

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

**IN THE MATTER OF APPLICATION No 1558253
BY OFFICIAL STARTER LLC TO REGISTER
A TRADE MARK IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No 42081 BY CONVERSE INC**

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**IN THE MATTER OF Application No 1558253
by Official Starter LLC to register a trade mark
in Class 25**

and

**IN THE MATTER OF Opposition thereto under
No 42081 by Converse Inc**

BACKGROUND

1. On 30 December 1993 Starter Corporation (now following assignment, Official Starter LLC) applied to register the following trade mark in Class 25:



Registration of this mark shall give no right to the exclusive use of
a letter "S"

for the following specification of goods:-

"Articles of outer clothing; jackets and wind resistant jackets; warm-up shirts and suits; sweatshirts and suits; sweaters; jerseys; tanktops; poloshirts; t-shirts; undershirts; shorts; leggings; wristbands; athletic footwear, shoes and boots; golf, track, wrestling, baseball, football, tennis, basketball and boat shoes; hunting and football boots; gymnastic shoes, trainers and sneakers; headgear; caps, hats and headbands; all included in Class 25."

2. The application was accepted by the Registrar in Part B and published in the Trade Marks Journal. On 27 February 1995 Roystons filed a Notice of Opposition on behalf of Converse Inc and in summary, the grounds of opposition were:-

- (i) Under Section 9 and 10 of the Act because the mark applied for is not distinctive and is not capable of distinguishing the applicant's goods from the goods of other traders.
- (ii) Under Section 11 of the Act because use of the mark by the applicant on the goods specified is calculated to deceive or cause confusion.
- (iii) Under Section 12(1) of the Act because the mark applied for includes the same and similar goods as earlier trade marks in the ownership of the opponent and the mark applied for so nearly resembles these prior registrations that there is a likelihood of deception or confusion. Details of the registrations relied upon by the opponent are at Annex One to this decision.
- (iv) Under Section 17 of the Act because the applicant had, at the date of application, no bona fide intention to use the mark applied for and/or is not the bona fide proprietor of the mark. Registration should be refused in the exercise of the Registrar's discretion.

3. On 31 August 1995 the applicants filed a counterstatement denying the grounds of opposition. Both sides asked for an award of costs in their favour and have filed evidence. The matter came to be heard on 22 November 2001 when the applicants for registration was represented by Mr Halstead of Wynne Jones Laine & James and the opponents by Mrs Rawlence of Roystons.

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

OPPONENT'S EVIDENCE

5. This consists of two affidavits by Jack A Green, dated 4 November 1997 and 8 January 1998. Mr Green is senior Vice President and General Counsel of Converse Inc (the opponent).

6. Mr Green draws attention to the opponent's prior registrations in Class 25, details of which are at Annex One of this decision. He states that a star device or the word star is the predominant element in these trade marks. Mr Green adds that his company has made extensive and continuous use of these marks within the UK in relation to both footwear and clothing products generally and, in particular, he states that in the case of those marks which incorporate a star device, a substantial percentage of such use relates to the star device being shown in white.

7. Mr Green states that it is difficult to estimate the precise date of first use for each of the above marks in the UK ie, on a mark by mark basis, since such detailed information is not available from his Company's records. However, he can confirm that for all of the above marks which incorporate a Star device, the date of first use within the UK for the goods concerned would have been approximately the same, since all such marks have generally all been used during the period concerned in some aspect or other in relation to the said goods, for instance either on the goods themselves and/or on the accompanying packaging and/or on related promotional material. Bearing in mind the above, Mr Green can confirm that the aforementioned Star device marks have been used in the United Kingdom since the 1980's in respective of footwear, and at least as early as 1988 (with the exception of the mark of No 1079577 where use commenced 1992) in relation to a wide range of clothing products including: tops, shirts, t-shirts, jumpers, sweatshirts, vests, singlets, polos, shorts, trousers, trunks, pants, sweatpants, suits, warm-up suits, sportswear generally, jackets, anoraks, parkas, raincoats, coats, headwear including hats, hoods and caps. He adds that the word mark ALL STAR has been in use since 1987 for both footwear and a wide range of clothing items.

