

O-151-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2431271
BY TAYLOR JAMES PHOTOGRAPHIC SERVICES LIMITED
TO REGISTER A SERIES OF SIX TRADE MARKS
IN CLASSES 40, 41 AND 42**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 95789 BY REAL WORLD HOLDINGS LIMITED**

BACKGROUND

1) On 30 August 2006, Taylor James Photographic Services Ltd (hereinafter the applicant), applied to register a series of six trade marks:



for the following amended services:

“Class 40: Film development and reproduction of photographs; photographic processing; photographic retouching; printing.

Class 41: Photography; digital imaging services; film production; modelling for artists.

Class 42: Computer aided graphic design; graphic design services; computer services for the production of computer-generated imagery; stock photography services, namely, leasing reproduction rights of photographs and transparencies to others.”

2) On 14 December 2007, Real World Holdings Ltd (hereafter the opponent), filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Trade Mark	Number	Application Date and Registration Date	Specification
REAL WORLD	CTM 24422	01.04.1996 & 23.08.2000	Class 9: Apparatus and instruments for the input, output, storage, retrieval, display, communication and transmission of data, sound and images; apparatus and instruments for use in recording studios; audio tapes, compact discs, gramophone records, video tapes, video and film recordings, CD-Roms, computer software and computer programs; parts and fittings for all the aforesaid goods.
			Class 16: Printed publications, magazines, books and printed matter relating to the music and entertainment industries; paper articles, posters, postcards, calendars, wall charts, bookmarkers, playing cards, stationery, greetings cards, handbooks, manuals, maps, pamphlets, photographs, pictures, writing materials, writing pads, writing paper and envelopes.
			Class 41: Entertainment services; amusement and theme park services; organisation of shows and concerts; music recording studio services; production of films, videos, radio and television programmes; booking agency services for performing artists; live band performances; audio and video recording services; education and training services relating to the music and entertainment industries; provision of recreation facilities.
	CTM 3448032	20.10.2003 (pending)	<p>Class 9: Apparatus and instruments for use in the input, output, storage, reception, recording, retrieval, display, communication and transmission of data, sound and/or images; apparatus and instruments for use in recording studios; electric and electronic sound systems, amplifiers, synthesisers, keyboards and other musical instruments; microphones and speakers; players and recorders for compact discs, mini discs, DVDs and other recording and/or playback media; analogue, digital, electronic, magnetic and optical recording media; audio and video tapes; cassettes; gramophone records; vinyl records; compact discs; DVDs, audio and/or video tapes; magnetic tapes; magnetic discs; magnetic data carriers; digital records, tapes, discs, compact discs and cassettes, all either blank or previously recorded; racks and containers for storing or carrying any of the aforesaid goods; computers and computer software; computer programs; electronically, magnetically and optically recorded data for computers; parts, fittings and accessories for all the aforesaid goods; downloadable audio and video files; downloadable electronic publications.</p> <p>Class 16: Printed matter; printed publications; paper articles; periodicals, books and magazines; brochures; printed programmes; posters; postcards; calendars; wall charts; bookmarkers; stationery; greeting cards; handbooks; manuals; maps; pamphlets; photographs; pictures; writing materials, writing pads, writing paper and envelopes; sheet music; record sleeves, inserts for compact discs, mini-discs, DVD and CD-ROM cases; stickers and labels, including pre-printed labels; instructional and teaching materials.</p> <p>Class 41: Entertainment and cultural activities; entertainment services including provision of festival and concert facilities; production and presentation of concerts for television and radio shows and for Internet broadcasts; production and presentation of films, videos, radio, television and Internet programmes; amusement and theme park</p>

			services; organising, promoting and conducting live performances, stage shows, concerts and theatre productions; stage, screen, radio, television and Internet entertainment services; recording studio services; production, presentation, distribution, syndication, lending and rental of cassettes, discs, tapes, video tapes, cartridges, video discs, compact discs, vinyl discs, CD-ROMs, DVDs and other analogue, digital, electronic, magnetic and optical recording media; booking agency services for performing artists; live band performances; audio and video recording services; education and training services; provision of recreation facilities; publishing services.
REAL WORLD Registration of this mark shall give no right to the exclusive use of the word "World".	UK 1450804	17.12.1990 & 15.01.1993	Class 41: Film and video production services; provision of film and video studio facilities; all included in Class 41....Music recording studio services; amusement and theme park services; pop music concerts; organising of shows and concerts; all included in Class 41.

b) The opponent states that these marks have been used on the goods and services for which they are registered since at least as early as 1989. The opponent states that as a result of this use it has reputation and goodwill in the marks above. The opponent claims that the goods and services applied for by the applicant are identical and/or similar to the goods and services for which its marks are applied for and registered and that the marks of the two parties are very similar. The opponent states that the application offends against Section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994.

