

IN THE MATTER OF APPLICATION NO. 2296334 IN THE NAME OF ROLSON
TOOLS LIMITED

AND IN THE MATTER OF OPPOSITION NO. 91083 THERETO BY RODCRAFT
PNEUMATIC TOOLS GMBH & CO KG

DECISION

Introduction

1. On 25 March 2002 Rolson Tools Limited applied to register the trade mark ROLCRAFT in Classes 7 and 8 in relation to the following specifications of goods:

Class 7: Machine hand tools; light electrical hand tools; planes; screwdrivers; saws; chisels; spanners; sanders; drills; routers; staple guns; nail guns; crimping tools; all the aforesaid being machine operated hand tools; all operated by electric motors or compressed air; and parts and fittings for all the aforementioned goods.

Class 8: Hand tools; hammers; awls; files; planes; screwdrivers; saws; chisels; spanners; sanders; drills; hand drills; routers; staple guns; nail guns; pliers; wrenches; drill bits; hacksaw blades and frames; screwdriver bits; bevels; clamps; vices; wire brushes and wheels; trowels; trimming knives; axes; crimping tools; pincers; carving tools; gouges; socket sets; mitre boxes and blocks; all the aforesaid being hand tools; none being electrically or pneumatically operated; and parts and fittings for all the aforementioned goods.

2. The application was opposed by Rodcraft Pneumatic Tools GmbH & Co KG on grounds raised under sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994. Under section 5(2)(b) the opponent relied upon two earlier registered

trade marks, Nos. 1325393 and 1325394 RODCRAFT registered in Classes 7 and 8 respectively in respect of the following goods:

Class 7: Machines, presses, pumps and cylinders, all being hydraulic; electric machines for use in agriculture, horticulture, forestry and for domestic use, for the construction of machines, apparatus or vehicles, and for the building industry; machine tools; parts and fittings for all the aforesaid goods; guns; all included in Class 7.

Class 8: Hand tools and hand operated implements; guns; parts and fittings for all the aforesaid goods; all included in Class 8.

3. Both parties filed evidence and written submissions, but neither asked for hearing. In a written decision dated 15 June 2005 (O/159/05) Mr Mike Foley acting for the Registrar upheld both grounds of opposition. The applicant now appeals.

Relevant provisions of the Trade Marks Act 1994

4. Section 5 of the 1994 Act provides *inter alia* as follows:
 - (2) A trade mark shall not be registered if because-
 - (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 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

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

The hearing officer's decision

Section 5(2)(b)

5. The hearing officer began by directing himself in accordance with the Registrar's standard summary of the jurisprudence of the Court of Justice of the European Communities in Case C-251/95 *SABEL BV v Puma AG* [1997] ECR I-6191, Case C-39/97 *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc* [1998] ECR I-5507, Case C-342/97 *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [1999] ECR I-3819 and Case C-425/98 *Marca Mode CV v Adidas AG* [2000] ECR I-4881. This summary is very well known and it is unnecessary to repeat it in full here.

6. The hearing officer's assessment of the respective marks was as follows:
 29. The opponents rely on two earlier registrations for the word RODCRAFT. The mark applied for is the word ROLCRAFT. The respective marks are composed of the same number of letters and syllables, share the same "RO" prefix and "CRAFT" suffix, the only difference being that the third letter in the opponents' earlier mark is a letter "D" whereas in the mark applied for it is a letter "L". Whilst these letters affect the pronunciation and sound, because of their positioning in the body of the word this has a minimal impact on their sound. The same must be said for the visual impact that the letters have on the respective marks.
 30. Whilst I do not go so far as to say that the word CRAFT is dominant or distinctive in the mark, it is an ordinary and well-known English word and as such is likely to be fixed as a point of reference when recalling the marks. The combining of this word with the meaningless prefixes creates the impression of an invented word. Given these facts and similarities I take the view that the marks are visually, orally and conceptually similar.
 31. Whilst the word "CRAFT" cannot be regarded as distinctive for machines and hand tools for use in crafts or craft-work, the prefixes have no relevance, and as a whole the respective marks are invented words that possess a distinctive character.

In a later passage he held that the opponent's marks had not become any more distinctive by virtue of the use made of them.

7. As to the respective goods and the relevant average consumer, the hearing officer stated:

32. Turning to the respective goods. The opponents' earlier marks cover two classes, the same two classes for which the applicants seek to register their mark. The opponents' registration in Class 7 covers machines in general, electric machines for specific purposes or for use in particular industries, and parts and fittings for such goods. The mark applied for also covers machines in general, hand tools and parts and fittings for these goods. Collins English Dictionary gives one of the meanings of "machines" as being a "mechanical or electrical device that automatically performs tasks or assists in performing tasks". In my view this means that the term would cover machines that are floor standing or hand-held, and therefore the specifications of the respective marks cover identical goods.

