

O-034-05

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2315408
BY PROFESSIONAL CYCLE MANUFACTURING LIMITED
TO REGISTER THE TRADE MARK
EXCEL
IN CLASS 12
AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 92249
BY HALFORDS LIMITED

BACKGROUND

1) On 9 November 2002, Professional Cycle Manufacturing Limited of Forge Lane, Cradley Heath, West Midlands, B64 5AL applied under the Trade Marks Act 1994 for registration of the trade mark EXCEL, in respect of the following goods in Class 12: "Bicycles". The mark was accepted on the basis of honest concurrent use with Registration No.2277155.

2) On 19 January 2004 Halfords Limited of Icknield Street Drive, Washford West, Redditch, Worcestershire, B98 0DE filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of UK Trade mark 2277155 "Apollo Excel/APOLLO EXCEL" with an effective date of 3 August 2001 in respect of "Bicycles, tricycles; parts and fittings for all the aforesaid goods" in Class 12. The mark in suit is similar to the opponent's trade mark, and the goods applied for are identical or similar. The mark applied for therefore offends against Section 5(2)(b) of the Trade Marks Act 1994.

b) The opponent is also opposing under Community Trade Mark (CTM) 1056407 EXEL, registered with effect from 25 November 1998 in the name of Exel Societe Anonyme, a French company unconnected with the opponent. This mark is registered in respect of, inter alia, "land vehicles" in Class 12.

3) The applicant subsequently filed a counterstatement denying the opponent's claims, and states that in the eight years (to Feb 2004) that it has been using its mark, there have been no instances of confusion.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 29 November 2004 when the applicant was represented by Mr Delafaille of Messrs Addleshaw Goddard, and the opponent by Mr Caddy of Messrs Wynne Jones Laine & James.

OPPONENT'S EVIDENCE

5) The opponent filed a statutory declaration, dated 2 May 2004, by Paul Joyner the General Manager, Leisure Trading of Halfords Limited a position he has held for three years. He states that the opponent is the largest cycle retailer in the UK and as he has responsibility for the cycle division he is "extensively familiar with the cycle trade in the United Kingdom". He provides figures for the UK cycle market as supplied by GFK Consumer Tracking. These figures are the gross cycle sales figures which include VAT.

Year	Turnover £Million
1999	374
2000	368
2001	315
2002	283

6) At exhibit PJ1 Mr Joyner provides a copy of the evidence filed by the applicant during the examination phase of the mark in suit . This comprised a witness statement, dated 13 May 2003, by Sharon Kelly a Director of the applicant company which I shall now detail.

7) Ms Kelly states that her company has used the trade mark EXCEL in the UK in relation to bicycles since 1996. She states that the bicycles have been sold throughout the UK and provides the following sales and promotional figures:

Year	Sales £	Units sold	Promotional £
1996	-	-	2,653
1997	-	-	7,024
1998	1,224,340	18,836	30,608
1999	3,338,202	43,364	83,455
2000	3,248,938	43,810	81,223
2001	2,486,449	34,715	62,161
2002	1,713,748	23,476	27,755

8) Ms Kelly states that the goods have been promoted by point of sale advertising, brochures and leaflets throughout the UK. Attached to the statement was evidence of sales of bicycles and also copies of promotional literature. The invoices are all to Makro Stores Ltd with reference to individual branches throughout the UK. They are dated between November 1999-October 2002. They show that the applicant supplied bicycles under names such as Excel Starburst, Excel Revolution, Excel Snakebite, Excel Bliss, Excel Warrior, Excel Anarchy and Excel Riot. Also provided are copies of Makro Stores Ltd leaflets which show these names, and other Excel bicycles, for the period May 1998-November 2002.

9) Mr Joyner states that the applicant has under 0.1% [in fact it is just under 1%] of the total UK Market for bicycles, and states that all the bicycles were sold by a single retailer. He also comments that the evidence does not show use of the mark EXCEL alone, it is always in combination with another word such as the names listed in paragraph 8 above.