3) On 9 January 2008, the applicant filed a counterstatement which denied the opponent's claims and put the opponent to proof of use.

4) Only the opponent filed evidence; both sides seek an award of costs in their favour. Neither side wished to be heard but both provided written submissions which I shall refer to as and when required.

OPPONENT'S EVIDENCE

5) This consists of a witness statement, dated 18 August 2008, by Benjamin Neilus Britter, the opponent's Trade Mark Attorney. He states that the evidence provided comes from the opponent. He states that the opponent employs two photographers, York Tillyer and Marc Bessant. The former is said to work in the Real World Multimedia department whilst the latter works in the Real World Designs department. Mr Britter states that the income for these two departments is as follows:

Year	£
2002	210,274
2003	188,228
2004	108,661
2005	81,785
2006	47,494

6) Mr Britter then provides a number of exhibits which are summarised below:

- Exhibit BNB1: A copy of a compact disc cover, which states that the disc was recorded and mixed at Real World Studios. It also states “A Real World Design” and credits a graphic designer. The photographs are by Peter Gabriel and Susan Derges who are shown as owning the copyright. There is a date of 2002 next to the copyright symbol.
- Exhibit BNB2: Another CD cover which states “A Real World Design by Marc Bessant. Photography by Marc Bessant (cover) and York Tillyer.” This has a copyright date of 2006.
- Exhibit BNB3: A copy of a “REALWORLD” catalogue showing details of music albums offered under the label, dated 2003. It states on it “A Real World design by Derek Edwards” which I assume refers to the catalogue.
- Exhibit BNB4: A copy of a publication by the opponent which had an E-CD enclosed providing details of the opponent’s operation such as artists belonging to the label, DVDs of concerts, details of album covers designed by the opponent, details of the studio complex, and an article entitled “Real World Films”. There is also a feature of pictures taken backstage at a Peter Gabriel concert. Produced in 2003.
- Exhibit BNB5: A copy of a DVD featuring various songs by Peter Gabriel, published by the opponent and featuring trailers which were produced by the opponent. Dated 8 September 2004.
- Exhibit BNB6: Copies of postcards, showing photographs of the studio, produced by the opponent. These are undated.
- Exhibit BNB7: A copy of the packaging and associated materials of a CD Rom version of the in-house promotional magazine produced by the opponent. Published in 1993.
- Exhibit BNB8: A copy of a “Real World” catalogue of music albums produced by various artists. It states “Record sleeves designed by Assorted Images and Real World Design”. This is undated.
- Exhibit BNB9: A copy of the packaging and associated materials from a CD-Rom magazine published by the opponent which includes photographs some of which were taken by one of its employees. This is undated, but does contain dates regarding authors the latest of which is 1996.
- Exhibit BNB10: A copy from the website of Bowers & Wilkins which states that “B & W commissions each artist with the creative guidance of our partners at Real World. We then pay that artist an advance and finance the creation of the recording, and associated content, at Real World Studios.”

7) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

8) The first 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.”

9) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“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.”

10) The opponent is relying upon its trade marks listed in paragraph 2 which are clearly earlier trade marks.

11) The publication date of the application in suit was 14 September 2007. I must therefore consider the position under The Trade Marks (Proof of Use, etc.) Regulations 2004. Paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

- (3) The use conditions are met if-
- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
 - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes-
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
 - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects –
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or
 - (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

12) The publication date is, as I have already mentioned, 14 September 2007. Therefore, the relevant period for the proof of use is 15 September 2002- 14 September 2007. The proof of use only applies to CTM 24422 and UK 1450804, as CTM 3448032 is still pending. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the marks has been made. The guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

13) I must also keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor

vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

14) The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant.

