

O-032-08

TRADE MARKS ACT 1994

APPLICATION No. 2339297 BY ALAN WISEMAN ADHESIVES LIMITED

TO REGISTER 'ONSITE' AS A TRADE MARK IN CLASS 3

AND

OPPOSITION No. 92180 BY ON-SITE SUPPLIES

BACKGROUND

1. On the 30 July 2003, Alan Wiseman Adhesives Limited applied to register the trade mark ONSITE in Class 3 in respect of:

“Cleaning, polishing, scouring and abrasive preparations; soaps; heavy duty hand cleansers; stain and dirt removers for fabrics and hard surfaces; bleaching preparations and other substances for laundry use.”

2. The mark was subsequently accepted and published for opposition purposes. On 11 December 2003, On-Site Supplies filed notice of opposition. The grounds of opposition have been amended. Originally there was just a single ground of opposition under s.5(4)(a) of the Act. This was founded on the opponent’s claim to be the proprietor of a relevant goodwill and reputation under the mark ON-SITE. In March 2004, two further grounds of opposition were added:

- (i) under s.5(2)(b) of the Act on the basis of two earlier trade marks consisting of a stylised version of the words ON-SITE registered as a series of two marks with effect from 23 June 2000 under No. 2237093 in Class 21 for goods that are claimed to be similar to those covered by the opposed application; and
- (ii) under s.5(3) of the Act because it is claimed that the opponent’s mark enjoys a reputation in the UK and the opponent’s use of its mark in relation to identical or similar goods is, without due cause, liable to take unfair advantage of, or be detrimental to, the distinctive character or repute of the opponent’s mark.

3. In May 2005, a further ground of opposition was added under s.3(6) of the Act because the application was claimed to have been made in bad faith. This ground was added when it came to the opponent’s notice that the parties had previously had commercial dealings with each other. The opponent at this time concluded that these dealings should have alerted the applicant to the opponent’s ownership of the trade mark ON-SITE. The applicant’s decision to make the application for registration of ONSITE was therefore an act of bad faith.

4. The applicant denies the grounds of opposition. In particular, the applicant denies that the respective trade marks are identical or that the goods applied for are similar to the goods covered by the opponent’s earlier trade mark in Class 21.

5. Both sides seek an award of costs.

THE EVIDENCE

6. The evidence upon which the opponent relies consists of two witness statements by a Director of the firm, a Mr Richard Henry Lynes, (one of which was filed in reply to the applicant’s evidence) and a witness statement by Mr Paul John Kelly, who is a Trade Mark Attorney working for the opponent’s agents.

7. Mr Lynes has been a Director of the opponent's firm since 1988 and has access to its records. He says that his firm adopted ON-SITE in 1988 as its "housemark/name" and that the name has been used continuously since that date as a "mark/name" for his firm's business, which has a particular presence in the South East of England and the Home Counties. Mr Lynes says that ON-SITE is used in relation to a "wide range of goods" and he provides turnover figures for the business which indicate an annual turnover of around £1m by 1990 rising to £2m by 1995 and over £4m by 2002.

8. The opponent's ON-SITE trade mark is used on the firm's stationery, invoices and also the vehicles used to deliver goods to customers. According to Mr Lynes, 5-10% of the firm's turnover relates to a trade in "janitorial products". Exhibit RHL.2 consists of selected pages from trade price lists from 1996, 1997 and 1999. These indicate that the opponent is a distributor/supplier of goods to the building trades. The price lists include products covered by the opponent's Class 21 trade mark registration, such as brushes, buckets, mops, cleaning rags and sponges, and goods covered by the application, such as hand cleaner, floor cleaner, bleach, polish and disinfectant. It does not appear that any of these products actually bore the trade mark ON-SITE. Some of the products clearly carried third party trade marks.

9. Mr Lynes says that the opponent spent £400k in advertising and promoting goods under the trade mark since 1988. He does not say that all of this was spent promoting goods of the kind at issue and he provides no further details as to how the goods were advertised.

