

O-134-04

DECISION OF THE TRADE MARKS REGISTRY
TRADE MARKS ACT 1994

APPLICANT: DEBONAIR TRADING INTERNACIONAL

OPPOSITION Nº. 90790

AND

OPPONENT: KABUSHIKI KAISHA ISEHAN

APPLICATION Nº. 2259592

CLASS 3

SO... ? KISS ME

TRADE MARKS ACT 1994

BACKGROUND

1. The above trade mark was applied for on 31st January 2001 by Debonair Trading Internacional Ltda., Avenida do Infante 50, 9000 Funchal, Maderia, Portugal for the following goods in Class 3:

“Toiletries; hair care products; perfumery; cosmetics; deodorants.”

2. Registration of the mark is opposed by Kabushiki Kaisha Isehan under s. 5(4)(a) on the basis of an earlier right.
3. A counter-statement was provided by the applicant in which they deny the grounds asserted by the opponent. Both parties ask for costs to be awarded in their favour.

HEARING

4. The hearing was heard over the video link in Newport and London. The applicant was represented by Mr. Peter Smart of Messrs. W H Beck, Greener & Co., while Ms. Monica Marshall of Messrs. J A Kemp & Co., appeared on behalf of the opponent.

EVIDENCE

The evidence of the opponent

5. This appears in the Witness Statement of Mr. Aryeh Elbaz, who is the brand manager of Cimel Limited. Mr. Elbaz explains that the latter (‘Cimel’) is the exclusive importer and distributor of the opponent’s products in North America, since 1975, in particular, the KISS ME mascara.
6. In my view, it does little to establish any significant trade under the mark in the UK. Any evidence that might help the opponent’s case is limited to the following:
 - The product sold under the KISS ME name has improved properties and characteristics compared with conventional mascaras – in that it is very effective, water resistant, but can also be removed with warm water and gentle rubbing.
 - Exhibit AE5 carries a ‘typical invoice’ originating in the UK, totalling \$27.
7. This is the only material that I believe forms any case in the opponent’s favour. Though Mr. Elbaz claims that ‘as far back as 1997 I began working to promote the KISS ME product in the UK, aggressively responding to each UK lead’, a distributor in the UK was not found until some 5 months after the relevant date, and there is little material evidence of sales and promotion in the UK. That that there was, appears to consist of UK consumers coming across websites (Exhibits AE1 and AE2), advertisements in magazines (Exhibit AE4) and via trade shows. Unfortunately, all of the above were based in North America, and the actual exposure of the product in the UK before the relevant date (31st January 2001) is unknown.
8. Though the website cited in Exhibit AE2 is said to have attracted a great deal of interest in the UK, while that in Exhibit AE3 consists of a review on a UK site, both are after the relevant date.

9. I do not see the need to refer to the applicant's submissions in the evidence as set out by Mr. Smart at the hearing. However, I think it is fair to say that he came to much the same conclusion as I have here, though by way of more detailed comment.

The evidence of the applicant

10. This consists of a 'proforma' document labelled as a 'STATEMENT OF TRUTH'. I am not wholly certain of the status of this document. It has been completed by a Samantha Forrest, who claims she has worked as a PR agent for ten years, including companies involved in the cosmetics and toiletries business, and 'extensively with the UK media in particular the female magazines.' Ms Forrest confirms that the first time she 'ever heard of a mascara by the name of "Kiss me" was during' a conversation with a Mr. Gangli of Incos Ltd., who are responsible for marketing the applicant's 'So..?' fragrance range.

LAW

11. The relevant section of the Act is:

"5(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, or

(b)

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

DECISION

12. At the hearing, finding in favour of the applicant, I stated that I could not conclude that, as of the relevant date, the opponent had a protectable goodwill under the name in the UK. I now provide the reasons for my decision.
13. The Appointed Person in the *Wild Child Trade Mark* [1998] RPC 455, at 459 to 461 sets out the principles of the law of passing off:

"The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purpose of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the applicants could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in *Halsbury's Laws of England* (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] A.C. 731 is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

‘(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.’

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.’ ”

14. The evidence, as set out above, fails to show that the opponent had any protectable right in the UK under the mark. There has simply not been sufficient trade in this country to demonstrate that the mark KISS ME has become a symbol of any business goodwill in the UK as of January 2001. Though there was some material showing nominal use, it was below the level of *de minimis*, particularly against the background of a cosmetics market in this country which must be vast. I note the fact that the opponent’s product sold in the US under the name KISS ME has certain characteristics that are claimed to make it unique – and this might be argued to have a ‘magnifying’ effect on any exposure the product had in the UK. However, the exposure I have found, is too limited even for this to be of any significance in the marketplace.

Though Mr. Elbaz is only able to show one sale in the UK amounting to \$27 and one unit, he refers to ‘some dozens of units’ sold; even if this were the case, I do not deem it is enough trade to have made any impression on the UK market at all.

15. Ms. Marshall, for the opponent, described her client’s sales in the UK as ‘modest’ but directed my attention to the following cases:

“There are three cases, I think, I referred to in my skeleton argument which show that a protectable goodwill can arise even where the uses can be quite small. Obviously no case is entirely parallel with this case but just three weeks of use in the Mr. Chippy Mobile Fish and Chip Shop case [(1967) RPC 587] was considered enough to prevent someone else setting up that name. WH Allen case [(1965) RPC 191] a book case, just one and a half months of advertising was held sufficient to constitute a protectable goodwill in the title of the book and in the toothpaste case, the Elida Gibbs v Colgate case [(1982) FSR 95], it was just the pre-launch trade publicity which was considered sufficient in that case to give rise to a protectable goodwill.”