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the

nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

15) In relation to CTM 24422 the opponent is relying upon a Community Trade Mark. It is clear that use of a community trade mark in the UK is considered sufficient to meet the proof of use provisions of OHIM. This view was endorsed by Mr Geoffrey Hobbs QC sitting as a Deputy High Court Judge in *Whirlpool Corporation et al and Kenwood Limited* [2008] EWHC 1930 (Ch), (paragraph 76 of his decision refers). Although in that case Mr Hobbs was considering in which jurisdiction a community trade mark must be used to establish a reputation for the purposes of Article 9(1)(c), it is highly relevant.

16) The opponent’s evidence which is within the relevant period, shows use with regard only to a record label which offers a full studio and mixing facility, together with the production of CDs and DVDs. In furtherance of this business the opponent has produced a promotional newsletter or magazine, postcards, music catalogue and website. They also video and photograph the artists in concert.

17) The result of my findings in paragraph 16 above, and taking into account the authorities listed earlier, means that the specifications for these two marks are reduced to the following for the purposes of the comparison of goods and services under Section 5(2)(b).

REAL WORLD	CTM 24422	Class 9: Audio tapes, compact discs, gramophone records, video tapes, video and film recordings, CD-Roms.
		Class 41: Music recording studio services; production of films and videos; audio and video recording services.
REAL WORLD	UK 1450804	Class 41: Film and video production services; provision of film and video studio facilities; music recording studio services; all included in Class 41.

18) For the purposes of the comparison the specification of CTM 3448032 remains unchanged from that applied for.

19) In determining the question under section 5(2)(b), I take into account the following cases: *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabusiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Kilsen Handel BV* [2000] 45 FSR 77, *Marca Mode CV v Adidas AG & Adidias Benelux* [2000] ETMR 723, Case C 120/04 *Medion* [2005] ECR I-8551 and Case C 421/04 *Metratzen Concord v OHIM* [2002].

20) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods and 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 judgments 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 services, the category of goods and services in question and how they are marketed. Furthermore, I must compare the applicant's marks and the marks relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods and services outlined at paragraphs 17 and 18 above.

21) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. (as he was then) sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v. Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become more distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

22) The opponent has singularly failed to show that it has a reputation in the goods and services for which its marks are registered. The only figures provided are for the multimedia and designs section of the opponent's business. Given that the design work appears to be for album covers for artists recording under the opponent's label it would appear that these figures could be purely “in-house” sales. Similarly, work designing promotional material for the organisation does not constitute offering a design service. The same can be said of the multimedia department of the opponent. As no evidence has been adduced in relation to sales of services outside of the opponent's organisation, and no evidence has been provided in relation to sales of CDs, DVDs, concerts promoted or even the number of artists who have used the studio facility during the relevant period I must take the stance that, at best, the opponent has an average reputation as a recording studio. However, the marks of the two parties (both incorporating the words REAL WORLD) have an inherent distinctiveness for the specification for which they are applied for or registered.

23) I shall first consider the marks of the two parties. The applicant has filed a series of six marks which all comprise the words “REALWorld rendering” together with a device element of circles which could possibly be construed as a planet or as a button. The differences in the series are

extremely marginal and I propose to treat the marks as one. The opponent is relying upon three marks. Two of the marks comprise of the words “REAL WORLD” and are registered although the UK mark has the word “World” disclaimed. The other also has the words “REAL WORLD” within a simple rectangle, with a simple circle device also within the rectangle as follows:



24) Although the opponent’s third mark is slightly different to the two which have already been registered I do not consider the differences alter the outcome of the comparison I must undertake. The use of a simple rectangle and a simplistic device element which has no conceptual meaning would not be viewed by the average consumer as affecting the message of the mark. The devices cannot be ignored completely but they are insignificant. I shall therefore treat all three of the opponent’s marks as a single mark.

25) Both marks contain more than one word or element and are, therefore, composite marks. The *Medion* case acknowledges that the overall impression conveyed to the relevant public by a composite mark may, in certain circumstances, be dominated by one or more of its components. The words “real” and “world” are common words and have a well known meaning. They are often used together in the form “In the real world” implying a down to earth quality or pertaining to reality. The word “rendering” obviously derives from the word “render”, and both words have a number of meanings amongst which is the “portrayal or depiction of something such as in a painting or drawing”. The words “render” and “rendering” are relatively commonplace although I imagine that most people’s experience with the word “rendering” would have been in relation to the finish applied to brickwork on the outside of houses. As a whole the term “real world rendering” can be taken to mean a depiction of an object as it would be seen in real life, that is, accurate in all its detail, just as in a photograph. To my mind neither of the devices used by either party is memorable or alters or adds to the meaning of the words. None of the device elements of either sides mark dominates. Both parties marks are dominated by the word elements.