8. Mr Green goes on to provide the following approximate annual sales values for his company's footwear products in the UK for the financial years ending 1986 to 1993:-

YEAR		US \$
Financial year ending 1986	=	825,000
Financial year ending 1987	=	1,881,000
Financial year ending 1988	=	5,528,000
Financial year ending 1989	=	6,706,000
Financial year ending 1990	=	18,128,000
Financial year ending 1991	=	16,678,000
Financial year ending 1992	=	14,267,000
Financial year ending 1993	=	11,066,000

9. Mr Green states that he is unable to provide details of clothing sales in the UK under his company's trade marks because such information is compiled on a worldwide basis rather than country by country.

10. Next, Mr Green states that the footwear and clothing products sold under his company's trade marks in the UK are available through numerous different types of outlet, including footwear retail shops, major general retail clothing outlets, sportswear shops and mail order catalogues. He adds that his Company has made extensive and continuous sales within the UK of footwear and clothing products under marks comprising wholly or predominantly a Star device wherein the Star device frequently appears in white and, in consequence of such use, Mr Green asserts that his Company has acquired a very substantial and valuable reputation in their (white) Star device mark for footwear and clothing generally and that the device has become synonymous with his company's footwear and clothing products.

11. Mr Green states that his company has carried out considerable promotional activity in the UK in relation to their marks and goods and that the marks have been displayed prominently

on and within numerous brochures, leaflets, point of sale material and by way of various adverts in magazines and newspapers and on television and radio. He adds that the marks frequently appear on the heels, tongues and uppers of footwear and prominently on various other items of clothing. In relation to his company's promotional activity in the UK, Mr Green provides the following details of approximate annual expenditure by his company on the promotion of its footwear products:-

YEAR		US \$
Financial year ending 1989	=	642,000
Financial year ending 1990	=	661,000
Financial year ending 1991	=	650,000
Financial year ending 1992	=	872,000
Financial year ending 1993	=	584,000

12. Mr Green draws attention to Exhibits 1, 1A and II to his declaration. Exhibit 1 contains examples of use of the opponents mark in the UK, in particular extracts from catalogues some of which post-date the date of application for the mark in suit (the relevant date for these proceedings). Exhibit 1A contains copies from shoe boxes, catalogues and activewear line drawings. Exhibit II contains a comprehensive list of the many towns and cities in the UK where sales of the opponent's products have been made.

13. Mr Green's second affidavit submits additional examples of use of the opponent's marks, in particular copies of catalogues relating to the period 1990-1993 and a copy of a video showing the use of the opponent's marks in Cobra Sports, a retail clothing store in Oxford Street, London. However, this video is dated 1995 and falls outside the relevant date.

APPLICANT'S EVIDENCE

14. This comprises an affidavit by Richard Ralph Halstead dated 29 December 1999. Mr Halstead is a partner with the firm of professional intellectual property advisors Marks & Clerk which trades locally in Cheltenham under the name A R Davies & Co. He acts on behalf of the applicant.

15. Mr Halstead has read the two affidavits of Mr Green, dated 4 November 1997 and 8 January 1998. He states that it is clear that the simple six sided star devices used by the opponent on or in connection with their products, are invariably used with other devices or words including CONVERSE, ALL STAR and CHUCK TAYLOR. Mr Halstead adds that the assertion that the "white star device" has of itself been extensively used such as to be indicative of the opponent's products is not borne out because the use of single star devices is of devices which are not white. Furthermore, Mr Halstead states that much of the evidence is post the filing date.

16. Mr Halstead goes on to draw attention to the differences between the mark in suit and the opponent's registrations, submitting that the mark in suit contains a stylised letter S which is prominent in the mark so that the mark comprises a stylised letter S with a star device

attached. He asserts that star devices are common throughout all trade and that the most common way of drawing a star is by the use of six equidistant points. In Mr Halstead's view the respective marks, when considered in their totality, are not similar.

17. In response to the opponent's allegation that the applicant had no bona fide intention to use the mark, Mr Halstead points out that no evidence has been provided to show that the applicant acted in bad faith when applying to register the mark in suit.

