

O-018-08

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATIONS Nos. 2378191 and 2378192
BY L G ELECTRONICS INC TO REGISTER TRADE MARKS IN CLASS 11**

AND

**IN THE MATTER OF OPPOSITIONS Nos. 94442 and 94443
BY MAPLIN ELECTRONICS PLC**

TRADE MARKS ACT 1994

**IN THE MATTER OF Applications Nos. 2378191 and 2378192
by L G Electronics Inc to register Trade Marks in Class 11**

and

**IN THE MATTER OF Oppositions Nos. 94442 and 94443
by Maplin Electronics plc**

BACKGROUND

1. On 16 November 2004 L G Electronics Inc., filed two applications. The first, No. 2378191, is for the mark:



and the second, No. 2378192, for the mark:



2. In each case the specification covers 'air conditioners'.

3. On 29 June 2006 Maplin Electronics plc filed notices of opposition against both the above applications. The original notices of opposition and statements of grounds raised objections under Section 5(2), 5(3) and 5(4)(a) based, in the case of the first two grounds, on registration No. 1515842 for the mark MPS.

4. As a result of the opponent's failure to supply proof of use in relation to the earlier trade mark the Registry indicated by letter dated 19 March 2007 that it was proposing to strike out the Section 5(2) and 5(3) grounds. In the absence of a response from the opponent or a request to be heard, that preliminary view of the matter was confirmed by letter dated 30 April 2007. I observe, parenthetically, that the Forms TM7 referred to grounds under both Section 5(2)(a) as well as 5(2)(b) though the supporting documentation referred only to the latter. In view of the additional matter in the applied for marks it is clear that the respective marks cannot be considered to be identical (and hence within (a)). Although the Registry letters referred to above only mentioned Section 5(2)(b), it is not, I think, open to dispute that any ambiguity in the position in relation to Section 5(2)(a) would need to be resolved against the opponent. In practice, therefore, these cases fall to be considered under Section 5(4)(a).

5. In relation to this remaining ground the opponent's position is said to be as follows:

“The Opponents, Maplin Electronics plc commenced trading in 1975, and is now an established and well known company with 75 retail outlets in all major cities and suburbs in the United Kingdom. The Opponents brand MAPLIN is well known within hobbies and electronics, photographic, audio visual and computing fields in both the retail and wholesale sectors. The letter mark MPS has become synonymous with the Opponents products as indicating goods of Maplin. The company uses the trade mark MPS in connection with all their goods offered for sale and covered by their Registration No. 1515842 as a short form for MAPLIN PROFESSIONAL SUPPLIES first launched in 1985. The Opponents use their trade mark MPS for all their electronics, audio visual and computing products in the ever expanding business market. The first Maplin retail store was opened in Westcliffe on sea in 1975 and the company expanded with the brand MPS into the professional and business market in 1985 as MAPLIN PROFESSIONAL SUPPLIES. Products can now be ordered directly from the MPS.eu and Maplin.co.uk web sites accessible to customers around the world and MPS products are available through retail and wholesale outlets throughout the United Kingdom. The applicants are intending to offer for sale air conditioners, also marketed by Maplin, under the mark MPS which has been established as a brand by the Opponents, and the use of the well known synonym mark MPS by the applicants is bound to lead to customers of Maplin to believe the applicant's goods sold under the identical mark emanate from or have some connection with the Opponents.”

6. The applicant filed a counterstatement putting the opponent to proof of its claimed reputation.

7. Only the opponent has filed evidence. Neither side has asked to be heard. Written submissions have been received from Reddie & Grose, the applicant's professional advisers, under cover of their letter of 13 December 2007.

8. My understanding is that these cases have been travelling together but have never been formally consolidated. The grounds, evidence and issues arising are in all material respects the same. I am, therefore, issuing a single composite decision.

The law

9. The relevant part of the statute, Section 5(4)(a), reads as follows:

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

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

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

10. The requirements for a passing off action can be summarised as being:

- (1) that the opponent’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponent; and
- (3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicant’s misrepresentation.