26) Clearly, the applicant’s mark consists of the whole of the opponent’s mark with the word “rendering” added to the end, along with a device mark which I have already stated would be seen but largely discounted by the average consumer. The marks are therefore highly similar, visually and aurally. Conceptually, the only meaning that could be attached to either sides mark is in relation to the images (photographs or videos) that they are true to life.

27) Turning to the specifications of both parties I take into account the opponent’s written submissions in which they provided a list of the goods and services which they contend should be regarded as both identical and similar to the applicant’s specification. They state that they have the same natures, purposes, methods of use, users and uses. Further, they contend that these goods and services are complementary. They state that their list is not exhaustive although I believe that it is reasonable to assume that the items picked from the specifications of their trade

marks offers them their strongest case. This list is reproduced below, shortened where the proof of use test has reduced the specification.

Applicant's specification	Opponent's specification
Class 40: Film development and reproduction of photographs; photographic processing; photographic retouching; printing.	<p>CTM 24422: Class 41: Production of films and videos.</p> <p>UK 1450804: Class 41: Film and video production services; provision of film and video studio facilities.</p> <p>CTM 3448032: Class 9: Apparatus and instruments for use in the input, output, storage, reception, recording, retrieval, display, communication and transmission of images; computers and computer software; computer programs.</p>
Class 41: Photography; digital imaging services; film production; modelling for artists.	<p>CTM 24422 Class 41: Production of films and videos.</p> <p>UK 1450804: Class 41: Film and video production services; provision of film and video studio facilities.</p> <p>CTM 3448032: Class 16: Photographs; pictures.</p>
Class 42: Computer aided graphic design; graphic design services; computer services for the production of computer-generated imagery; stock photography services, namely, leasing reproduction rights of photographs and transparencies to others.	<p>CTM 24422: Class 41 Production of films and videos.</p> <p>UK 1450804: Class 41: Film and video production services; provision of film and video studio facilities.</p> <p>CTM 3448032: Class 9: Apparatus and instruments for use in the input, output, storage, reception, recording, retrieval, display, communication and transmission of images. Computers and computer software; computer programs.</p> <p>Class 16: Photographs; pictures.</p> <p>Class 41: Production and presentation of films, videos, radio, television and Internet programmes; recording studio services; audio and video recording services; publishing services.</p>

28) In carrying out the comparison I will take into account *British Sugar Plc v James Robertson & Sons Ltd* (TREAT) RPC 281. This identified the following as elements to be considered, uses, users, nature, trade channels, where the items are to be found and whether they are in competition. I must also consider the issue of whether the goods and services are complementary. In Case T-420/03 – *El Corte Ingles v OHIM- Abril Sanchez and Ricote Sauger* (Boomerang TV) the Court of First Instance commented at paragraph 96:

“96....Goods or services which are complementary are those where 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 or provision of those services lies with the same undertaking (Case T-

169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, and judgment of 15 March 2006 in Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gomez Frias* (euroMASTER), not published in the ECR, paragraph 35).”

29) Firstly, I will consider the Class 40 services of the application. Two of the opponent’s marks have services in Class 41 which concern the production of films and videos. The uses are quite different, although I accept the users can be the same. The nature of the goods are quite different with photographs more usually being printed and stored in books or frames whereas videos have to be viewed on a piece of equipment and tend to be for entertainment rather than the storage of memories. I accept that photographs can be stored on discs and viewed on a PC. The trade channels are very different and I do not consider them to be in competition. In my opinion the applicant’s services in Class 40 have a superficial similarity to the opponent’s services in Class 41, however, the services are not closely connected. I do not believe that the average consumer would believe that the producers of films and videos would be involved in the processing of photographs as the two mediums require very different skills, and there is no evidence that would give rise to complementarity within the sense meant by the European Courts.

30) I shall now turn to consider the opponent’s Class nine goods to the applicant’s Class 40 services. The opponent’s goods are items of apparatus and/or instruments that, broadly, capture, store, display and transmit images. By their very nature they are clearly not similar to the applicant’s services of developing film and printing photographs. The opponent contends that the goods and services are complementary as to their nature, purposes, users and uses overlap. I accept that the opponent’s Class 9 specification includes machines which might be used by the applicant in its Class 40 services. However, this does not equate to similarity or complementarity. The question is, are the goods such as cameras etc so closely connected to the services of film developing, processing and printing of photographs that the consumer may think that the same undertaking is responsible for both.