OPPONENTS EVIDENCE IN REPLY

18. This consists of a statutory declaration by Judith Diana Rawlence dated 28 September 2000, an affidavit by Jack A Green dated 22 September 2000 and an affidavit by G Roxanne Ellings dated 18 October 2000.

19. Ms Rawlence is a Trade Mark Attorney of Roystons, the opponents professional advisors in these proceedings. Ms Rawlence is critical of the views expressed in Mr Halstead's affidavit, which she states are merely the opinions of a not impartial party. Ms Rawlence goes on to draw attention to a number of specific exhibits which accompanied the affidavits of Mr Green which she states, show numerous examples of a single white star device and STAR word marks in use. In Ms Rawlence's view the overwhelming dominant impression of the respective marks is a star device.

20. Ms Rawlence draws attention at Exhibit JDR3 to her affidavit, to a copy of the judgment of the United States District of Southern District of New York relating to a dispute between the parties which in that jurisdiction, under the law pertaining to that jurisdiction and on the facts of that case held the marks of the applicant and opponent to be confusing in relation to athletic shoes. These New York proceedings took place in 1996, which is well after the relevant date. Ms Rawlence quoting from the judgment states that Starters marketing emphasised the "Star" portion of the mark over the "S". Furthermore, Ms Rawlence points out that Exhibit JDR3 refers to an agreement between the parties in 1990, when Starter Corporation had indicated during the course of finalisation that they had no intention to use the mark the subject of the application in suit on athletic footwear.

21. Mr Green in his third affidavit filed in these proceedings, is also critical of the contents of Mr Halstead's affidavit and he contests the views and submissions expressed therein.

22. Ms Ellings is an attorney licensed to practice law in the State of New York, USA and she is counsel with the law firm of Greenberg Training and counsel to Converse Inc (the opponents) on intellectual property matters worldwide.

23. Ms Ellings was attorney of record in the American action between the parties, referred to in paragraph 20 (above), and her affidavit comprises information relating to these proceedings.

24. This completes my summary of the evidence filed in this case. I now turn to the decision.

DECISION

25. Prior to the hearing Mrs Rawlence withdrew the grounds of opposition under Sections 9 and 10 of the Act. I would only add that as the application for registration is in Part B of the Register, opposition under Section 9 was not relevant.

26. I now turn to the ground of opposition under Section 12(1) of the Act. This reads as follows:-

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

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

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

28. The established test for objections under Section 12(1) is set down in Smith Hayden & Co Ltd's application [Volume 1946 63 RPC 101]. Adapted to the matter in hand the test may be expressed as follows:-

Assuming user by the opponents of their registered marks in a normal and fair manner for any of the goods covered by the registrations of the trade marks, is the tribunal satisfied that there will be no reasonable likelihood of deception amongst a substantial number of person if the applicants use the mark in suit normally and fairly in respect of any goods covered by the proposed registration.

29. It is common ground that the goods specified in the application in suit and the opponents registrations are identical and I go on to consider the respective marks.

30. At the hearing Mrs Rawlence submitted that the opponent's trade marks comprised a family of marks because they all contained a star device, as in the case of registration No 1535607, the word STAR. She argued that this increased the likelihood that use of the applicant's mark would be perceived by the relevant public as an extension of the family of star marks of the opponent. It is generally accepted that where an opponent own a family of marks having a common feature and where all such marks belong to the opponent, this may assist an opponent when the application in suit contains the common feature. Kerly's Law of Trade Mark (Twelfth Edition), page 445, paragraph 17-14, expresses the position as follows:-

“Where there are a “series” of marks, registered or unregistered, but in use, having a common feature or a common syllable and where all the marks in such a series belong to an opponent, these are generally circumstances adverse to an applicant for a mark containing the common feature, since the public might think that such a mark indicated goods coming from the same source; the strength of this “series” objection depending on how distinctive the common feature is. If the marks in the series are owned by different persons, this tends to negative any proprietorial signification of the common feature and so may assist the applicant, unless the common feature is descriptive of a class of goods narrower or different from the goods in respect of which registration is sought. If the marks in a series are merely on the register, but are not shown to be in use and so known to the public, the above considerations do not apply, such marks must be considered individually only.”