10. Mr Lynes points out that when a company called The Wolseley Group attempted to launch products under the mark ON-SITE his firm was contacted by customers who mistakenly believed these goods to originate from the opponent. In support of this he exhibits as RHL4 a copies of some papers from the time, including an undertaking secured from the Wolseley Group not to use the trade mark ON-SITE in future. Mr Lynes cites this as evidence of his company's reputation. I note that the Wolseley Group appears to be a supplier/distributor of products to the building trade (like the opponent) and the use complained about appears to have been use of the mark ON-SITE as the title of a promotional brochure aimed at the building trade for building products and tools.

11. Mr Lynes second witness statements consists entirely of argument. There is no need to say any more about it under the heading of 'evidence'.

12. Mr Kelly gives evidence that he carried out a search of the Internet on the words "Janitorial Supplies" and found that 2593 web sites contained these words. He exhibits selected results as exhibit PJK2 which indicates that two UK companies, Screwfix.com and Janitorial Direct, supply the goods covered by the application and the earlier trade mark. He also includes in this exhibit a print out from a US web site which indicates that in the US at least, the term "Janitorial" products is taken to cover goods listed in the application and in the specification of the opponent's earlier trade mark.

13. Mr Kelly also exhibits (as PJK3) a copy of correspondence with the Classification Section of the Trade Mark Directorate of the UK IPO in which it is confirmed that the

Registrar routinely searches between applications in Classes 3 and 21 for similar goods.

14. The applicant's evidence consists of a witness statement by its Director, Alan Wiseman, and two witness statements by Stephen Kinsey, who is a Partner in the firm of Wildbore & Gibbons, Trade Mark Attorneys, who represent the applicant in these proceedings. Mr Kinsey's second witness statement was filed as evidence in reply and was intended to answer the opponent's allegation that the trade mark was applied for in bad faith. As this claim was subsequently withdrawn there is no need for me to say anything more about Mr Kinsey's second statement.

15. Mr Wiseman says that the applicant has used the word 'onsite' since at least 1977 on the packaging of a chemical cleaning product called DAMBUSTER. The word appears in the phrase "Breakthrough with onsite DAMBUSTER". An illustration of this use is shown in exhibit AW2, which consists of some promotional material for the applicant's chemical cleaning products. I note from this that the word "onsite" is sometimes presented in hyphenated form "on-site".

16. Mr Wiseman says that the word 'onsite' is used "to emphasise the convenience to the customers of having a product ready at hand for dealing with, in this case, blocked sinks or drains". The word 'onsite' has also been used by the applicant in relation to stain and dirt remover products called GRIMEBUSTER and SPOTNIK.

17. The circumstances in which the applicant adopted the word 'onsite' for its products are described by Mr Wiseman as follows:

"I had never heard of On-Site Supplies when we adopted the word ONSITE for use on our chemical cleaning products. When we received orders from On-Site Supplies on 15 June 1999....I did not consider that there was any likelihood of confusion as to the source of my company's products. I still do not think that confusion is likely given that On-Site Supplies Limited does not appear to brand any of the cleaning products it sells through its catalogue and in any case its name is "On-Site Supplies"...."

18. Mr Kinsey says that, subsequent to Mr Wiseman's statement, a copy of the applicant's price list from 1988 has come to hand, which he exhibits as SK.1. This shows the word 'onsite' in use in relation to the three products mentioned in Mr Wiseman's statement. The use in relation to the DAMBUSTER product is as described above. The word is used on the packaging for the GRIMEBUSTER product beneath that brand and as part of the phrase "THE ONSITE HEAVY DUTY HAND CLEANER". The word 'ONSITE' appears above the brand SPOTNIK on the third product. The word 'onsite' does not appear in the accompanying descriptions of the DAMBUSTER and SPOTNIK products. The word appears in the accompanying description of the GRIMEBUSTER product like this:

"The on-site heavy duty Hand Cleanser".

