

**TRADE MARKS ACT 1938 (AS AMENDED)  
AND THE TRADE MARKS ACT 1994**

**IN THE MATTER OF Three applications  
by Groupe DMR Inc to register the trade mark  
DMR in classes 35, 41 and 42**

**AND IN THE MATTER OF Five applications  
by DMR Computer Ltd to register the trade  
mark DMR and DMR & device in classes  
9, 35 & 42**

**AND IN THE MATTER OF Cross oppositions  
by the parties**

**BACKGROUND**

1. On 17 February 1988, Groupe DMR Inc of Montreal, Canada (hereinafter GDI) applied to register the trade mark DMR in three classes. All three applications were advertised before acceptance under the provisions of Section 18(1) of the Trade Marks Act 1938 for registration in Part B of the register, in respect of the following services:

- 1335640: Computer services; consultancy services relating to the management of information, technology, development of information systems and to the management of computer facilities; all relating to business; all included in Class 35.
- 1335641: Training and education services relating to information technology and to computer and telecommunication systems; all included in Class 41.
- 1335642: Computer services; development of software for computer equipment manufacturers and retailers; all included in Class 42.

2. On 23 September 1992, having already filed applications of their own, DMR Computer Limited (hereinafter DCL) filed oppositions to all three applications. The grounds of

opposition are the same in each case and are summarised below:

1. By reason of DCL's long use of its name, the mark DMR (in letters-only and logo form) in the field of computers and related products and services, the marks applied for would be likely to deceive and cause confusion, and would be disentitled to protection in a Court of Justice. Registration should therefore be refused under Section 11 of the Trade Marks Act 1938;
2. As GDI's marks closely resemble the marks of DCL's own applications and cover the same services or services of the same description, they should be refused under Section 12(3) of the Trade Marks Act 1938, having regard to DCL's earlier use;
3. The marks applied for are neither distinctive nor capable of distinguishing the services of the applicant, and should be refused under Sections 9 and 10 of the Trade Marks Act 1938;
4. Registration of the applications would unfairly prejudice DCL's business and should be refused in the exercise of the Registrar's discretion.

3. On 7 August 1991, DCL filed two applications of their own for the mark (the dice mark) shown:



4. They were advertised before acceptance under the provisions of Section 18(1) of the Trade Marks Act 1938 for registration in Part A of the register, and under Section 12(2) having shown honest concurrent use in relation to GDI's applications. The advertised specifications were as follows:

- 1473392: Computer software included in Class 9
- 1472780: Computer software and computer programming advisory and development services; all included in Class 42.

5. On 20 August 1994, DCL filed a further three applications to register the letters DMR solus. These were also advertised before acceptance under the provisions of Section 18(1) of the Trade Marks Act 1938 for registration in Part A of the register. They also proceeded in the face of GDI's applications by reason of honest concurrent use under Section 12(2) of the Act. The advertised specifications were as follows:

- 1582942: Computers; computer programmes; computer software; magnetic cards, tapes and discs; all included in Class 9.
- 1582943: Business management services; all included in Class 35.
- 1582944: Computer software and computer programming advisory and development services; all included in Class 42.

6. On 26 September 1995, in respect of the logo marks, and on 13 March 1996, in respect of the letters-only marks, GDI filed opposition to DCL's applications. The grounds of opposition for all the cases are summarised below:

1. The marks applied for are neither adapted to distinguish nor capable of distinguishing the goods or services of the applicant, and should be refused under Sections 9 and 10 of the Trade Marks Act 1938 (reference to Section 10 only was made in relation to 1472780).
2. The marks are confusingly similar to GDI's own marks, which include a logo mark, and registration is sought in respect of the same goods and services, or goods and services of the same description. This goes to Section 12(3) of the 1938 Act.
3. The marks so nearly resemble GDI's own marks which have been used in respect of the same goods and services, or goods and services of the same

description, that confusion or deception would arise in the course of trade. The applications are therefore open to objection under Section 11 of the Trade Marks Act 1938 because they are likely to deceive or cause confusion and are disentitled to protection in a Court of Justice.

4. The applications should be refused in the exercise of the Registrar's discretion.

7. Both sides filed counterstatements to the respective oppositions, admitting the existence of the other side and their applications, where relevant, but denying the grounds of oppositions or requiring strict proof of the allegations. Both sides seek an award of costs. Both sides subsequently filed evidence in support of their applications and their respective oppositions.