31. In the present application I have no evidence before me to indicate that the device of a star is in use by third parties in relation to the relevant goods. However, as pointed out by Mr Halstead the device of a star was not invented by the opponents and is generally in common use in trade, even if only as decoration.

32. Turning to the opponent’s use of their marks, the evidence submitted does, in my view, confirm that the opponents have used their marks in the UK prior to the relevant date. Such use has been generally as secondary trade marks to the house mark CONVERSE. However, as Mr Halstead pointed out, turnover and promotion figures are only provided in relation to footwear and there are no details of sales and marketing in relation to other items of clothing. I would add that the evidence does not provide any indication of the opponent’s share of the market, nor any independent support from the trade or public as to the repute of its trade marks. Nevertheless, given the extent of the opponent’s sales in relation to footwear and the examples of the marks in use I am prepared to infer that the opponent’s marks have a not insignificant presence in the market place in relation to footwear and while I do not believe that the opponents have demonstrated that a star device is indicative of their goods, I will bear this in mind in my decision.

33. I move on to consider the marks themselves. For this purpose I take into account the guidance set out by Parker J in Pianotist Co’s Application (1906 23 RPC 774 at page 777):

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

Although the above test is framed in terms of word marks, the basic principles hold goods for other types of mark as well.

34. In my view the applicants' mark is visually distinct from the opponent's registrations when the respective marks are considered in their totality. The stylised "letter S" element is significant within the mark and I can see no reason why this element should be marginalised or ignored. A star device is a very simple sign and where marks contain features of a common or simple type, the protection offered to such marks must be linked with regard to these features and smaller differences between marks containing such services will be sufficient to avoid confusion. Turning to oral use, while the mark in suit is primarily a visual mark, it seems to me that as the opponent's registrations contain words (with the exception of registration No 1046939), these words are likely to be used in oral descriptions of their marks as "words speak louder than devices". Furthermore, the relevant marks all contain additional material to the star device and I am far from convinced that these additional elements would be ignored or marginalised in oral use. I also bear in mind the following comments which appeared in a recent Registry decision (in the matter of application No 20001040 by React Music Limited to register a trade mark in Class 25 and in the matter of opposition thereto by Update Clothing Limited under No 45787):

"There is no evidence to support Ms Clarke's submission that, in the absence any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection go goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely primarily on visual means to identify the trade origin of clothing, although I would not go so far as to say that aural means of identification are not relied upon".

This view was supported on appeal to the Appointed Person (REACT Trade Mark [2000] 8 RPC 285, at 289 lines 22 to 26.

35. At the hearing, Mrs Rawlings submitted that the relevant goods were not specialist products and would be purchased relatively quickly and without a great deal of care. I agree that the average customer for the goods is the general public but I do not share Mrs Rawling's views on how the goods are generally purchased. While there is no evidence on the point, it seems to me that clothing in general (in particular shoes) is purchased with a good amount of care and consideration. Most people take an interest in their appearance and wish at least to ensure that their clothes fit properly, are fit for purpose and on a subjective basis are of an acceptable style and colour. Clothing (including shoes) is the mainstay of the fashion industry and as such, considerable care and attention is often expended in its purchase. On this point, it appears from the evidence that training shoes are a major contributor to the opponent's sales in the UK and in current trading conditions these goods are often perceived as fashion products.

36. In relation to the Section 12(1) ground I conclude that although the goods are identical,

the overall differences between the respective marks as wholes, bearing in mind the nature of the goods and all other relevant factors, means that deception and/or confusion amongst a substantial number of persons is unlikely. The Section 12 ground fails.