The end of the price list reproduces six of the applicant's trade marks (including the three named above) and identifies them as such. There is no corresponding claim that the word 'onsite' is a trade mark.

19. Mr Kinsey says that, to him:

“...the phrase “on site” means...in relation to a product, a product intended for use in situ, and in relation to a service, a service performed at the place where the customer is located, as distinct from where the provider of the service is based. So I would say, for example, that a carpet may be best cleaned where it has been laid, on site, whereas a rug may be sent away to professional cleaners, off site. In the context of a chemical cleaning product of the sort sold by the applicant the phrase would not normally be used descriptively since clearly products of this type would be equally suitable for use at any location.”

20. Exhibits SK.3 to Mr Kinsey’s statement consists of the results of some Internet searches conducted by him. If it be needed, these provide support for the proposition that services may be carried out on or off site. They do not show any use of the phrase ‘on-site’ in relation to goods.

21. Finally, Mr Kinsey provides (as exhibit SK.2) print outs from the web site of Companies House showing that the opponent changed its name from Site Supply Lines to On-Site Supplies on 10 March 1989, i.e. after the applicant commenced use of the word ‘onsite’.

THE HEARING

22. The opponent asked to be heard and notice was given to the parties on 10 October 2007 that a hearing would take place on 19 November 2007. On 16 October 2007 the applicant applied for a postponement of the hearing on the grounds that it had recently made an application to invalidate the opponent’s earlier trade mark on the basis of its claim to enjoy senior common law rights to the mark ON SITE. The opponent objected to the application for a postponement primarily on the grounds that:

1. the applicant had delayed for three and half years after the section 5(2)(b) ground of opposition was added to the opposition before making the application to invalidate the registration of the earlier trade mark, and
2. there were other grounds of opposition which did not depend upon the validity of the earlier trade mark.

23. I wrote to the parties on 19 October 2007 stating that the hearing scheduled for 19 November should go ahead but that if, after hearing the parties’ cases, it appeared to me that the opposition would succeed if the opponent’s earlier mark was valid, but not otherwise, then I would permit the parties to make submissions as to whether my decision should be provisional and subject to the outcome of the belated invalidation application.

24. The hearing thus went ahead on 19 November 2007 when the applicant was represented by Ms Denise McFarland of Counsel, instructed by Wildbore and Gibbons, and the opponent was represented by Mr Michael Edenborough of Counsel, instructed by Barlin Associates.

25. Although it was not signposted in his skeleton argument, Mr Edenborough withdrew the opponent's bad faith objection at the commencement of the hearing.

26. He also indicated that the opponent did not wish to rely upon three further witness statements it had filed from trade witnesses, two of whom attested to the distinctiveness of the opponent's mark and the likelihood of confusion arising from the use by anyone else of the mark ON-SITE for cleaning products. These statements appear to have been secured following the issue by the opponent's Trade Mark Attorneys in undisclosed circumstances of an undisclosed number of questionnaires. It is not difficult to imagine why Mr Edenborough did not wish rely on that evidence.

THE SECTION 5(4)(a) OBJECTION

27. Section 5(4)(a) of the Act states that 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”

28. The requirements to succeed in a passing off action are well established and are summarised in *Halbury's Laws of England* 4th Ed. as being:

- i) that the claimant's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- ii) that there is a misrepresentation by the defendant (whether or not intentional)
- iii) leading or likely to deceive the public; and
- iv) that the claimant has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

29. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

30. Of further potential significance to this case is that a senior user of a mark is entitled to continue with use that was innocent at its inception even if that use subsequently comes to constitute a misrepresentation to a section of the public: see, for example, *Midgley v Morris & Cowdery* [1904] 21 RPC 314 and *Stacey v 20/20 Communications* [1991] FSR 49. Further, where a mark is simultaneously distinctive of two businesses, neither may be able to succeed in an action for passing off against the other: *Habib Bank Ltd v Habib Bank AG Zurich* [1982] RPC 1 at 24.

