

TRADE MARKS ACT 1994

**IN THE MATTER OF Application N^o: 2168582
by Ruth Allford and Natalie Stratos
to register a Trade Mark and**

**IN THE MATTER OF Opposition N^o: 49398
by The Alchemy Carta Limited.**

1. On 5th June 1998, Ruth Allford and Natalie Stratos of Studio 13, 109 Bartholomew Rd, London, NW5 2BJ applied to register ALCHEMY for 'Womenswear, menswear, children's wear, trousers, skirts, tops, jackets' in Class 25.
2. The opponents are The Alchemy Carta Limited and their grounds for objection are under ss. 5(1), 5(2) and 5(4)(a) of the Act. They are the proprietors of the mark N^o 1392502 ALCHEMY registered for 'Articles of outer clothing; footwear; tee shirts; articles of clothing made from leather or imitation leather; parts and fittings for all the aforesaid goods; all included in Class 25'.
3. A Counter Statement was provided by the applicants, in which the grounds of opposition are denied. Both parties ask for costs to be awarded in their favour.
4. The matter came to be heard on 15th November 2001, where the applicants were represented by Ms. Clifford of W H Beck Greener & Co., and the opponents by Dr. Colley of Counsel, instructed by Lewis & Taylor.

Evidence

5. The opponents evidence of use of their mark is contained in the Statutory Declaration of Ms. Sandra Phillipson, their Sales Director. An examination of the material submitted shows that the opponents' principle business is the manufacture and supply of jewellery and 'gothic' or 'fantasy' ornaments. However, from the bulk of their material – which is at Exhibit SP4 – it is clear that they also market some clothing. See, for example:
 - Reference to children's T-shirts in a letter dated October 1993
 - A catalogue dated Nov. 1992 which contains various designs of T-shirts, leather jackets and waistcoats.
 - A catalogue dated September 1995, again containing various T-shirts.
 - A catalogue dated 1996-1997 containing T-shirts.
 - More T-shirts in a 'new-releases' document dated February 1993.
 - T-shirts in the 1997 to 1998 Catalogue, and the 1998 -1999.

Other material is present, but undated. In fact, there is no evidence of the sale of leather jackets after 1992, and no sale of footwear at all.

6. As to the applicants' evidence user, there is little or no material showing sales under the mark. Rather their evidence consists of material relating to the setting up of their business, and to claims of sales which, in the context of the industry as a whole, are small.

Decision

7. There was a preliminary point. On the 15th October 2001 the applicants in this case applied for revocation of the opponents' registration on grounds of non-use under s. 46 of the Act. They requested that the opposition be suspended and the matters be consolidated. The opponents here resisted this, suggesting it was a delaying tactic. The applicants pressed their case.
8. First, Ms. Clifford first referred me to preamble of Directive 89/104, and the 8th 'whereas' clause:

'Whereas in order to reduce the total number of trade marks registered and protected in the Community and consequently the number of conflicts which arise between them it is essential to require that registered trade marks must actually be used or if not used be subject to revocation; whereas it is necessary to provide that a trade mark cannot be invalidated on the basis of the existence of a non-used earlier trade mark, while the member states remain free to apply the same principle in respect of the registration of a trade mark or to provide that a trade mark may not be successfully invoked in infringement proceedings if it is established as a result of a plea that the trade mark could be revoked; whereas in all these cases it is up to the member states to establish the applicable rules of procedure.'

9. Ms. Clifford connected this clause with s. 5(1) of the Act. This states:

'5.-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is *protected*.'

In Ms. Clifford's view, use of the word 'protected' (see also Art. 4(1)(a) of the Directive, which s. 5(1) implements), as opposed to use of the word 'registered', means that when applying this section of the Act the Registry must consider the validity of the earlier trade mark. In other words, the Alchemy Carta registration is either not protected at all because it has not been used or has limited protection because it is used only on some goods covered by the registration.

10. I do not believe I can accept this submission. Though it is clear that the 'whereas' clause cited above envisages a mechanism in each member state that allows for revocation of unused marks, they are 'free' to apply this principle in 'respect of the registration of a trade mark', and '.. it is up to the member states to establish the applicable rules of procedure.'
11. As for the use of the word 'protected' in s. 5(1) and Art. 4(1)(a), there is a more likely explanation for its presence in paragraphs 8-12 to 8-14 of *Kerly's Law Of Trade Marks and Trade Names* (13th Edition). It seems something of a leap of logic to connect it to the validity of unused marks. Its also perfectly possible that it results from little more than sloppy drafting in the Directive. The word is used in ss. 5(2) and (3) of the Act, but not in their equivalents in the Directive (Arts. 4(1)(a) and 4(4)(a)). Why should the word 'protected' only apply to marks which are identical, specified for goods that are identical? If the point that Ms. Clifford is making has any validity, it should equally arguable for similar marks on identical goods, and similar marks on similar goods, where a likelihood of confusion exists.