8. These proceedings were later consolidated and came to be heard on 23 March 1999, when GDI was represented by Ms D McFarland of Counsel instructed by J A Kemp & Co, Trade Mark Agents, and DCL was represented by Mr C Morcom of Her Majesty's Counsel instructed by Marshall Law, Trade Mark Agents.

9. By the time this matter came to be heard, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly, all references in this decision are references to Sections of the Act are references to the provisions of the old law.

10. For convenience, I shall start by summarising the evidence filed by each side.

#### **Evidence filed by DCL**

11. The main body of the evidence consists of three statutory declarations by Mr Paul Thomas Carpenter, the managing director of DCL, and ten supporting declarations from other sources.

12. Taking Mr Carpenter's declarations first: in the first of the three, dated 2<sup>nd</sup> February 1995, Mr Carpenter confirms that he has been employed by his company since 1973, and before that was the founding director of their predecessor. He confirms his entitlement to make the declaration and explains that the information is derived from his own knowledge or from his company's records. He explains that his company was set up as Derby Market Research Limited in 1969 and started using the trading name DMR Computer during 1970. It was incorporated as DMR Computer Limited in 1973. Since that date his company has used the mark and trading style DMR continuously throughout the UK. The company produces computer software and develops, for sale, computer programmes. It undertakes specialised programming services and acts as an advisor and developer to the computer industry.

13. Turnover figures for goods and services under the dice mark are given as follows:

<b>Year</b>	<b>Amount (£)</b>
1982	167,685
1983	268,589
1984	493,652
1985	663,420
1986	678,054
1987	585,399
1988	733,914
1989	697,968
1990	767,155
1991	664,332
1992	717,211
1993	1,118,391

14. Exhibit PTC1 shows undated examples of the dice mark, another mark DMR Deltalink and the company name and on stationery and in brochures.

15. All the above is exhibited as PTC A, to Mr Carpenter's second declaration, dated 3<sup>rd</sup> April

1995, in which he confirms his previous declaration and goes on to explain that the current dice mark was in fact adopted in 1983. Prior to that date the company used a different DMR logo, an example of which is exhibited at PTC B. The earlier logo also consists of a dice device, except that the letter M appears on the top of the dice flanked by the letters D and R on the segments of the dice that are below and to both sides of it. This declaration also expands on the range of goods and services listed in the first declaration to: “computer software and related goods and the provision of computer related services, including consultancy and business services and computer software services, computer programming, advisory and development services.”

16. Mr Carpenter exhibits at PTC C a further selection of material. This includes:

- a copy of “Business in Kent” magazine (May 1983), with an advertising feature about the company, which includes use of the company name, the letters DMR, and a similar (but not identical) device to the dice mark. The article includes some background to the company which suggests that, at that time it was well established as a software supplier and was engaged in computer consultancy in a wide range of fields including scientific and military projects, publishing, and accounting;
- a page from each of “Expert Systems User” ( April 1985) and “The Publisher” (June 1983) each with an article about his company and showing use of the company name and the letters “DMR” in relation to software packages and computer software consultancy;
- a 1988 pocket diary with the dice mark on it;
- a floppy disc (dated 1991/1992) in a paper holder bearing the dice mark and the company name;
- a selection of undated items bearing the dice mark and/or the company name, and including a photograph of an exhibition stand showing the letters DMR, the dice mark, and DMR with other matter.

17. The third declaration of Mr Carpenter, dated 12 June 1995, exhibits further examples of company literature and articles from magazines. This includes:

- copies of headed letter paper and a product enclosure, both showing prominent use

of DMR as part of the term DMR Computer. These papers are claimed to date back to 1972 before the date of incorporation of the company in 1973 when DMR Computer was just a division of another company, Derby Market Research Ltd;

- a 1973 sales brochure showing use of DMR Computer Limited;

- press cuttings dated 1973-1975 referring to DCL by the letters DMR and DMR Computer;

18. The other ten declarations are from individuals from different companies. They are Raymond Louis Bamonte, who is a Laboratory Supervisor of ADM Erith Ltd, Richard James Conley, who is the Managing Director of Unijet Plc, Andrew C Ingrey-Senn, who is the Chairman of CLM Fleet Management PLC, Ralph Lewis, who is the Fleet Engineering Manager of BBC Resources, Richard Edmondson, Chairman of Hunter International PLC, Paul Patterson, Site Manager of States of Jersey Computer Services, Graham Cunningham, previously the in-house lawyer of Wang (UK) Ltd, Howard Ferry, owner of Stormore Computers, David Grant Naber, Sales Executive of Sybase (UK) Ltd and Allison Sandford, Customer Administrator of Wang (UK) Ltd.