37. The next ground of opposition is under Section 11 of the Act. This reads as follows:

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

38. The established test for this section is set down in *Smith Hayden and Company Ltd’s* application (Volume 63 1946 RPC 101) later adapted by Lord Upjohn in the *BALI* trade mark case (1969 RPC 496). Adapted to the matter in hand the test may be expressed as follows:

Having regard to the user of the opponent’s marks, is the tribunal satisfied that the mark applied for it used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

39. Under this heading I must take into account the actual user of the opponent’s marks. Mrs Rawlence submitted that, in addition to the opponent’s registered trade marks, the opponent has made substantial use of a single star device and that this increases the likelihood of deception or confusion. However, from my consideration of the evidence filed I am unable to conclude that the opponent has a reputation in a star device (solus) for the purpose of these proceedings. There is no independent support for Ms Rawlence’s claim. Although the opponent’s catalogues contain some examples of a star device (solus) eg on the side of sports shoes, it is not clear that this will have been taken as trade mark use of a star and in many instances the star device could be viewed as a decorative feature.

40. Earlier in this decision, in relation to the Section 12 ground, I found that the opponents had used their registered trade marks in the UK prior to the relevant date and that while these marks had no insignificant presence in the UK in relation to footwear, a star device had not been shown to be indicative of their goods. Further, the mark applied for is not a star but a composite device including a star. I find that there would be no deception or confusion amongst a substantial number of persons, assuming normal and fair use of the opponent’s mark, the opposition under Section 11 must fail.

41. Finally, I turn to the Section 17 ground. Under this section the opponent requests that the Registrar use her discretion to refuse the application because, as submitted at the hearing, the applicant at the time of application did not possess the necessary genuine intent to use the mark in suit on all the goods specified within the application, in particular footwear. In support of the ground, my attention was drawn to an agreement between the parties in 1990 in which Starter Corporation “had indicated during the course of finalisation of such agreement that they had at that time no intention to use the subject mark for athletic footwear”.

Reference to this agreement being obtained from the judgement in the 1996 New York proceedings concerning a dispute between the parties over concurrent trade in athletic shoes in the USA. However, it seems to me that intentions and plans can change with time. Because a business has no plans or intentions to produce a line of goods under a particular brand at a given date, it does not follow that its plans and intentions will remain the same some three years later. In my view there is no prima facie use of lack of intention to use. I do not believe that I should invoke the Registrar's discretion under Section 17(2) in the opponent's favour.

42. The opposition having failed, the applicant is entitled to a contribution towards costs. I order the opponent to pay the applicant the sum of **£650**. This sum to be paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

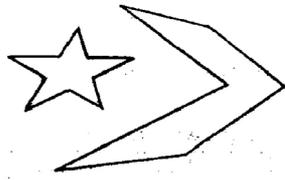
Dated this 11 day of January 2002

JOHN MacGILLIVRAY
For the Registrar
The Comptroller General

REGISTRATION No 1046939

REGISTRATION EFFECTIVE: 23 MAY 1975

MARK



SPECIFICATION OF GOODS

Class 25 - Footwear

REGISTERED PROPRIETOR: CONVERSE INC

.....

REGISTRATION No 1079577

REGISTRATION EFFECTIVE: 11 JUNE 1977

MARK



SPECIFICATION OF GOODS

Class 25 - Footwear being articles of clothing

REGISTERED PROPRIETOR: CONVERSE INC

.....

REGISTRATION No 1491118

REGISTRATION EFFECTIVE: 15 FEBRUARY 1992

MARK



SPECIFICATION OF GOODS

Class 25 - T-Shirts, shirts, vests, singlets, sweatshirts, shorts, trousers, trunks, pants, jumpers, jackets, tops, anoraks, parkas, raincoats and coats; headwear, hats, hoods and caps; footwear; all included in Class 25

REGISTERED PROPRIETOR: CONVERSE INC

.....

REGISTRATION No 1309095

REGISTRATION EFFECTIVE: 6 MAY 1987

MARK



SPECIFICATION OF GOODS

Class 25 - Footwear included in Class 25

REGISTERED PROPRIETOR: CONVERSE INC

.....

REGISTRATION No 1535607

REGISTRATION EFFECTIVE: 14 MAY 1993

MARK: ALL STAR

SPECIFICATION OF GOODS

Class 25 - Articles of clothing; footwear; all included in Class 25; but not including articles of clothing and footwear for the sport of fencing.

REGISTERED PROPRIETOR: CONVERSE INC