12. I was also referred to Art. 43(2) of the Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, which states:

‘2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services’.

Ms. Clifford stated that the Community Trade Mark Office’s practice is that even where an applicant for registration demands evidence of use of a mark the subject of an earlier right that this can be done right up until the Community Office is due to give a decision on the merits of the opposition. This may be the case, but it is not now, and has not been the procedure in the UK to date. Further, I note that though the Directive 89/104/EEC and the CTM Regulations share a similar genesis (the Paris Convention), both in the *Trillium decision* (*Trillium Digital Systems Inc’s Trade Mark* [2000] ETMR 1054) and elsewhere (*Milliken & Company v Ronald George Jenkins Murgitroyd & Company* R 66/1998-1, 30th September 1998; the ‘*Comfort Plus*’ decision, paragraph 18) OHIM has made clear that it regards the CTM system as ‘autonomous’, and that it, and national systems exist ‘in parallel’ with each other.

13. Next, I was referred to *Halsbury’s Laws*, Vol. 37, Practice and Procedure, relating to consolidation of proceedings in the High Court:

‘69. **Consolidation.** Consolidation is a process by which two or more causes or matters are by order of the court combined or united and treated as one cause or matter. The main purpose of consolidation is therefore to save costs, time and effort and to make the conduct of several actions more convenient by treating them as one action.

The jurisdiction to consolidate arises where there are two or more causes or matters pending in the same Division and it appears to the court:

- (1) that some common question of law or fact arises in both or all of them (RSC Ord. 4, r 10(a)), or
- (2) that the rights to relief claimed in them are in respect of or arise out of the same transaction or series of transactions (RSC Ord. 4, r 10(b)), or
- (3) that for some other reason it is desirable to make an order consolidating them or an order alternative to consolidating them (RSC Ord. 4, r 10(c)).

In these circumstances the court may order these causes or matters to be consolidated on such terms as it thinks just (RSC Ord. 4, r 10). The circumstances in which actions may be consolidated are broadly similar to those in which parties may be joined in one action (RSC Ord. 15, r 4). Accordingly, actions relating to the same subject matter between the

same plaintiff and the same defendant, or between the same plaintiff and different defendants or between different plaintiffs and different defendants, or between different plaintiffs and the same defendant, may be consolidated on the application of either a plaintiff or a defendant’.

14. Ms. Clifford cited, in particular, the first two factors in this extract; the following is from her skeleton argument:

‘(1) That some common question of law or fact arises in both or all of them. In this case the issue is clearly the extent to use of Alchemy Carta of their mark and therefore the vulnerability of their registration to cancellation.

(2) That the rights to relief claimed are in respect of or arise out of the same transaction or series of transactions. Again this would seem to apply because the relief which our clients seek would be cancellation in whole or part of the Alchemy Carta registration in order to allow their own application to proceed’.

15. The extract above appears to be from a rather dated version of *Halsbury’s*; the rules on consolidation in the High Court are now governed by the Civil Procedure Rules 1998 (CPR; SI 3132), and the most recent version of *Halsbury’s* states:

‘131. Consolidation of proceedings; in general.

Prior to the advent of the Civil Procedure Rules, rules of court governed whether or not two or more causes or matters could by order of the court be combined and united and treated as one cause or matter (RSC Ord 4 r 9 (revoked)).

Now the power either to consolidate proceedings (CPR 3.1(2)(g)) or to try two or more claims on the same occasion (CPR 3.1(2)(h)) is specifically provided for as being amongst the court’s general powers of case management. Either power may be exercised by the court of its own initiative or on application being made to it. The court has a duty to further the overriding objective by actively managing cases (CPR 1.4(1)). A court considering whether or not to consolidate proceedings is most likely to be concerned with whether costs and time could be thereby saved’.