19. They all indicate that they know the trade mark DMR to be that of DCL. The length of time they have known of DCL under the DMR mark varies from person to person, but the most recent is since 1991, and the earliest is 1977. Seven of the ten say they have known of DCL's mark since before 1988 (when GDI's applications were filed). Of those that identify the goods or services for which DCL is known, computer software and computer services are most commonly mentioned. No indication of the relationship between DCL and the declarants is given, but Mr Morcom confirmed at the hearing that all bar Mr Naber are or have been customers of DCL.

### **Evidence filed by GDI**

20. This evidence consists primarily of three declarations by Mr Jean-Louis Melle, who has held various executive roles within Groupe DMR and their UK subsidiary, and four supporting declarations by other individuals.

21. Mr Melle's first declaration is exhibited as JLM5 to his second, the latter dated 24<sup>th</sup> October 1996, and explains that Mr Melle was, until 1991, the Managing Director of the DMR Group Ltd, the UK subsidiary of Groupe DMR Inc. DMR Group is a Registered User of the marks at issue. Mr Melle has held his current position since 1986 and confirms that he is authorised to make the declaration. The facts included within it are from his own knowledge or from company records.

22. His company first used the mark DMR in 1985 and it has been used continuously since 1985 "in relation to computer-related services for the development of an information service, including related software." It is said that the mark has also been used in relation to "other computer services and computer-related services including information and technical consultancy, computer facilities management consultancy and education and training services relating to telecommunications systems." No date is given in relation to these services.

23. Approximate sales figures for services provided under the mark are given as follows:

<b>Year</b>	<b>Amount (£)</b>
1985	50,000
1986	500,000
1987	2,000,000

24. The services have been provided "throughout the UK" and a list of major towns is given in support of this. It is said that £5,000 for spent in 1987 advertising services under the mark. Mr Melle also mentions participation in two conferences, one in respect of banking, the other retailing, both in 1987. He also says that further promotion took place by mass-mailing 3,000 potential customers, although no dates for this activity are given.

25. He also exhibits various items showing use of this clients marks, as follows:

- JLM1: seven example invoices, dated 1987 and early 1988, showing DMR in a logo format shown below:





These invoices are addressed to four companies in the financial sector (one of them is actually an Irish company based in Dublin). The invoices are in respect of the services of named contract/consultant staff. The only invoice which identifies the nature of the services provided is that addressed to the Irish Banks Standing Committee. This invoice indicates that the services of two persons were provided in November and December 1987 in connection with the planning of an ATM (which I believe stands for automatic telling machine) programme. These invoices account for around £155k of the turnover claimed for this period.

- JLM2: company stationery, undated, showing DMR prominently in the logo format but also within the company name;
- JLM3: company brochures, undated, showing prominent use of the DMR logo and DMR within the body of text and as a company name;
- JLM4: an advertisement by GDI in Computing Magazine for technical consultants in electronic payment systems. The advertisement is undated and shows DMR in logo form and in the company name.

26. Mr Melle's second declaration, dated 24<sup>th</sup> October 1996, indicates that he is now the President and Director of Groupe DMR S.A. France. He is however authorised to make this declaration, and the facts within it are from his own knowledge or from records of DMR Group Limited. He goes on to give more recent turnover figures for goods and services provided under the DMR mark:

<b>Year</b>	<b>Amount (£)</b>
1988	3,075,000
1989	4,564,000
1990	3,998,000
1991	3,588,000

27. He explains that his company has acquired new clients, and lists them. They include Eurotunnel, Esso, BUPA and Abbey National. Mr Melle also gives a list of companies with which his company has worked closely. They include Visa International, and SRI International, one of the leading IT training establishments, with whom his company has jointly conducted and sponsored seminars and training. Mr Melle also lists other important connections his company has to the Computer Services Association, the International Standards Organisation and the British Standards Institute. He also mentions studies carried out on behalf of the Computer and Telecommunications Agency and the DTI. No dates are given in relation to the timing of these collaborations or the acquiring of these clients.