31. The first thing to be determined is whether the opponent has shown that it had acquired a relevant goodwill under the name ONSITE by the relevant date, which is the date of the application.

32. The opponent appears to have adopted the name ON-SITE (supplies) in 1989 and by 2003 it had a well established albeit moderately sized business under that name. Although the words ‘on-site’ may be used descriptively in relation to some goods and services, I am satisfied that the name had been used distinctively in relation to the opponent’s business. There is therefore little doubt on the evidence that the opponent had established a reputation and goodwill by the date of the application, and that ON-SITE SUPPLIES (the ONSITE element being dominant) was distinctive of the opponent’s business, at least in the South East of England and the Home Counties. The nature of the opponent’s business was that of a supplier/distributor of a wide

variety of goods to the building trades. Only a small proportion of these goods were cleaning or janitorial products. Accordingly, it would not be correct to characterise the opponent's business as one specialising in the supply of cleaning or janitorial products. Further, there is no evidence that the name ON-SITE was affixed to any of the goods the opponent supplies. It is in fact clear that at least some of the goods supplied by the opponent and relevant to this opposition, carried the marks of third parties. This is consistent with the opponent's status as a supplier/distributor (as opposed to being a producer) of a wide range of goods.

33. In these circumstances it is not self evident that a substantial number of those consumers aware of the opponent's business would have been confused or deceived by another party's use of the trade mark ONSITE in relation to goods of the kind covered by the applicant's specification. And there is no satisfactory evidence from relevant consumers which takes the opponent's case any further. I therefore find that, on balance, the opponent has not made out a prima case that use of the applicant's mark in relation to the goods in the application would amount to a misrepresentation. That means that the section 5(4)(a) objection fails.

34. In case I am wrong about that I have also considered whether the applicant's claim to be the senior user of the word ONSITE would have provided it with a defence to a valid claim. On the basis of the evidence before me I do not consider that the applicant's use would have defeated such a claim. This is because, although senior in time, the applicant's use of the mark was not distinctive of the origin of the goods sold under the marks DAMBUSTER, SPOTNIK and GRIMEBUSTER. I see some force in the argument contained in Mr Kinsey's evidence that the words 'on-site' would not normally be used to describe characteristics of chemical cleaning products. But the trade mark significance of these words for such goods is not so strong that the words could not be used in any other way in relation to these goods. In my judgment, the words have a somewhat ambiguous meaning when used in relation to such products and are therefore capable of being used both distinctively and non-distinctively. In my view, the use shown in the evidence in relation to the DAMBUSTER and GRIMEBUSTER products is liable to be understood by the relevant consumer as descriptive use. The position is perhaps a little more arguable when it comes to the use on the SPOTNIK product, but on balance I think that this would have been seen as descriptive use too, particularly by consumers confronted with analogous descriptive use of the word on the applicant's other two products.

35. In order to be distinctive of a business the insignia must have been used distinctively: see, for example, *Wild Child* [1998] RPC 455, and the earlier cases cited in that decision. The use shown of the word 'onsite' in the applicant's evidence therefore appears to me to be immaterial to the issue of passing off rights.

THE SECTION 5(2) OBJECTION

36. The relevant part of Section 5(2) of the Act is as follows:

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

(a) 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, or

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

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

37. On 27 April 2006, the European Court of Justice (ECJ) handed down a reasoned Order disposing of the appeal in Case C-235/05P *L’Oreal SA v. OHIM*. The relevant legal principles, drawn from the court’s earlier judgments in *Sabel* [1998] RPC 199, *Lloyd Schuhfabrik Meyer* [2000] FSR 77 and *Canon* [1999] RPC 117, are set out in the summary in that Order, the relevant part of which is re-produced below (references omitted):

“34 It is settled case-law that likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case.

35 That global assessment implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between the goods or services covered. Thus, a lesser degree of similarity between those goods or services may be offset by a greater degree of similarity between the marks, and vice versa. Accordingly, it is necessary to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the assessment of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services covered.