APPLICANT'S EVIDENCE

10) The applicant filed a witness statement, dated 19 May 2004, by Hazel Bradbury the applicant's Trade Mark Attorney. At exhibit HB2 she provides copies of literature distributed by Makro Stores Ltd which shows references such as "Excel Black Bullet", "Excel Ladies and Girls "Starburst" MTB" and "Excel Mens and Boys "Bulletspeed" MTB". She states that EXCEL is the brand name of the applicant's bicycle and that "it is usual in the Applicant's business for the brand name to have many model names".

11) At exhibit HB4 Ms Bradbury provides an extract from the opponent's website which shows 24 bicycles under the APOLLO range, which includes the APOLLO EXCEL. Ms Bradbury also provides her opinion on various issues which are not of assistance to me in reaching my decision.

12) That concludes my review of the evidence. I now turn to the decision.

DECISION

13) At the hearing the opponent withdrew the opposition in relation to CTM1056407.

14) The only ground of opposition is under Section 5(2)(b) which reads:

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

(a)....

(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.”

15) An “earlier trade mark” is defined in Section 6, the relevant parts of which state:

“6.-(1) In this Act an "earlier trade mark" means -

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

16) The opponent is relying on its UK Trade Mark No 2277155 “APOLLO EXCEL” registered with effect from 3 August 2001 which is plainly an “earlier trade mark”.

17) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel Bv v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R 723. It is clear from these cases that:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel Bv v Puma AG*;

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel Bv v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel Bv v Puma AG*;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel Bv v Puma AG*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.*;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel Bv v Puma AG*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel Bv v Puma AG*;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG*;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.*

18) In essence the test under Section 5(2)(b) is whether there are similarities in marks and goods and/or services which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods and/or services, the category of goods and/or services in question and how they are marketed. Furthermore, I must compare the mark applied for and the opponent's registration on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

19) It was accepted at the hearing that the specifications of both marks are identical.

20) I now turn to the comparison of the mark in suit "EXCEL" with the opponent's mark "APOLLO EXCEL". Clearly the second part of the opponent's mark is identical to the mark in suit. However, the word APOLLO which prefixes the word EXCEL in the opponent's mark cannot be ignored. It is not laudatory or descriptive and for the goods concerned seems quite distinctive. Whilst there are visual and phonetic similarities between the two marks there are also differences.

21) Conceptually the marks convey little. The word EXCEL alludes to a superior ability or quality, whilst APOLLO is well known as the God of Light and also the name used on numerous spacecraft. The two words do not hang together to form a coherent image. Neither mark conjures up a vivid image which is applicable to the

goods in question. Given the allusive nature of the word EXCEL it is the image associated with APOLLO which is the dominant feature. This is emphasised due to its position as the first word.

22) I also have to consider whether the opponent's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The opponent did not file any evidence of use of their mark, although it is clear from the evidence filed by the applicant that the opponent has a number of similar marks that it uses on a range of bicycles. To my mind the opponent's mark has two elements. One is slightly allusive in that it implies the fundamental quality of the bicycle, but it is not descriptive. The other is a reference to the God of Light and a series of spacecraft. The opponent's mark must be regarded as having an inherently distinctive character when used in relation to bicycles.

23) Whilst it is accepted that the beginnings of trade marks are important, the dictum of imperfect recollection must also be taken into account. To my mind the similarities in the marks far outweigh the differences. Had the applicant sought registration of the marks actually used in the market place as shown in the evidence then the outcome might have been different.

24) Taking account of all of the above when considering the marks globally, I believe that there is a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore succeeds.

25) As the opponent was successful it is entitled to a contribution towards its costs. Despite comments from both sides in this case relating to the award of costs I see no reason to deviate from the normal policy of awarding costs within the scale and following the event. I order the applicant to pay the opponent the sum of £1500. This sum 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 4th day of February 2005

George W Salthouse
For the Registrar,
the Comptroller-General