28. Mr Melle's evidence is supported by four declarations from other sources, as follows:

- John Floud declares he is the Finance Director of Computing Services & Software Association and has worked for them for eleven years. He is aware of "DMR" as the trade mark of DMR (UK) Limited, a subsidiary of DMR Group, one of the largest computer consultancy organisations. He exhibits under JRF1 copies of the official yearbook of his association, from 1988 to 1995, showing DMR (UK) Limited's entries. The official yearbook entry for 1988 lists GDI's three areas of interest in priority order. These are stated to be "consultancy", "systems/software house" and "training and education." It further states that "within the UK, DMR specialises in the provision of electronic banking and payment systems consultancy, and technical support." The entry also indicates that DMR UK started trading in November 1985, some two years and three months before the date of the parent company's applications, and that by 1988 DMR UK had a staff of 30. Mr Floud also states that he is not aware of the dice mark of DCL.
- Ian Bond declares that he is a senior executive officer of the Central Computer and Telecoms Agency, and has been since November 1987. He has known of DMR as a company with offices in the West End of London, since about 1986. They provide advice and expertise, offered under the trade mark DMR. He states that he is not aware of the dice logo of DCL, although he has seen a DMR logo on a blue background.
- Christopher Leslie Hubble declares that he is a chartered engineer and a principal

consultant for BAeSEMA, the latter since Oct 1984. He has been aware of a company based in Piccadilly, an offshoot of a Canadian company, since the late 1980's and which uses the trade mark DMR in relation to IT consultancy. He does not know the dice mark of DCL and is not aware of any trade mark bearing the letters DMR other than that of the subsidiary of the Canadian company.

- Frank Wilkins declares that he is Head of Acquirer Services for Visa International in London. He knows that DMR is the trade mark of a consultancy regarded as specialists in financial business matters, which has operated in London. He does not know DCL's dice mark, but knows of the existence of a company, sited outside London, because he was once told by Directory Enquiries. He knew it was not the company he wanted.

29. These declarants, with the possible exception of Mr Hubble, appear to work for companies with whom GDI, in the guise of DMR(UK) Limited, is closely associated either in collaborations or as their customers.

30. That completes my review of the evidence. I now turn to the decision. I find it convenient to start with the oppositions to DCL's applications.

**OPPOSITION TO DCL'S TRADE MARK APPLICATIONS: NOS 1473392, 1472780, 1582942, 1582943 AND 1582944**

31. I shall take the first grounds of opposition, under Section 9 and 10 of the Act, to relate to all applications, although in relation to application no. 1472780 Section 9 was not mentioned. Nothing turns on this because Section 10 poses a lower test than Section 9 and it is to be assumed that any mark which fails to qualify for registration under Section 10 must also fail under Section 9. Further, under the transitional provisions set out in Schedule 3 to the Trade Marks Act 1994 the result of a successful application under Section 9 or 10 is the same. In either case the mark will be placed on the unified register maintained under the new law. In practice therefore, I need only consider whether all or any of the marks qualify for registration under Section 10 of the Act. Section 10 of the Act is as follows:

10.-(1) In order for a trade mark to be registrable in Part B of the register it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(2) In determining whether a trade mark is capable of distinguishing as aforesaid the tribunal may have regard to the extent to which-

(a) the trade mark is inherently capable of distinguishing as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

32. The matter must be judged as at the date of the applications. At the dates of filing each of these two groups of applications, the Registrar's practice in relation to three letter marks, was as set out in the 1989 version of the Registry's Work Manual, specifically Chapter 9, which dealt with the examination of marks for registrability. This stated, in summary, that three letter marks were acceptable in Part A of the Register if they were clearly pronounceable, and that totally unpronounceable combinations of three letters were not *prima facie* acceptable in either Part A or B of the Register. This reflects the well established view of the Courts that, at least when viewed under the old law, marks consisting of random letters were neither adapted nor capable of distinguishing the goods of one trader without use. See, for example the words of Lord Parker in *W & G du Cros* (1913 30 RPC 660). I am quite clear that the three applications for marks consisting purely of the letters DMR fall into this category. I do not consider that this applies to the dice mark which is the subject of the earlier two applications of DCL. Although the letters DM & R constitute a clearly recognisable feature of these marks, they appear to me to be really device marks with sufficient distinctive character to qualify for *prima facie* registration. However, in these circumstances, the Registrar would normally have required a disclaimer of exclusive rights to the letters DMR.