36 In that regard, as the more distinctive the earlier mark, the greater the risk of confusion, marks with a highly distinctive character, either *per se* or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character.

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40 it is settled case-law that in order to assess the degree of similarity between the marks concerned, it is necessary to determine the degree of visual, aural or conceptual similarity between them and, where appropriate, to determine the importance to be attached to those different elements, taking account of the category of goods or services in question and the circumstances in which they are marketed.

41. In addition, the global assessment of the likelihood of confusion must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impression created by them, bearing in mind, in particular, their distinctive and dominant components. The perception of the marks in the mind of the average consumer of the goods or services in question plays a decisive role in the global assessment of the likelihood of confusion.”

Identity/Similarity of the Marks

38. There is a dispute as to whether the marks are identical. The applicant points, in particular, to the hyphenated form of the opponent’s earlier mark compared to the single word of its own mark. The word ONSITE is obviously made up of the words ‘on’ and ‘site’ conjoined. In these circumstances I accept the submission made on behalf of the opponent that the applicant’s mark is conceptually and aurally identical to the word element of the opponent’s mark, and the visual difference introduced by the absence of the hyphen is so insignificant that it may go unnoticed by an average consumer. It is therefore insufficient to prevent the marks from being considered to be identical for the purposes of section 5(2)(a) of the Act, as per the ECJ’s finding in *LTJ Diffusion S.A. v Sadas Vertbaudet S.A.* [2003] ETMR 83. The opponent acknowledges that its earlier mark is also registered in the “slightly stylised” form shown below, but argues that this makes no difference.



39. In my judgement, the graphical element of the earlier marks is not so insignificant that its presence or absence may go unnoticed by an average consumer. The respective marks are not therefore identical. This finding obviates the need for me to resolve a tension in the opponent’s pleadings in which it claims that the respective marks are “identical or similar” without formally objecting under section 5(2)(a) of the Act (which covers identical marks).

40. Although they are not identical, the respective marks are plainly very similar. The dominant and distinctive feature of the opponent’s marks is clearly the word ON-SITE, which I have held is legally identical to the applicant’s mark. The presence or absence of the graphical element of the opponent’s marks would do little to prevent

the identity of the word elements from persuading an average consumer of cleaning products etc that the respective marks were used by one and the same undertaking, or at least by economically related undertakings. I therefore find that the marks are similar to the point of near identity. I do think that the degree of similarity varies as between the applicant's mark and one or other of the opponent's two marks. From here on, I will therefore treat the opponent's two marks as one.

Similarity of the respective goods

41. The second area of major disagreement between the parties is about whether the respective goods are similar. For the convenience of the reader the respective specifications are as follows:

Applicant's specification in Class 3:

Cleaning, polishing, scouring and abrasive preparations; soaps; heavy duty hand cleansers; stain and dirt removers for fabrics and hard surfaces; bleaching preparations and other substances for laundry use.

Specification of earlier trade mark in Class 21:

Brooms; buckets; chamois leathers for cleaning, cleaning cloths and rags; mops and squeegees; sponges; tea urns (non electric); containers not of precious metal; materials for cleaning purposes; polishing materials; dustbins; sprinklers; sprayers for garden and/or household use; jugs; teapots; kettles; toilet brush holders; washing up bowls; soap dispensers; buckets; lifting baskets; dustpans; waste bins; plasterers baths; skips; mixing stands; water butts; water carriers; watering cans; fuel cans and funnels; scrapers included in Class 21; paper towel dispensers.

42. Although similar descriptions are used in the respective specifications, "Cleaning, polishing ...preparations" versus "materials for cleaning purposes; polishing materials" it is permissible to interpret these descriptions in conjunction with the number of the Class in which they are used: *Altechnic Ltd's Application* [2002] RPC 34. Thus the cleaning materials in Class 21 are articles for cleaning, such as brooms, dusters, cloths and rags, whilst the cleaning preparations in Class 3 are soaps, washing up liquid, dishwasher tablets, and the sort of chemical cleaners shown in the applicant's evidence. Despite the closely similar descriptions used, the respective goods are not the same.