16. In response to these submissions, Dr. Colley said that in High Court proceedings, in the ordinary course of events, a counter claim would not be allowed shortly before a trial. I was referred to the Civil Procedure Rules relating to ‘Acknowledgement of Service’, that is, acknowledgement by a defendant of the service of a writ or originating summons issued in the High Court (CPR 10.3), the period for filing a defence (CPR 15.4), extension of the period for filing a defence (CPR 15.5), and the a defendants counter claim against the claimant (CPR 20.4). I do not find much of this relevant; however, CPR 20.4 states:

‘(2) A defendant may make a counterclaim against a claimant -

(a) without the court’s permission if he files it with his defence; or

(b) at any other time with the court’s permission’.

The court’s ‘permission’ on this matter will, no doubt, depend, *inter alia*, on the ‘overriding objective’ in the CPR (r 1.1), which states:

‘(1) These Rules are a new procedural code with the overriding objective of enabling the court to deal with cases justly.

(2) Dealing with a case justly includes, so far as is practicable -

(a) ensuring that the parties are on an equal footing;

(b) saving expense;

(c) dealing with the case in ways which are proportionate -

(i) to the amount of money involved;

(ii) to the importance of the case;

(iii) to the complexity of the issues; and

(iv) to the financial position of each party;

(d) ensuring that it is dealt with expeditiously and fairly; and

(e) allotting to it an appropriate share of the court's resources, while taking into account the need to allot resources to other cases’.

17. Ms. Clifford also referred me to the Registry’s own Tribunal Practice Notice (TPN 1/2000), which follows r. 1.1 of the CPR, so I will consider them together. This includes, so far as is practicable:

‘(a) ensuring that the parties are on an equal footing;

(b) saving expense;

(c) dealing with the case in ways which are proportionate –

(i) to the amount of money involved;

(ii) to the importance of the case;

(iii) to the complexity of the issues; and

(iv) to the financial position of each party;

(d) ensuring that it is dealt with expeditiously and fairly; and

(e) allotting to it an appropriate share of the court’s resources, while taking into account the need to allot resources to other cases’.

18. It seems to me that each of these provisions could be marshaled to service the submissions of both parties. For example, as Dr. Colley pointed out, introducing the revocation action at this late stage hardly puts the parties on an ‘equal footing’. Further, on cost savings, the Registered Proprietor could argue, as Dr. Colley did, that it was unclear how expense would

be saved by postponing the hearing, so as to allow consolidation, when the parties were already present to present their respective cases. It seemed to me that delaying the hearing would just as a likely add to their expenses as preserve them.

19. Proportionality in this matter, I believe, goes to the issues of delay, the lateness of the new application, and the strength of the revocation case. There was much discussion at the hearing concerning the latter. Of course, it was not for me to decide the degree to which such a case would succeed, if at all; however, it necessary for me to at least consider its merits, on the evidence submitted thus far, to the extent that it allowed me to determine its importance to the proceedings. Dr. Colley was keen to stress the difficulties in doing this, largely because, he believed, the opponents' had not approached the evidence rounds with a revocation action in mind: in short, more complete evidence of use of the mark existed. Ms. Clifford argued that this was unlikely: the opponents were supporting a case for passing off, and would have sought to buttress this ground by submitting any and all material sustaining the creation of goodwill under their mark over a wide a range of goods as possible.
20. I considered their to be some force in this submission; however, it did not appear to me, on the evidence before me, that the applicants' revocation action would produce a result that was fatal to the opposition action. On the evidence submitted thus far, it appears that the opponents can demonstrate use of their mark on at least some of the items in their specification.
21. Finally, Ms. Clifford, also made the following point, in relation to dealing with these matters 'expeditiously and fairly', which I have taken from her skeleton argument;

'It is submitted that there is no real evidence of confusion in the market place, suspension or consolidation will simply maintain the *status quo* that the parties have been happy to live with since about 1989. ... where the relatively unsophisticated clients dealing with the obscure provisions of Section 7 of the Act it seems only fair to suspend or consolidate. I reiterate again that throughout the proceedings Natalie Stratos of my client has regularly spoken to Registry officials about her application. As a result she became confused and had understood that she has a strong case. I would however like to emphasise that this is not to say that I believe the Registry staff have done anything wrong in talking with Ms. Stratos and indeed this should be encouraged but simply that the opaque and peculiar provisions of Section 7 have confused a lay client who is told on the one hand that her application has been allowed and the other hand that the Registrar has to reject her application on the grounds of an earlier right'.