33. The first question that therefore arises under Section 10(2) of the Act is whether the evidence filed by DCL is sufficient to conclude that, by reason of use or other circumstances,

the letters DMR in fact distinguished the goods and services of DCL at the date of the later applications to register those letters solus in 1994. Secondly, whether the situation was the same at the date of the earlier applications for the dice marks in 1991 with the result that no question arises with regard to the registration of the dice marks in the absence of a disclaimer of the letters DMR.

34. Ms McFarland pointed out that many of the exhibits contained in DCL's evidence specifically relate to the use of the dice mark that DCL has used since 1983 or earlier versions of the same mark. But given that the letters DMR is an essential feature of that mark, coupled with the evidence of use of the letters DMR as part of the applicant's name since 1973, and sometimes alone, I find that the letters DMR were distinctive of DCL at the relevant dates. I accept that there is limited evidence of use of the mark DMR solus, but I do not consider that is fatal to the applicant's case. The evidence from DCL's customers, copies of press cuttings and the feature article in "Business in Kent", establish that DMR Computer Ltd has been known in the trade by the name DMR as a source of computer software and related programming and consultancy services since before the earliest date of the applications in 1991 (and before GDI's applications in 1988). In these circumstances I see no reason why they should not be able to register the name by which they are known to their customers as their trade mark. In my view the letters DMR qualify for registration under Section 10(2)(b) of the Act. This finding is sufficient to overcome the opposition under Section 10 of the Act (or any question of a disclaimer) in respect of their applications in classes 9 & 42, except insofar as application number 1582942 in class 9 covers "computers". There is no evidence that DCL were known as a trade source for computers in 1991 or 1994, although they appear to have supplied computers from other trade sources, notably Wang computers.

35. Nor do I see any persuasive evidence that DCL were known as providers of 'business management services' specified in application number 1582943 at the relevant dates. It is important to be clear about what is covered by this term. It is apparent from the 5th and 6th editions of the International Guide to the Classification of Goods and Services (the Nice Guide), which the Registrar's practice followed at the dates of DCL's applications, that computer programming services are proper to class 42. Consultancy services relating to

computer hardware are also proper to class 42. By analogy, computer software consultancy services are also proper to class 42. The latest version of the guide (the 7th edition) makes express provision for this by listing ‘computer software design’ and ‘computer systems analysis’ in class 42. There may be business consultancy services in the nature of business analysis or re-engineering which are proper to class 35, even though the services in question are related to computerisation. But I see no clear evidence that DCL were known to any significant extent in respect of these types of services before the date of application 1582943 in class 35. I conclude that the opposition under Section 10 fails in respect of application numbers 1473392, 1473780, & 1582944. The opposition under Section 10 to application number 1582942 succeeds as far as “computers” is concerned. The opposition to application number 1582943 in class 35 is wholly successful.

36. I turn now to the opposition under Section 11 of the Act. This section reads as follows:-

11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.”

37. The established test under this section is set down in *Smith Hayden & Co Ltd’s* application (Volume 1946 63 RPC 101) as adapted by Lord Upjohn in the *BALI* trade mark case [1969] RPC 496. Adapted to the matter in hand the test may be expressed as follows:

Having regard to GDI’s user of the DMR logo, and the names DMR UK Ltd and DMR Group, is the tribunal satisfied that the marks applied for, DMR and the DMR dice logo, if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

38. It is well established that the matter must be judged at the dates of the applications. Accordingly, the position with regard to DCL’s dice mark must be judged as at 7 August 1991, and the position with regard to the applications to register the letters DMR solus must

be judged as at 20 August 1994. It is common ground that DCL's applications in class 42 cover services provided by GDI. The specification of services in DCL's class 35 application and their two class 9 applications cover related business consultancy services and computer software.