11. The relevant date is 16 November 2004, the filing date of the applications in suit. The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104).

12. The need for an opponent to file cogent evidence of its claimed reputation was emphasised in *Reef Trade Mark* [2002] R.P.C. 19 along with the requirement that that evidence be directed at the relevant date (paragraphs 27 and 28 of the judgment).

The evidence

13. David O Reilly, the opponent’s Marketing Director, has filed a witness statement.

14. He firstly describes the background to the business as follows:

“My Company carries on a business in the field of communications equipment, photographic, electrical and electronic components, computers, radio, tv, video and electronic audio equipment, and is particularly well known in the United Kingdom under its trade marks MAPLIN and MPS for the supply of electronic components and electrical equipment, and more recently for the supply of communications, audio, video and tv equipment, and computers and component parts. The mark MAPLIN has been used in

connection with the sale of these goods since at least 1995. The business commenced as a mail order business for the electronics hobbyist in 1972. In 1975 the first Maplin shop was opened in Westcliff on Sea in Essex, and my Company opened its first MODEO [sic - the press release in DR3 refers to MONDO] MAPLIN superstore in Leeds in 1995. The expansion of the business has also extended to the sale of product over the internet, with the launch of the interactive transactional Maplin web site in 1999. Today there are sales of over 15,000 products available from the mail order catalogue, e-commerce and store network. The broad product categories are Sound & Vision, Computer products and Hobbies & Electronics.”

15. In support of this Mr Reilly exhibits, at DR1, a copy of the company history, press releases concerning the company and a list of retail outlets (however, the latter item is not included in the material before me).

16. MPS, short for Maplin Professional Supplies, was adopted in 1982 to identify more particularly products and services offered to the professional and business supply market and to distinguish this from the Maplin business. Since that time MPS is said to have become synonymous with Maplin in relation to electrical and electronic goods supplied to the trade and professional businesses.

17. Exhibited at DR2 is an example of an MPS price list from 1985. This first catalogue was some 10 pages but the catalogue had increased in size to some 600 pages by 1993. In late 1994 the company was purchased by Saltire. Mr Reilly says that, following the opening of the first MONDO super Maplin store in Leeds in 1995, there was increased availability of products to the trade sector, with the incorporation of an enlarged trade counter which improved the accessibility of Maplin products to the MPS customer. The ability to provide the fast reliable delivery of a wide range of electronic equipment and products was an essential factor in the award in November 1995 of preferred supplier status to the professional supplies business under the trade mark MPS under the terms of an agreement with the National University Working Party on Electronic Components. A copy of a news release of April 1996 made by Saltire is exhibited at DR3.

18. The name MPS is said to have always appeared on the company’s product brochures for the professional supply market. Examples are exhibited at DR4 along with a current MPS corporate gifts brochure. MPS products are available for purchase from the mail order catalogue, from the website and from some of the company’s larger stores.

19. Addressing L G Electronics’ application for MPS marks, Mr Reilly says that Maplin offers for sale air fans and air conditioner products along with parts and fittings for computers and for the office. Copies of pages from the company’s on-line catalogue illustrating these goods are exhibited at DR5.

20. An average of 10% of profits is spent annually on advertising. A collection of web pages from other organisations promoting MPS goods is exhibited at DR6. Direct sales figures from 1998 to date are given in Exhibit DR7. The sales said to be marked BTB (but actually B2B in the exhibit) represent business to business sales.

For the five year period up to and including 2004 the B2B figures are:

	£'000
2000	7,280
2001	5,809
2002	4,767
2003	4,640
2004	4,706

21. Finally, as evidence of the company's reputation on the Internet, Google searches were conducted for Maplin Professional Supplies and Maplin MPS. A copy of the screen grabs for each search is exhibited at DR8.