I'm not sure what to make of this submission. It is something of an assumption to state that the opponents are 'happy' with the *status quo* – their presence in these proceeding rather seems to belie that. And the evidence suggests that the parties trading paths were unlikely to cross in the period leading up to the application, and after. Despite that, there has been evidence of confusion. As to the circumstances of the applicants, whether they were confused or not is neither the fault of the opponents nor, as Ms. Clifford confirmed, the Registry. They were always able to avail themselves of their representatives legal advice.

22. In summary, I was not prepared to accede to the applicants' request. The opposition proceedings were begun in January 1999. The applicants responded in a Counterstatement denying the basis of the opponents' grounds. Normal evidence rounds followed. Now, nearly three years after the proceedings began, the applicants wish to suspend them while they seek

revocation of the opponents' mark. It seems to me, at this late stage, the revocation action should be such as to present a very significant challenge to the opponents' existing right in their registration that the outcome of the opposition hearing would be fundamentally altered. I do not see this follows from the applicants' Statement of Grounds in their revocation action. In short, I was not convinced it was unconscionable not to consolidate it with these proceedings, at this late stage.

23. Of course, this decision does not undermine the revocation action, which can continue. And there is nothing to stop the applicants applying again for the mark in suit.

24. I wish, now, to deal with the grounds of objection. S. 5 states:

'5.-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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.

(3) ...,

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

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

25. The opponents have an earlier mark by virtue of s. 6(1). The goods at issue are:

Applicants

'Womenswear, menswear, children's wear, trousers, skirts, tops, jackets'.

Opponents

'Articles of outer clothing; footwear; tee shirts; articles of clothing made from leather or imitation leather; parts and fittings for all the aforesaid goods; all included in Class 25'.

Dr. Colley's stated:

'.. it is clear that Alchemy's mark is identical with the mark for which registration is sought .. and it is clearly a knockout for me to show that it is the same mark in relation to the same goods ...

That is, s. 5(1) applies. The 10th recital to the Directive, implemented by the Act, states that ‘..the protection afforded by the registered trade mark ... is absolute in the case of identity between the mark and the sign and goods or services..’. The legislation *assumes* a likelihood of confusion where the marks and goods are identical (see the Opinion of the Advocate General SA Société LTJ Diffusion v SA SADAS C-291/00, 17th January 2002, paragraphs 34 to 39). Thus this particular point turns on the goods at issue.

26. There was, of course, disagreement on this point. Dr. Colley was of the view that articles of outer clothing was, effectively, a synonym for outerwear, and outerwear is defined in the Shorter Oxford English Dictionary as ‘clothes worn over other garments or outdoors.’ Thus, in his view, the only items excluded by this definition – ‘..bearing in mind that garments worn for outdoor purposes or indeed worn over other garments, is really everything except underwear’.

27. Ms. Clifford, referring to ‘outer clothing’, argued:

‘..it is interesting that Dr. Colley had to go to a dictionary to explain to us what is meant by this term. I think, with respect, that he has come up with the next best he can come up with, but none the less, because Alchemy Carta have not used a readily understood term, then I think that the specification should be restricted as narrowly as possible because otherwise it cannot be fair that people looking at the register, for example, when they do clearance searches, do not really know what that term means. ... I submit that articles of outer clothing should actually mean outer clothing as in jackets and coats and hats and, I suppose, footwear as well, but no more than that’.

Ms. Clifford also referred to the dictionary definition ‘clothing worn over other garments or outdoors’ and said that the latter phrase follows on from the former ‘..and therefore not only should goods such as vests and pants and hosiery and the like be excluded under section 5(1), but I would also submit that other clothes should be’. In her view, this reference to ‘outdoors’ was one to ‘jackets and coats and so on’. She added: ‘that clothes worn over other garments cannot include trousers because they are not specifically worn over other garments, blouses and shirts and suits, together with the underclothing’.

28. I am not convinced by these submissions. The term ‘outer clothing’ is readily understood and has been used within the Registry for many years, appearing in a number of specifications for articles in Class 25. Internal advice to Trade Mark Examiners (‘Unit Examination Guide’, unpublished) contains the following definitions:

Outerclotthing comprises all articles of clothing which are worn over more personal items of underclothing such as pants, vests and socks. Articles of outerclotthing can usually be seen by others and examples of outer garments include coats, shirts, trousers, shoes and hats.

Underclotthing comprises all articles of clothing which are normally worn underneath outerclotthing. Articles of underclotthing are more personal items than outerclotthing, and include garments such as pants, brassieres, underslips and most articles of hosiery’.