39. As I understood her submission, Ms McFarland argued that the likelihood of confusion between DCL's dice mark and GDI's DMR mark depended upon which mark the public saw first. In her submission earlier use of the dice mark was unlikely to lead to confusion from subsequent use of GDI's marks, but use of the dice mark subsequent to GDI's use and reputation under their DMR logo and letter marks was likely to lead to an association as to trade origin and thus cause confusion. I can see the attraction of this position from GDI's standpoint (it is unarguable on the evidence that DCL used the dice mark as a trade mark earlier than GDI can claim any relevant use), but I reject this submission. Put simply, if mark A is likely to be confused with mark B, then mark B is equally likely to be confused with mark A. Ms McFarland's submission confuses two issues: whether there is a likelihood of confusion; and who is responsible for such a likelihood. I will return to the second point later. In my judgement, there is a likelihood of confusion between DCL's dice mark and the trade mark DMR, because the letters DMR (which I think would be read in that order) are a prominent feature of the dice mark.

40. Ms McFarland submitted that DCL's earlier use of the letters DMR in the company name, or as an abbreviation for the company name was not trade mark use, and that it should not be taken into account. It is clear, however, from the careful distinction between use of the words "name" and "mark" in Lord Upjohn's adaption of the Smith Hayden test cited above, that the earlier use does not have to be as a trade mark. It is sufficient if the result of the earlier use of the name is that the subsequent use envisaged by the trade mark application is likely to cause confusion among a substantial number of persons.

41. According to the feature article in "Business in Kent", by 1983 DCL was providing scientific software applications, an accountancy package, recruitment and other general business applications and related services under the names DMR Computer and DMR

Computer Ltd, which were often referred to as DMR. The evidence suggests that, at least up until 1992, GDI specialised in consultancy services and software development in relation to electronic banking and payment systems. The fact that the parties were mainly engaged in different market sectors combined with the specialisation of the services provided by GDI may be why a number of those giving evidence from particular sectors of the market say that they are familiar with one of the parties but have never heard of the other.

42. Nevertheless, it is in my view likely, that at the dates of DCL's applications, persons who came across DCL's dice and letter marks in the computer press or in trade, and were also aware of GDI's mark, would have had cause to wonder whether there was a trade connection between the parties.

43. This brings me to the second question of who is responsible for any likelihood of confusion. Ms McFarland suggested that any reputation DCL might have had, given their modest turnover, would have been quickly 'swamped' by the fast expansion of her client's business. Because of the reputation her clients had quickly established, any likelihood of confusion would be as a result of the use DCL made of their mark - not because of her client's use of their mark. In support of this, she pointed to the declarations filed by four members of the trade in support of GDI's applications who confirmed their knowledge of GDI's use of DMR, and who confirmed that they are not aware of the dice mark and/or DMR Computer Limited. Ms McFarland suggested that DCL had only a limited reputation in DMR because they were essentially a regional company. She cited the article in "Business in Kent" as an example of this.

44. Mr Morcom urged me not to ignore the long and extensive use of his client's mark which predated that of GDI and therefore established a superior claim to the mark DMR by DCL. Mr Morcom also drew my attention to Mr Carpenter's declaration of 2<sup>nd</sup> February 1995, paragraph 3, in which he states:

"It is confirmed that the products and services provided by my company featuring the subject Trade mark have taken place in all main cities and towns throughout the United Kingdom..."



45. I note also the references in exhibit PTC D to advertisements in “Computing” and “Computer Weekly” magazines, which appear to enjoy nationwide circulation. In any event, it is well established that earlier localised use is not to be disregarded in the face of later but more substantial use. See *CHELSEA MAN* (1987 RPC 189). That was a passing off case. The sort of confusion that is relevant under Section 11 does necessarily have to be sufficient to support a passing off action. In the *BALI* case cited above, Lord Upjohn cited with approval Romer J’s test under Section 11 in *Jellinek’s application* (1946 63 RPC 59 @ 78), where it was said that:

“It is sufficient that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source. It is enough if the ordinary person entertains a reasonable doubt, but the court has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion...”

46. In the *WELSH LADY* case, [1964] RPC 459, Wilberforce J stated that:

The applicant’s use of a similar mark which, it appears, has caused the confusion is of more recent use, and it does not seem to me that a more recent use of that kind causing confusion would be a reason for disentitling the owners of the older mark to registration.

47. In that case, there were instances of actual confusion presented in evidence which is not the case here, but I believe the same principle applies where the later user has brought about a likelihood of confusion.

48. I am satisfied that the evidence demonstrates that the letters DMR had come to designate the services of DCL to a substantial number of persons before GDI entered the UK market.