43. The completion of the registration procedure for the opponent's earlier trade mark took place less than 5 years from the date of publication of the applicant's mark. The opponent is not therefore subject to the requirements of section 6A of the Act, which would otherwise require the opponent to make a statement of use of the mark in respect of the goods relied upon in the opposition. Thus despite my earlier finding as to the nature of the opponent's actual use of ON SITE as part of a business name, the opponent is entitled to rely upon the registration of the earlier mark as a trade mark for all the goods stated in the specification of the registration.

44. The usual approach is to consider the effect of normal and fair use of the marks as trade marks for all the goods notionally covered by the respective specifications. I understood Ms McFarland to dissent from that very well established approach because there is evidence as to the actual trade of the parties. Ms McFarland submitted that in these circumstances I should test the result of the notional comparison of the respective marks and goods against the evidence of the actual result of the parties' trade, and only uphold the objection to the extent that the latter supports the former. I reject that submission. As Jacob L.J. explained in paragraphs 79-81 of the Court of Appeal's judgment in *Reed Executive plc v Reed Business Information Limited* [2004] RPC 40, the requirement to consider whether there is a likelihood of confusion necessarily means that one needs to contemplate what will happen if the marks are put into use as trade marks in relation to all or any of the goods or services for which the earlier mark is protected, or for which protection is sought for the later mark. For the five years following the completion of the registration process, this means use of the mark in relation to all the goods or services covered by the specification. The same applies to a mark which is the subject of an application for registration but which has not yet been registered. The effect of actual uses of the respective marks can be taken into account, but the enquiry cannot be limited to just that use.

45. All the relevant factors relating to the goods in the specifications should be taken into account in determining whether they are similar, including, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary (*Canon*, paragraph 23). Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned: see, for example, paragraph 53 of the judgment of the Court of First Instance (CFI) in Case T-164/03 *Ampafrance v OHIM – Johnson & Johnson (monBeBé)*, decided under an analogous provision of the Community Trade Mark Regulation 40/94.

46. On behalf of the opponent, Mr Edenborough conceded that the respective goods do not share the same physical nature, but he submitted that they share the same purpose and that they would be sold through the same trade channels. Further, he argued that the respective goods are complementary, even substitutable

47. Ms McFarland countered that any similarity between the purpose of the respective goods is at a high level of generality: they do not share the same specific purpose. Further, there was insufficient evidence that the respective goods are sold through the same trade channels. Further still, although some of the goods could be used together there was insufficient connection between them to justify a finding that they are complementary, let alone substitutable.

48. According to the case-law of the CFI in relation to the analogous provision of Regulation 40/94, goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the production of those goods lies with the same undertaking: Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi*. On this basis the CFI has held that wine and wine glasses are not complementary, but that there is a slight similarity between some types of bags in

Class 18 and shoes and clothing in Class 25: *El Corte Ingles S.A. v OHIM*, Case T-443/05.

49. In this case, the question of whether the goods are complementary is linked to the question of whether, and to what extent, the respective goods have the same purpose. It is obvious that:

“brooms; buckets; chamois leathers for cleaning, cleaning cloths and rags; mops and squeegees; sponges”

and

“materials for cleaning purposes”(covering, for example, abrasive pads and sponges)

and

“polishing materials” (covering, for example, polishing gloves and dusters)

- in the specification of the earlier mark, are goods connected with the application of:

“cleaning, polishing, scouring and abrasive preparations; stain and dirt removers for fabrics and hard surfaces” (at least in so far as the last product is for use on “hard surfaces”)

- in the specification of the application. I accept that the goods I have listed above from the earlier mark are not indispensable to the use of the goods I have listed from the application, but the opponent’s goods are nevertheless obvious and important tools for using the applicant’s goods. I therefore find that in addition to sharing the same or similar general purpose (cleaning of surfaces), these goods are, to a significant extent, complementary. I further find that “soap dispensers” in the specification of goods of the earlier mark are complementary to “soap” and “heavy duty hand cleansers” in the application. Again, it may be said that soap/hand cleanser can be used without a dispenser, but the importance of one to the other can be appreciated from the fact that a soap dispenser has no use other than to dispense soap or similar liquid hand cleanser. Accordingly, in my judgment, these goods are also complementary to one another.