31) Neither side provided detailed submissions on this issue so I will have to answer this question to the best of my own knowledge. It seems to me that the applicant’s customers for its class 40 services for, in the broadest terms, film developing and printing will fall into two distinct camps. Firstly, there is the consumer who takes simple snap shots and merely wants a lasting image to view for years to come, and then there are the keen amateur and professional photographers. The first group will not be particularly interested in how the end result is achieved, they will chose a developer based on convenience, price and speed. So long as the end result is a reasonable representation of whatever they photographed they will be content. The companies such as Truprint and Boots who cater for these customers do not mention the manufacturer of the developing machines they use as it is not relevant to their customers. They advertise their level of service, price etc all connected with their own brand. The second group are far more discerning. They will have chosen the film to be used with some care, taking into account its ASA rating and their experience with its tonality and colour reproduction. They will be equally discerning as to whom they entrust with its development. It is, in my experience, commonplace for laboratories dealing with such customers to advertise the manufacturer of the machines they use in their processing. The machines and the software they use is closely allied to the actual film and tend to be produced by the same companies that provide the initial unexposed film. Thus, companies such as Fuji and Kodak will ensure that their developing machines and its

software is closely matched to the characteristics of its brand of film. The consumer in this second group will, usually, look to a developer who advertises that it uses machines made by the company who also provide the brand of film used.

32) Therefore, the first group of consumers will never be aware of the manufacturer of the developing machines only the outlet providing the service, the second group will be very aware of the machinery used but will link this to the provision of unexposed film. The manufacture of unexposed film is classified as being in Class one, whereas exposed film is found in Class nine. However, it is my view that the opponent's specification does not include film at all, and even if I am wrong on this it must be exposed film as this is the only film that resides within Class nine. Therefore, taking all of the above into account I do not believe that the opponent goods in Class nine are complementary to the applicant's services in Class 40.

33) Moving onto the applicant's Class 41 specification. The opponent's goods in Class 16 "Photographs; pictures" are clearly similar to the applicant's "Photography; digital imaging services". Also "Film production" is identical to the opponent's class 41 specification of "Film and video production services" and "production of film and videos". However, none of the opponent's goods or services in any class are similar to the residue of the Class 41 specification of "modelling for artists".

34) Lastly, I turn to consider the applicant's services in Class 42. The opponent contends that its computer software and computer programmes in Class nine are not limited in scope and so would cover software and programmes used in photography and graphic design. They contend that the users, uses, nature and purpose have considerable overlap. Although I accept that the applicant will use computers and software which would be encompassed by the opponent's Class nine specification, there is a considerable difference between the provision of goods and the provision of a service. The users of the service will be different to those providing the service by using the software, similarly there are differences in the uses. The nature of the goods and service as well as the purpose would also be different. In selling a service it is the skill of the operator of the systems and their creative ability that is sought. The trade channels for the goods and services will be totally different. The graphic design services offered by the applicant would usually be procured after a face to face meeting. Computer programmes and software are more usually purchased over the internet or in a shop.

35) Equally it is clear that the "Computer aided graphic design" service provided by the applicant relies upon computer software and computer programmes and it is clearly not beyond belief that a company providing such a service could write their own software package. A customer for the design service could readily believe that the opponent's software was written by the applicant company. The goods and service are therefore complementary. The applicant also has "graphic design services" these must be regarded as a sub-set of the computer aided design services and could also use computer software and computer programmes and so they too are complementary.

36) In relation to "computer services for the production of computer-generated imagery" I accept that this part of the applicant's specification is similar to the various film production services of the opponent as the applicant themselves acknowledge that they work with film companies in

this area and that computer generated images (CGI) are an important aspect of modern film production.

37) The opponent's goods in Class 16 "Photographs; pictures" must be regarded as similar to the applicant's "stock photography services, namely, leasing reproduction rights of photographs and transparencies to others". However, "Computer aided graphic design; graphic design services" to my mind are not related to film production and do not appear to be similar to "publishing services". The opponent did not make any submissions on this aspect and so I must use my own knowledge, such that it is, on this issue.