29. Arguing over the construction of a definition in the Shorter Oxford English Dictionary is perhaps nit-picking, but I do not see that ‘outdoors’ was intended to constrain ‘clothing worn

over other garments’, as the use of ‘or’ rather presents, if not an alternative, but a definition that encompasses clothing that might function as both or either.

30. Further, it is typically the case that specifications are drafted in terms that describe the product in general, and then narrow their focus to specific examples of particular interest to the applicant (or registrant). Thus ‘womenswear’ and ‘menswear’ are further specified by ‘children’s wear, trousers, skirts, tops, jackets’ and ‘Articles of outer clothing’ is refined by ‘footwear; tee shirts’ etc.
31. Thus, in my view, the opponents’ specification encompasses most clothing items, except for perhaps, underwear such as vests, underpants, brassieres, hosiery and the like. Excluding these items - as ‘womenswear’ and ‘menswear’ subsumes most clothing - I have come to the conclusion that, in so far as the opponents’ specification defines it, the marks and the goods are identical and, under s. 5(1), the application must fail.
32. In relation to those items which might not be consider identical to the opponents’ goods, I will now go on to consider s. 5(2)(a), which is concerned with identical marks, and similar goods. I must ask the question: is underwear similar to ‘Articles of outer clothing; footwear; tee shirts; articles of clothing made from leather or imitation leather..’?
33. The relevant guidance on this section is provided by the European Court of Justice (ECJ), in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] ETMR 1, *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723.
34. Similarity of goods has previously been determined by the criteria established by Jacob J in *British Sugar plc v James Robertson & Sons Ltd* [1996] 9 RPC 281, and have been confirmed in *Canon*:

‘In assessing the similarity of the goods or services concerned .. all the relevant factors relating to those goods or services themselves should be taken into account...includ[ing], *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary..’

To this list, Jacob J included the respective trade channels through which the goods enter the market. It seems to me that if these criteria are applied, it is difficult to escape the conclusion that these goods are similar. Their nature is the same, as are their end users and method of use, they may be regarded as complementary, but are sold though the same trade channels.

35. Having comes to this conclusion, and noting, also from *Canon*, that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and *vice versa* (*Canon* page 7, paragraph 17), I must also come to the result that there is a likelihood a confusion between these products, and the application must also fail for any items not caught under s. 5(1).
36. There is, of course the issue of honest concurrent use, the application being accepted for publication by the registrar on the basis of such. In opposition proceedings honest concurrent use is not in itself a defence which will save an application, but it is a factor in determining

whether there is a likelihood of confusion (see s. 7((2), and, for example, *CDS Computer Design Systems Ltd v Coda Ltd* (BL 0-372-00)). Thus it might affect my decision under s. 5(2)(a), but not that under s. 5(1).

37. What has been the extent of the applicants use of their mark? Use is claimed since 1989 in the Statutory Declaration of Ms. Ruth Allford, a partner of applicants (paragraph 2). The following evidence is provided (Exhibit A):

- A letter to the DTI, dated 26th July 1989, which evidences an intention to set a business partnership called 'Alchemy' or the 'Alchemy' partnership.
- A receipt for 5000 ALCHEMY labels, dated 17th October 1989.
- Registration of 'Alchemy' for VAT dated 3rd November 1989.
- A bank statement, dated 17th November 1989 in the names of 'Miss R Allford & Miss N A Stratos T/A Alchemy'.
- Prince's Trust Business Loan Repayment Scheme statement, in the name of Alchemy, dated 1st January 1990.
- Tax Return for 1990-91 in the name of Alchemy.
- Certificate of Registration under the Business Names Act 1985 for ALCHEMY, 26th January 1995.
- Trading agreement citing ALCHEMY, dated 1st February 1990.
- Concession agreement with Selfridges Limited, dated 27th February 1997.
- A receipt for 200 business cards for ALCHEMY, dated 3rd August 1989.
- A receipt from a PR firm incorporating the applicants' ALCHEMY name, dated 3rd May 1996.
- Lease of premises from Camden Council, dated 9th February 1994.
- A rent statement dated 29th November, on ALCHEMY headed paper.
- A lease to 'Ms. R Allford & Ms. N A Stratos' dated 22nd January 1996. ALCHEMY is not mentioned.
- A packaging receipt dated 12th January 1994 to ALCHEMY.
- Annual membership subscription to 'Ruth Allford, Alchemy' of the 'Register of Apparel and Textile Designers', dated 29th November 1989.