50. I am less persuaded that any of the goods covered by the opponent’s mark share the same purpose as “bleaching preparations and other substances for laundry use” (which I take to cover substances used for cleaning clothes) or have sufficient connection so as to be regarded by a consumer as complementary goods.

51. I do not think that any of the respective goods are really in competition with one another.

52. Nor do I think that I should attach much weight to Mr Kelly’s evidence in assessing whether the respective goods are sold through the same channels of trade. This is because Mr Kelly indicates that his search identified the words “janitorial

supplies” in 2593 web sites, and yet he produces the results from just a few sites and there is no indication as to how these particular sites were selected. I do not therefore think that I can accept that the results he produces in his evidence are necessarily representative of the trade channels through which these goods reach the market.

53. I would be surprised if a hardware shop stocking brooms, buckets, mops etc would not also stock cleaning preparations. However, in the absence of evidence to that effect, I do not regard that as proven. Larger department type stores would plainly stock both types of goods, but not necessarily on the same shelves.

54. I conclude that there is a low but not insignificant degree of similarity between the respective goods, except for “bleaching preparations and other substances for laundry use”, which I find to be dissimilar to the goods protected by the earlier trade mark.

Average Consumer

55. In Mr Edenborough’s submission, the relevant consumer was a janitor or a cleaner.

56. At one point Ms McFarland appeared to accept Mr Edenborough’s submission as to the relevant consumer, but later she appeared to wish to broaden this to cover all those who use domestic cleaning products and agents. In keeping with my finding as to the notional nature of the test, I regard both groups of consumers as being relevant. Both groups of consumers are likely to be users of both the goods covered by the earlier mark and the similar goods listed in the application.

57. A professional cleaner is likely to pay closer attention to the tools of his or her trade than an ordinary domestic consumer. However, in a case like this where the issue is really whether the virtual identity between the marks is likely to cause the consumer to wrongly believe that connected goods are being marketed by the same undertaking, I do not think that the varying level of attention paid by the two potential consumer groups means that one group is significantly more likely to be confused than the other.

Distinctive Character of Earlier Trade Mark

58. The earlier trade mark is not obviously descriptive of the goods for which it is registered, but it is allusive. It is not therefore of the highest category of distinctiveness. And I remind myself that the applicant has found it possible to use ‘onsite’ descriptively in relation to some similar goods covered by its application. In my judgment the earlier mark therefore has a moderate level of inherent distinctiveness for the goods at issue, which has not been shown to have been enhanced by the opponent’s use of the mark as a trading name for its business.

Likelihood of Confusion

59. In my view, the close-to-identity level of similarity between the marks is sufficient to offset the lower level of similarity between the respective goods (as specified above). Despite the moderate level of distinctiveness of the earlier mark, the use of the applicant’s mark for the goods applied for (except for “bleaching preparations and

other substances for laundry use”) would give rise to a likelihood of confusion. This is because the net effect of the similarities between the marks and goods will cause the average consumer of cleaning products and preparations to wrongly assume that the parties’ marks identify the goods of a single undertaking, or from economically connected undertakings. Subject to the issue of the validity of the earlier trade mark, the section 5(2)(b) objection therefore succeeds in respect of all the goods in the application except for “bleaching preparations and other substances for laundry use”.

THE SECTION 5(3) OBJECTION

60. I need say little about this. Whilst not formally withdrawing the objection, Mr Edenborough was content at the hearing to direct his submissions to the opponent’s section 5(2) and 5(4) grounds. It will be evident from my findings under those heads, particularly as to the lack of relevancy of the opponent’s reputation, why I believe that he was right to do so. The section 5(3) objection adds nothing to the opponent’s case and I reject it.