Applicant's submissions

22. The main points are as follows:

- the opponent's evidence relates mainly to use of Maplin rather than MPS and does not distinguish between goods sold under the trade mark Maplin, Maplin and MPS together, and MPS alone
- Mr Reilly's comments are considered to be contradictory, on the one hand claiming that MPS has been used to distinguish the professional business whilst on the other saying it is synonymous with Maplin Professional Supplies (i.e. a shorthand form)
- there is a discrepancy in the claimed date of adoption of MPS (1982 or 1985?)
- most of the references to MPS are on older documents. There is little, if any, recent use
- it appears that the company ceased to produce a separate brochure for the professional supply market in 1996
- the air conditioners that the opponent claims to sell are in fact cooling fans and components for personal computers. All the goods appear under the name Maplin and not MPS
- the sales figures do not indicate the goods in question or distinguish between those branded Maplin, Maplin MPS or MPS alone.

23. There are also detailed submissions in relation to the individual exhibits. I bear all these submissions in mind in making my own appraisal of the evidence.

Appraisal of the claim to goodwill

24. As the applicant's submissions point out there is some inconsistency in the evidence as to when MPS (Maplin Professional Supplies) was set up. Mr Reilly says 1982 but the Maplin company history at DR1 puts the date at 1985. Exhibits DR2

and DR4 point to the latter as being more likely to be correct. In particular the 11 November 1985 to 15 February 1986 price list document in DR4 refers to MPS as “a new division”.

25. The most convincing evidence of use of MPS comes from this early period. DR2 is a price list covering the period from 12 August 1985 to 9 November 1985. MPS (in a slightly stylised form) appears prominently at the head of the price list. The name Maplin Professional Supplies is also present but as a trading name followed by a contact address along with telephone and telex details. The price list shows catalogue reference numbers for products grouped in alphabetical order together with price information. The related catalogue has not been exhibited so it is not possible to say whether MPS merely serves as wholesaler’s/retailer’s mark or whether the underlying goods also bore the MPS brand.

26. Exhibit DR4 contains price lists from 1985/6 along with cover pages (and a single inside page) for product brochures for the periods November 1988 to February 1989, March 1989 to June 1989, September 1991 to August 1992 and September 1992 to February 1993. The latter also contains a small number of pages from the brochure itself, one of which is a product area listing. These brochures are consistently headed MPS (still in the slightly stylised form) and, in a smaller typeface beneath, the words Maplin Professional Supplies. One page illustrates a number of products. Many are small components where it is impossible to tell what (if any) branding is present. In a few cases third party brands are visible (an Olympus camera and an IDT metering device for instance).

27. There are three other documents in DR4. The first is a cover page for a catalogue dated March to August 1996. The catalogue is headed MPS with the words Maplin Professional underneath. The second is two pages of a September 1997 to February 1998 catalogue similarly headed save that there is some slight stylisation to the presentation of the letter M. The third is what appears to be a proof copy of a corporate gifts brochure. The printer’s reference at the top shows 12 March 2007. Curiously, the covering witness statement is dated 9 March 2007. The logo at the top is MPS and beneath it the word Electronics. The document appears to be a draft for an October 2008 brochure (this date being just visible on the second page).

28. The material described above (with the exception of the corporate gifts catalogue which is well after the relevant date) is from periods that are considerably before the material date in these proceedings but represents the principal documentary evidence in support of the claim that MPS is distinctive of the opponent and the subject of goodwill.

29. I accept that the older material described above shows use of MPS. It seems likely that this was use in relation to a wholesale and/or retail service rather than goods but the position cannot be reliably determined on the basis of the limited evidence supplied. After 1985/86 the sign used was MPS Maplin Professional Supplies with MPS in somewhat stylised form. That state of affairs persisted at least up to the acquisition of Maplin by Saltire plc in 1994. The sign used on the 1996 and 1997/8 brochure covers in DR4 was MPS and, beneath it, the words Maplin Professional. I note that the company history document at DR1 records that the Maplin and MPS catalogues were merged into a single twice-yearly catalogue in 1996. There are no

subsequent references to MPS in the chronological table in DR1 though the 1997/8 brochure might suggest that there was continued usage of MPS. In terms of documentary evidence in support of use of MPS prior to the relevant date the trail peters out at this point in time.