In reply, Mr. Smart pointed out the following:

“Their [the opponent’s] skeleton states that these cases show a lesser degree of use than we have here for KISS ME. I would submit to you that is manifestly not the case. ... The Mr. Chippy case. That was a 1967 interlocutory ... case. Because it was an interlocutory case the judge fairly recognised that he did not have in front of him all of the evidence which might be expected to be presentable to the court to come to the final case. There was behind that some beneficial assumption as to what evidence might then turn up. We cannot make any such assumptions here. We have to act entirely on the case as supposedly proven. This was a case, which like most cases, turns on some very specific facts. The plaintiff had the only fish and chip van in the Isle of Wight. The judge says that they had substantial initial trading success and the business attracted considerable notice. He also says there was some actual evidence of confusion and damage. It was the same mark, exactly. It was the same model of van. So it is not surprising that he was very willing to believe that if the same van came round with two different people, people would not be likely to be able to tell the difference. The Isle of Wight is obviously a small world. It still is. It was probably even smaller in 1967. The smallness of that trading community can be demonstrated by the fact that quite coincidentally the plaintiff approached the defendant for support in his trading plans after, as it turned out, the defendant had already selected the same mark and intended to launch such a business. So we are talking about a very narrow world of people here. It is said in the judgment that they managed to get from their fish and chip van, this one van in the Isle of Wight, £130 each week in turnover when they started. Now, that may not sound like a lot when we are used to dealing with multi-national brands these days, but if we think about that a little, the population of the Isle of Wight according to the National Statistics Office is 130,000. It was even smaller in 1967, which, when you do the sum, works out quite conveniently because it cancels with the £130 turnover. If you multiply the 130,000 turnover by, say, the population of the UK and divide by the population of the Isle of Wight to get some idea as to what sort of intensity of trade over the area would represent the case of a national business such as we are supposed to be faced with here or rather the local one, that would come out at £60,000 a week. Over a year that would be £3 million turnover in 1967 money. Had that business been extrapolated across the UK, if we were talking about how intensive a business is this to the customers who were seeing it, you would be talking in terms of an absolutely huge turnover. It was quite a thing in the Isle of Wight, that little business, running for three weeks. Of course

the defendant by that stage with this decision was already off the market, so it was merely a matter of continuing the status quo. How on earth can it possibly be said that that business in the Isle of Wight was a lesser scale of business than we are talking about here?

The second case, the *Allen v Brown*, case was another interlocutory decision. Decisions are especially tinged when there is manifest dishonesty on one side. They put out an advertisement which even their counsel at the hearing had to admit was misleading. The story was that there had been a book written many years before which contains obviously something regarded in those days as a bit racy and so it had only been published in an abbreviated version and under a particular title. With more liberal times somebody else got the right to publish the whole thing and the anticipated considerable success with this book was such that their first print was of 10,000 copies and there was a good deal of press excitement. The defendants put out an advertisement which said: 'Advance information. Forthcoming paperback release from us. The explosive best seller of the moment' – clearly referring to the reputation already established by the plaintiff that this was the explosive best seller of the moment, now coming out in paperback. Now, how anybody could hope that they might not suffer an injunction when that came to the attention of the court, one can only imagine. Of course they adopted exactly the same title, changing the title to match that of the new full version. By the time they came to put out this advertisement they were obviously admitting that the publicity achieved by the plaintiff had made this into the explosive best seller of the moment. Again, how could anybody seriously maintain that the evidence of use in this case ... could possibly amount to more use than that?

The third one, the *Elida Gibbs* one, again has a slight aura of dishonesty about it. The defendants got wind of the publicity campaign as it started of the plaintiffs and decided to try to spoil it by putting out some advertisements of their own with a view to stopping the other side from building up any legal rights. The court obviously did not much like that. But the scale of activity: They had a two day sales conference in Geneva. They had four separate trade presentations in different UK cities. They had a reception at the Savoy for the national press and government departments and professional bodies. Again, we are being told that the scale of use in this case exceeds what was going on in that case. The contention is it is highly unacceptable. They had a £1.5 million television advertising campaign running the day after the defendants made a start. They had committed by that stage manifestly something of the order of £2 million in terms of all these receptions and their television advertising campaign – something well above £1.5 million at any rate – in terms of promoting their goods in the United Kingdom.”

16. I agree. There is a marked difference between the cases cited and the facts in suit here. I have no hesitation in concluding that the opponent had no protectable property right under the mark as of the application date. It had no goodwill in this country at that time, and the ground under s. 5(4)(a) cannot succeed.

CONCLUSION

17. The opposition fails.

COSTS

18. I see no reason to make a costs award in excess of the usual scale. Nevertheless, this still will require the opponent to acknowledge the applicant's success by paying them £1700. I have

reduced the costs slightly in this matter, due to the small amount of evidence the parties on both sides were required to consider. This amount is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 13th Day of May 2003.

**Dr W J Trott
Principal Hearing Officer
For the Registrar**