PROVISIONAL OR FINAL DECISION?

61. It will be apparent from the above findings that the fate of the opposition for all bar one product turns entirely on the validity of the opponent’s earlier trade mark, which has relatively recently been put in issue by the applicant. I have some sympathy with the opponent’s argument that the application to invalidate the registration of its earlier mark was made too late to justify postponing the implementation of this decision. Further, it will be apparent from my findings that, at least on the evidence before me, the applicant has not shown that it has a high prospect of success in the invalidation action.

62. Nevertheless as that action was filed too late for these proceedings to be consolidated, I must bear in mind that different evidence and arguments may be advanced in those proceedings and it would not be right for me to pre-judge the outcome. The implementation of this decision prior to the outcome of that application could therefore wrongly deprive this applicant of a property right to which he may be entitled. This decision should therefore be provisional and subject to the outcome of invalidation application No. 82915. Once that case is resolved I will issue a final decision either confirming the provisional decision on the section 5(2)(b) objection (if the invalidation application fails or is withdrawn) or reversing it to the extent required if the invalidation application succeeds. The date of my final decision on the section 5(2)(b) ground will be the operative date for the purposes of any appeal against the substance of the above findings.

63. In the interests of economy and effective case management, the same will apply to my findings on the other grounds of opposition.

COSTS

64. Other than for the applicant’s belated invalidation application, the opponent would normally be entitled to an award of costs at this stage. This award would usually reflect the measure of success achieved in the opposition. In view of the applicant’s tardiness in waiting so long to apply to invalidate the earlier trade mark, I will make a

suitable award of costs to the opponent at this stage irrespective of the outcome of that application.

65. In doing so, I will take account of the opponent's own behaviour in twice causing the applicant to consider additional grounds of opposition, only to drop one of them again. In my view, parties should not be discouraged from dropping hopeless grounds (and the bad faith objection was hopeless) and Hearing Officers should therefore be very reluctant to penalise a party for abandoning them at any stage. However, I think that, as a minimum, a party is entitled to some notice that a ground is being dropped, particularly when it is a bad faith allegation that was deemed to be important enough to be added to the original grounds of opposition.

66. If the opposition had been properly brought and completely successful I would have ordered the applicant to pay the opponent the sum of £2200 made up of the following costs from the Registrar's published scale:

Filing notice of Opposition and considering counterstatement:	£700
Filing evidence:	£500
Considering applicant's evidence:	£250
Oral hearing:	£750

67. However, I do not think that the opponent is entitled to any costs (beyond the official filing fee of £200) for filing a Notice of Opposition that was so poor that it required amendment on two occasions. I will therefore deduct £500. I will deduct a further £300 to reflect the fact that although all the goods were opposed, the opposition to registration of the mark for one product failed. And I will deduct a further £300 to reflect the inconvenience to the applicant of the opponent's failure to give notice prior to the hearing that the section 3(6) objection was being dropped.

68. I will therefore order the applicant to pay the opponent the sum of £1100. This sum to be paid within 28 days of the date of this decision, subject to any appeal against this final decision to award costs against the applicant at this stage.

CONCLUSION

69. The Section 5(2)(b) objection will succeed, and the application will be refused, for:

“Cleaning, polishing, scouring and abrasive preparations; soaps; heavy duty hand cleansers; stain and dirt removers for fabrics and hard surfaces.”

The section 5(2)(b) objection will fail for:

“bleaching preparations and other substances for laundry use.”

70. The section 5(3) and 5(4)(a) objections will fail.

71. My decision is provisional at this stage and subject to the outcome of invalidation application No. 82915.

72. The applicant is nevertheless ordered to pay the opponent a contribution of £1100 towards the cost of this opposition within 28 days of the date of this decision.

73. The decision on costs is therefore a final decision and subject to appeal within the prescribed period starting with the date of this decision.

Dated this 6th Day of February 2008

**Allan James
For the Registrar**