33. The opponents' earlier mark registered in Class 8 covers hand tools and hand operated implements in general. The mark applied for is for hand tools at large, and specific hand tools. Self-evidently the specification of the opponents' registration in Class 8 encompasses the same goods for which the applicants seek to register their mark.

34. There is nothing in the wording of the specifications that would separate them; they are not limited or restricted in any way. Accordingly, I must notionally assume that they operate in the same market and share the same channels of trade, from manufacture to retail. Whilst the "notional" average consumer will depend upon the type of goods, I see no reason why the consumer of the opponents' goods should be any different to those that would buy the applicants' goods.

35. The goods notionally range from the cheap and simple that will be selected with minimal attention to the brand and where the notional average consumer is likely to be more concerned with the functionality of the tool, to expensive and sophisticated machines where the purchaser will be well informed and circumspect in all aspects of the selection. There will be a greater potential for confusion in the former rather than the latter case.

8. The hearing officer expressed his overall conclusion as follows:

37. Taking all of the above into account and adopting the "global" approach advocated, I find that taking into account the similarities, and particularly the potential for imperfect recollection, that if the applicants were to use their mark in a trade in the goods for which they seek registration, that this would cause the public to wrongly believe that the goods come from the opponents or some economically linked

undertaking. There is a likelihood of confusion and the opposition under Section 5(2)(b) succeeds.

Section 5(4)(a)

9. Having directed himself in accordance with *WILD CHILD Trade Mark* [1998] RPC 14, the hearing officer held as follows:

40. The opponents say that they first started using the name RODCRAFT in the UK in 1987, some 15 years prior to the date on which the application was made, and potentially some 13 years before the applicants first used their mark. Whilst there is no evidence that clearly establishes this date, the brochure at exhibit VJM6 bears the legend “1975 - 2002 YEARS OF QUALITY” suggests that this is, in fact the case. I do, of course acknowledge that this could relate to use in markets other than in the UK. There is evidence that the opponents were using the mark, in the UK in 1994 and I have no difficulty in accepting that at the date, that the applicants say they first used the mark ROLCRAFT, and also the date on which they made their application to register that name, the opponents had already established a reputation and goodwill in the UK.

41. I have already stated my view that the respective marks are similar, and given that the opponents have a reputation and goodwill in their mark, in relation to identical and similar goods, should the applicants use their mark this would amount to a misrepresentation that would lead to damage. In my view the opposition under Section 5(4)(a) should succeed.

Standard of review

10. This appeal is a review of the hearing officer’s decision. Counsel were agreed that the hearing officer’s decisions with regard to sections 5(2)(b) and 5(4)(a) involved multi-factorial assessments of the kind to which the approach set out by Robert Walker LJ in *REEF TM* [2002] EWCA Civ 763, [2003] RPC 5 at [28] applied:

In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle.

Counsel for the opponent reminded me that a decision does not contain an error of principle merely because it could be better expressed.

Amendment to the applicant's statement of grounds of appeal

11. The applicant filed a Form TM55 and statement of grounds of appeal on 13 July 2005. In its skeleton argument filed on 5 January 2006, less than two clear working days before the hearing of the appeal, the applicant requested permission to amend its statement of grounds to add a further ground of appeal. Counsel for the opponent accepted that I had power to allow such an amendment, but submitted that I should decline to do so in the present case since the application was made late and no reasonable excuse for such lateness had been given. Counsel accepted, however, that he was able to deal with the new point. I granted the applicant permission to amend its statement of grounds in the terms indicated at the hearing for reasons to be given later. My reasons for so holding were that the applicant would be prejudiced if it were not permitted to make the amendment whereas the delay in raising the further ground of appeal had not occasioned the opponent any prejudice.

Grounds of appeal

12. The applicant contends that the hearing officer erred in principle in three main respects, the first two of which concern the decision under section 5(2)(b) and the third of which concerns the decision under section 5(4)(a). The first is that the hearing officer incorrectly assessed the -CRAFT element of the respective marks. The second is that he was wrong to hold that the Class 7 specifications covered identical goods. The third is that there was no sufficient evidence to justify his finding that the opponent had established a goodwill under the mark RODCRAFT at the relevant date.

