended that the effect of section 10(3) was that the stronger the distinctive character and reputation of a particular trade mark, the easier it would be to establish detriment to it. In my judgement, that is a good point.”

By analogy I consider it reasonable to state that the stronger the distinctive character of the earlier trade mark the more likely there is to be a connection. However, in considering that issue of connection I consider that the nature of the trade mark is also of relevance. Is it a normal English word? Is it an invented word? Is it a strange/foreign word? It strikes me in the latter two cases the public is far more likely to assume there is a connection. They are likely to assume that the only reason that the word is used is because there is a connection. So there is, I believe, a difference between ATOMIC, an ordinary English word, and Mizuno. Mizuno is a strange/foreign/invented word for the public in the United Kingdom. The public is far more likely to consider that use of it on very different sporting goods cannot be mere coincidence but must indicate a connection. (The “oddness” of a word can act as the bridge that connects.) ATOMIC could be considered mere coincidence, if the public made any association between the goods and the trade marks.

86) Various of those giving evidence have given their opinions that the public would be confused into believing that the goods of Meridian were those of AA. Of course, section 5(3) is not about confusion but it is relevant to consider the value of these claims. Firstly, there is no reason why these people can speak for the public at large. Their job is to give evidence as to what they know, not to speculate as to what the public might think. Millett LJ held in *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 “In the end the question of confusing similarity was one for the judge. He was bound to make up his own mind and not leave the decision to the opinion of the witnesses.” I consider that the same applies to all the tribunal questions and whether there would be a connection is such a question. It is after all a question that I must decide upon the facts before me, facts rather than opinions and assertions.

87) In *Daimler Chrysler AG v Javid Alavi trading as MERC* [2001] RPC 42 Pumfrey J stated:

“The presence of two similar marks where there was only one before seems to me to be detrimental to the distinctive character of the first. I am satisfied that this is not what the words are talking about.”

So that the trade marks are identical is not enough to get AA home. Although above in paragraph 84 I take into account that the trade marks are identical.

88) In *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767 Neuberger J in relation to this ground refers to the concept of dilution:

“However, while dilution is a useful concept to bear in mind, it does not necessarily follow that every case of infringement under section 10(3) will necessarily involve dilution, nor does it follow that the proprietor of a mark will necessarily succeed in establishing infringement under section 10(3) in

every case where he establishes dilution.”

I take this into account in reaching my conclusions. Dilution, tarnishing and fettering are all forms of detriment that have been found, they do not limit the extent of section 5(3) but simply help to explain and identify certain causes of detriment.

89) What does seem to me to be fundamental to the issue is that connection to which Pumfrey J refers. Without that connection there can be no detriment nor can there be any unfair advantage, as there will be no link formed between the reputation of AA and the goods of Meridian. I do not consider that a connection would be formed in the minds of the relevant public – in this case those who practise skiing - between the goods of AA and the goods of Meridian. **I, therefore, dismiss the grounds of opposition under section 5(3).**

Section 5(4)(a) objection

90) According to section 5(4)(a) of the Act “a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented 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”.

91) The requirements for bringing a successful action for passing-off are goodwill, misrepresentation and damage.

92) From the evidence there is no doubt that AA have goodwill for ski equipment sold under the trade mark ATOMIC. In this case I cannot see that AA can be any better off under section 5(4)(a) than it is under the other heads of opposition.

93) In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ states:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services”

I have already decided under section 5(3) that AA has not established that the relevant public would consider that there is a connection between the golf clubs of Meridian and the skiing equipment of AA. The public would not consider that AA is responsible for the quality of the goods of Meridian.

94) Consequently, the ground of opposition under section 5(4)(a) must fail.

COSTS

95) As Meridian (Luton) Ltd has been successful in these proceedings it is entitled to a contribution to its costs. I order Atomic Austria GmbH to pay Meridian (Luton) Ltd the sum of £500. 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 07 day of January 2003

**D.W. Landau
For the Registrar
the Comptroller-General**