38) I take of all of the above into account when considering the marks globally. To my mind, the similarities in the marks are such that when used on identical, similar or complementary goods or services I believe that there is a likelihood of consumers being confused into believing that those services 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 in relation to the following services:

Class 41: Photography; digital imaging services; film production.

Class 42: Computer aided graphic design; graphic design services computer services for the production of computer-generated imagery; stock photography services, namely, leasing reproduction rights of photographs and transparencies to others.

39) For clarity, this means that the opposition under Section 5(2)(b) fails in relation to the following:

Class 40: Film development and reproduction of photographs; photographic processing; photographic retouching; printing.

Class 41: modelling for artists.

40) I now turn to the ground of opposition under section 5(4)(a) which reads:

"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

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."

41) In deciding whether the mark in question offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes 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 opponent 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] AC 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 the 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.

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.”

42) The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. The relevant date may therefore be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced – as per the comments in *Cadbury Schweppes Pty Limited v. The Pub Squash Co Pty Ltd* [1981] RPC 429. It is not clear when the applicant first used their mark. Neither side have commented upon this matter in their submissions. It seems to me that the opponent's strongest case would be served by using the date of application so I will regard the relevant date as 30 August 2006.

43) With these considerations in mind I turn to assess the evidence filed as set out earlier in this decision. The opponent would appear to have only used its mark in relation to its operation as a recording studio for music, video and films. When an artist has recorded an album the opponent arranges for the release of the CD and also films a DVD to publicise the album. It would also

appear that they film artists in concert and also provide DVDs of the said concerts. To my mind the opponent can only be said to have goodwill as a music, film and video recording studio. The various exhibits provided as part of the opponent's evidence confirm that the main thrust of the business is that of a music, film and video recording studio, which also provides peripheral services such as album cover design and photographs, either as a promotional aid for an album or single or in regard to concerts. I accept that the opponent has goodwill and reputation in respect of the provision of recording studio services for music, film and video.

44) I now move to consider the issue of misrepresentation. Clearly, my earlier finding that the marks of the two parties are very similar still holds. However, I must consider whether given the fact that the opponent enjoys goodwill and reputation in a narrower field, whether the use of the applicant's mark upon those services for which it has applied would lead to misrepresentation. For this to occur the services of the applicant would have to be similar/complementary to those for which the opponent has a reputation. Although photographs are used frequently on album covers, I do not believe that the general public who purchase CDs or even professional musicians who rent time at the recording studio, would necessarily expect a recording studio to also provide a photographic service. At best it might be expected to arrange for a photographer to be hired in for the one or two photographs seen on most album covers. Similarly, videos of concerts or in support of an album/single would be thought to be commissioned by the studio from experts in the field of film making. I am aware of companies who offer such services to record labels for their major artists.

45) In my opinion even though the marks are very similar there is such a difference between the actual fields of activity of the two parties that there will be no misrepresentation, nor damage, and so the ground of opposition under section 5(4)(a) fails.

46) With regard to its two registered marks, CTM 24422 and UK 1450804 the opponent has been successful with regard to the following:

Class 41: film production.

Class 42: Computer services for the production of computer-generated imagery;

47) In relation to its pending mark CTM 3448032 the opponent has been successful with regard to:

Class 41: Photography; digital imaging services;

Class 42: Computer aided graphic design; graphic design services; stock photography services, namely, leasing reproduction rights of photographs and transparencies to others.

48) Although Section 6(1) states that pending applications qualify as earlier marks, the proviso in sub-section (2) says that if the earlier mark is not yet registered its status as an earlier mark is subject to it being registered. Subsequently, the opponent informed the Registry that its mark had been registered. The decision above can therefore be fully implemented, and the applicant's mark No.2431271 will be reduced from its current specification to the following:

“Class 40: Film development and reproduction of photographs; photographic processing; photographic retouching; printing.

Class 41: modelling for artists.”

COSTS

49) As the opponent has been largely successful it is entitled to a contribution towards its costs. I take into account the written submissions submitted. I award costs on the following basis:

Opposition fee	£200
Notice of opposition	£300
Considering the counterstatement	£200
Preparing and filing of evidence	£300
Considering applicant's evidence	£150
Written submissions	£100
TOTAL	£1,250

50) I order the applicant to pay the opponents the sum of £1,250. 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 2nd day of June 2009

**George W Salthouse
For the Registrar,
the Comptroller-General**