First ground of appeal

13. Counsel for the applicant submitted that, while the hearing officer had correctly directed himself that he should compare the overall impression

created by the marks as wholes bearing in mind their distinctive and dominant components, he had failed to give effect to the principle that the public will not generally consider a descriptive element to be the distinctive and dominant element of the overall impression conveyed by a complex mark: Case T-129/01 *José Alejandro SL v OHIM – Anheuser-Busch Inc* [2003] ECR II-2251 at [53], Joined Cases T-117/03, T-118/03 and T-119/03 *New Look Ltd v OHIM* [2005] ETMR 35 at [34]. Counsel argued that the hearing officer was right to hold in paragraph 31 that the suffix –CRAFT could not be regarded as distinctive for machines and hand tools for use in crafts or craft-work, and that it followed that the distinctive and dominant elements of the respective marks were the ROD- and ROL- prefixes, whereas in paragraph 30 the hearing officer had said that CRAFT was “fixed as a point of reference when recalling the marks”. Counsel went on to argue that the ROD- and ROL- prefixes were sufficiently different to avoid a likelihood of confusion.

14. In my judgment the hearing officer made no error of principle in his assessment of the marks. On the contrary, he correctly considered the overall impression they gave. He recognised that the suffix –CRAFT was descriptive for machines and hand tools for use in crafts or craft-work, but as he clearly appreciated it does not follow that this element of the marks may be completely ignored even in relation to those goods. Furthermore, the specifications of the respective marks are not restricted to goods for use in crafts or craft-work. In my view the hearing officer was entirely right to hold that the marks were visually, orally and conceptually similar. Indeed, any other conclusion would have been surprising.

Second ground of appeal

15. Counsel for the applicant pointed out that in paragraph 32 the hearing officer held that both Class 7 specifications covered machines in general, and that in fact both specifications were more restricted than this. Accordingly he submitted that the hearing officer was wrong to hold that the Class 7 specifications covered identical goods. He went on to argue that, while the applicant had conceded that “machine tools” in the opponent’s specification

were similar to the tools in the applicant's specification, this similarity was at such a general and abstract level as to be insignificant. In particular, he argued that "machine tools" were tools for fabricating parts of machines whereas "machine hand tools" were machine-operated hand tools. He went on to argue that this error had a number of consequences for the remainder of the hearing officer's analysis.

16. It is clear that the hearing officer was in error when he said that the Class 7 specifications covered machines in general. Nevertheless I consider that he was right to hold that the applicant's specification covered goods identical to goods covered by the opponent's specification. The opponent's specification includes "electric machines ... for domestic use, for the construction of machines, apparatus or vehicles and for the building industry" as well as "machine tools". In my judgment these words cover many of the goods in the applicant's specification when operated by electric motors. Furthermore, the *Shorter Oxford English Dictionary* (5th ed) defines "machine tool" as "a mechanically-operated tool for cutting or shaping wood, metals, etc". Again I consider that this covers many of the goods in the applicant's specification. To the extent that the applicant's specification includes goods which are not identical to goods covered by the opponent's specification, I regard them as highly similar. Accordingly I do not consider that the hearing officer's assessment was significantly in error.

Third ground of appeal

17. The applicant's third ground of appeal amounts to a wholesale attack on the hearing officer's findings of fact with respect to goodwill. Counsel for the applicant went so far as to submit that "there was not a shred of evidence that the Opponent or its alleged UK distributor had actually traded in RODCRAFT goods prior to the date of application". In my judgment this submission is unfounded. As the hearing officer recorded in paragraph 7 of his decision, Stephen Samms, the opponent's president, gave evidence in paragraph 3 of his witness statement as follows:

According to my Company's records the annual turnover of goods sold in the United Kingdom home market under the Mark for the years 1995 to 2001 is as follows:

| | |
|------|-------------|
| 1995 | £449,770.00 |
| 1996 | £408,366.00 |
| 1997 | £562,874.00 |
| 1998 | £555,968.00 |
| 1999 | £542,765.00 |
| 2000 | £516,346.00 |
| 2001 | £448,920.00 |

This evidence was supported by other evidence, including details of the opponent's distribution arrangements and brochures showing the nature of the goods sold. Accordingly, I consider that there was sufficient evidence to entitle the hearing officer to make the findings that he made.

Conclusion

18. The appeal is dismissed.

Costs

19. The hearing officer ordered the applicant to pay the opponent £1,250 as a contribution to its costs below. I will order that the applicant pay the opponent the additional sum of £1,000 as a contribution to its costs of the appeal.

10 January 2006

RICHARD ARNOLD QC

Simon Malynicz, instructed by Fry Heath & Spence LLP, appeared for the applicant.
Thomas Mitcheson, instructed by Brookes Batchellor LLP, appeared for the opponent.