30. It is a curious feature of this case that the opponent has supplied material from these earlier periods but little, if any, documentary evidence to establish how it represented itself to the relevant public by reference to the sign MPS in the period from 1997/8 to 2004. The ‘business to business’ sales figures given in DR7 which start from 1998 are said to be under the MPS mark but the remainder of the evidence leaves me in some doubt as to what is meant by this. Exhibit DR6 is said to be a collection of web pages from other organisations promoting MPS goods. The first item is from MERG (Model Electronics Railway Group) referring to Maplin MPS under the heading ‘General Electronic/Industrial Suppliers’. The next is from My Catalogues.com. The print-out refers throughout to Maplin Electronics and the Maplin mail order catalogue. There is no reference to MPS. There is a side bar advertisement for the opponent headed Maplin Electronics. The third item is a UK Amateur Radio Quick Links website. It shows a list of component suppliers. Maplin is listed with MPS in brackets. The final item is a TV Advertising website listing what I take to be companies that have used television advertising. Maplin Electronics is listed but not MPS. All of this material appears to have been generated in March 2007. It is of marginal relevance only in terms of establishing use of MPS (either on its own or in combination with other matter) prior to the relevant date.

31. Exhibit DR8 consists of two pages of results from Google searches. The search terms were ‘maplin mps’ and ‘maplin professional supplies’ (and not for some reason mps on its own). Most of the references are to Maplin. There are a few references to MPS but it is not clear what the date and content of the underlying material is. Some of the material is clearly historical in nature. Thus, the second item resulting from the maplin mps search (and the first to mention MPS) picks up the point I have mentioned above from the Maplin history document at DR1 “1996. The Maplin and MPS catalogues are merged into a single twice-yearly catalogue...”. I find these exhibits to be of negligible assistance in determining the question of whatever goodwill existed in the sign as at November 2004.

32. Finally, it is part of the opponent’s case that it offers for sale air fans and air conditioner products. Most of the evidence in DR5 suggests that this is in relation to fans for computing equipment. It is not possible to read the branding information on most of the goods. Where the accompanying textual and technical information does refer to marks they appear to be third party brands. All of the print-outs are headed Maplin. There is no mention of MPS.

33. I conclude that MPS was being used from about 1985 to the mid 1990s initially on its own then subsequently (certainly from about 1988/9) in association with the words Maplin Professional Supplies or Maplin Professional. The evidence is not clear on the question of whether it was ever used on or in relation to goods. The more natural reading of the evidence suggests that MPS was being used during that period as the sign (or part of the sign) under which Maplin’s business and professional wholesaling/retailing service was being conducted.

34. The evidence is silent as to usage in the critical years between 1997/8 and November 2004 save for the bald claim that business to business sales were being made under the mark. It is difficult to see why evidence from that period showing the sign used and the nature and context of the use was not available given the continued existence of documentation from earlier periods.

35. The upshot is that goodwill in the sign MPS as at November 2004 is a matter of conjecture. I have not been asked to consider a case based on residual goodwill from the trade conducted under the sign in the earlier periods. Nor have I had the benefit of submissions as to whether whatever reputation that had accrued during that time was sufficient to survive until 2004. I should also add that the opponent's primary case is based on use of MPS in connection with all their goods. For the reasons given I do not accept that that has been shown to be the case. MPS was at one time used in relation to the provision of the wholesale and/or retail service of supplying electrical and electronic goods. Even if the pleaded case can be construed as covering a claim in relation to such a service, the evidence does not substantiate the claim that goodwill existed in the sign at the relevant date.

36. The opponent has failed to establish that the sign MPS was distinctive of its goods or services at the relevant date (or that that state of affairs existed as a result of use of MPS with other matter). As the first leg of the passing off test has not been satisfied there is no need to consider the issues of misrepresentation and damage. The opposition fails.

COSTS

37. The applicant has been successful and is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £1000. 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 23rd day of January 2008

M REYNOLDS
For the Registrar
The Comptroller-General