38. Ms. Allford refers to the following turnover figures, under the ALCHEMY name:

1/5/1989 to 30/4/1990	approx. £500
1/5/1990 to 30/4/1991	approx. £10,000
1/5/1991 to 30/4/1992	approx. £15,000
1/5/1992 to 30/4/1993	approx. £35,000
1/5/1993 to 30/4/1994	approx. £65,000
1/5/1994 to 30/4/1995	approx. £100,000
1/5/1995 to 30/4/1996	approx. £85,000
1/5/1996 to 30/4/1997	approx. £85,000
1/5/1997 to 30/4/1998	approx. £190,000
1/5/1998 to 30/4/1999	approx. £200,000

39. There are also promotional material and various articles appended to Ms. Allford's Declaration. I have studied this material carefully. There is an advert for a dress, apparently from the Drapers Record, dated 4th August 1990: 'The simple and slinky dress never loses its appeal and Alchemy is a young company which specialises in creating just this'. Another promotional feature apparently originates from a July 1997 edition of Cosmopolitan magazine, depicting a special offer of a 20% discount 'at Alchemy'. There are also items showing women's clothing from Marie Clare (October 1996) and Company (October 1996) magazines, and one from the Sunday Times Magazine, dated May 1995. The latter contains no reference to the applicants as such. Ms. Allford refers to other promotions, in magazines and on televisions, but no material is provided showing the character of this publicity.
40. Three articles are also submitted with Exhibit B. One, entitled 'The Elixir of Fashion' is undated, another is from the 'Westminster & Pimlico News' dated March 1990 and the other from Observer, dated 29th October 1989. All give a brief history of the Alchemy design business, but are also concerned with a project called 'Fusion', an art and fashion venture.
41. I can make a number of observations about this evidence. First, the amount of sales made under the mark is not extensive, when one takes the fashion industry as a whole. Next, much of the material in Exhibit A seems to be preparatory of trade and the rest does little to illuminate the nature of the trade itself: there is no material showing how the mark was used on the applicants' products, such as samples of the products concerned. Further, the evidence shows that the applicants' business appears to be confined to high fashion items, and was hardly 'mass market'. There is little to support Ms. Allford's assertion that 'the mark ALCHEMY is well known to the general public and to buyers of womenswear etc in the United Kingdom'. Dr. Colley made the following comments on the applicants' evidence of use of their mark:

'...what I say in relation to this collection of documents is that we have not seen any invoices, any receipts any documents showing sales or use. We have seen a little bit of quite late promotional stuff around the 1996/1997 period which is consistent with the Selfridge's and/or Fusion in the Trocadero brochures. In my submission, you really cannot tell what, if anything, this mark has been used on, and really accurately by date when it has been used. You can draw a conclusion that there was some promotional work around perhaps 1996. You do not have a catalogue produced by Alchemy of what they have, circulation sheets that they might have sent to wholesalers, or documents that they have handed out in these concessions that they supposedly had. You do not really have an advertising campaign. You do not have any indication as to volumes in the sense of any

confirmatory documents. You do not have receipts, you do not have anything to do with manufacturers making clothes to a particular design form, so you are really very thinly provided with any indication that this mark has been used by them’.

42. I think I must conclude that the applicants’ use of their mark is not extensive, and in an area of the clothing market that was unlikely to cross with that of the opponents. Yet, despite this, there is evidence of confusion between the marks (see paragraph 17 of Ms. Phillipson’s evidence).
43. Honest current use is essentially concerned with distinctiveness in fact – that is, the capacity of two undertakings to be distinguishable from each other on the marketplace because of the use they have made of their marks. In this matter the marks are identical and inherently distinctive for these goods: it seems an inescapable conclusion that confusion would occur, under normal and fair use of the applicants’ mark. In my view, honest concurrent use cannot avail the applicants here, unless it was of such an extensive nature as to have established them in the market place such that customers were aware that they a separate undertaking from the opponents, and there was therefore no likelihood of confusion under s 5(2)(a). This grounds also succeeds. There is also the point that, as the s. 5(2)(a) grounds is concerned with underwear only, the applicants user does little to avail them here: such as it is, it relates only to women’s wear.
44. As a consequence of my findings under ss. 5(1) and (2), I see no reason to consider the s. 5(4)(a) ground. Thus the opponents are successful, and I order the applicants to pay them £900. This sum is to be paid within seven days 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 27TH Day of February 2002.

**Dr W J Trott
Principal Hearing Officer
For the Registrar, the Comptroller General**