49. I consider that it was GDI’s commencement of use of the DMR logo and trade name which gave rise to a real tangible danger of confusion with DCL’s earlier use of the letters DMR. In these circumstances, I do not believe that DCL’s use of the letters DMR would have been disentitled to protection in 1991, at the date of the applications to register the dice mark, or in 1994 when they applied to register the letters DMR *per se*. In the result I find that

the opposition under Section 11 fails.

50. There is a further ground of opposition under Section 12(3) of the Act but I do not consider that gives rise to any additional grounds for refusal in the light of my finding that DCL has an earlier claim to the letters DMR than GDI. Nor do I see any reason to exercise the Registrar's discretion adversely to DCL.

### **OPPOSITION TO GDI'S TRADE MARK APPLICATIONS: NOS 1335640, 1335641 AND 1335642**

51. I will first deal with the ground of opposition under Section 11 and 12(3), which in my view present a single issue for determination in this case. The matter must be judged at the date of GDI's applications - 17 February 1988. In the light of my findings in respect of GDI's opposition to DCL's applications, I find that there was a likelihood of confusion in February 1988 arising from GDI's use of the mark DMR in respect of the services covered by applications 1335640 and 1335642 in classes 35 and 42 respectively. It follows that DCL's grounds of opposition under Sections 11 and 12(3) are *prima facie* successful. I am also satisfied that GDI's use of the mark DMR in respect of education and training services in the I.T./telecommunications field, gave rise to a likelihood of confusion in the context of DCL's established trade name for related services in the I.T. field. As GDI's evidence shows, it is not unusual for companies engaged in I.T. consultancy to subsequently diversify into I.T. training. Consequently, the opposition under Sections 11 and 12(3) is also *prima facie* successful with regard to application 1335461.

52. That is not the end of the matter because the applicant has filed evidence showing concurrent use of a DMR mark since 1985. It is clear from a further case involving the trade mark CHELSEA MAN (1989 RPC 111 @ 123 ), that honest concurrent use sufficient to defeat an objection under Section 12 of the Act is also sufficient to defeat an objection under Section 11. I must therefore consider whether GDI's use qualifies as 'honest concurrent use.' In doing so I intend to follow the approach laid down by Lord Tomlin in Pirie's Trade Mark (1933 RPC 147).

53. The points to be considered are:-

- (i) the extent of use in time, quantity and area of trade;
- (ii) the degree of confusion likely to ensue from the resemblance of the marks, which is, to a large extent, indicative of the measure of public inconvenience;
- (iii) the honesty of the concurrent use;
- (iv) whether any instances of confusion have been proved;
- (v) the relative inconvenience which would be caused if the mark in suit was registered, subject if necessary to any conditions or limitations.

54. It appears from the extracts from the Computer Services & Software Association year book included in Mr Floud's evidence, that GDI's use started in November 1985 some two years and three months prior to the date of their applications for registration. Despite the limited timescale, the turnover figures for 1985-88 illustrate a relatively quick expansion of the UK business, as might be expected of a subsidiary of "one of the largest international computer consultancy organisations" (according to the entry in the Computer Services and Software Associations' official year books). Turnover in 1987 was approximately £2m.

55. The evidence indicates that GDI traded under their DMR logo and trade names, all of which consist substantially of the letters DMR. I have not found it easy to establish from GDI's evidence the precise nature or extent of the services provided before the relevant date. Mr Melle's evidence uses vague terminology and many of the exhibits filed are undated. However, from the entry in the Computer Services and Software Associations' official year book for 1988 and the invoices attached to Mr Melle's evidence, it appears to me that, within the UK, GDI specialised at that time in consultancy services and software development in the field of electronic banking and payment systems.

56. Mr Morcom pointed out that there was no evidence at all of any use of the mark DMR in relation to training and education services covered by application number 1335641. Although they were claimed within the body of Mr Melle's declaration of July 1990 (exhibit JLM5), the wording of that claim was such that no specific date could be attributed to their use. There

was a further reference in JLM3 to seminars and “advice and services in areas related to education and training”, but this is also undated. Such use could post-date the applications.

57. Ms McFarland sought to rebut this by pointing to references in the official year book mentioned above, which list “education and training” as one of the three principal concerns of GDI (behind ‘consultancy’ and ‘systems/software house’). However, the description in the official year book to some extent describes the activities of GDI internationally. There is no indication that the UK arm of GDI provided these services. I am not persuaded by the evidence before me that the letters DMR or marks consisting substantially of those letters were used on a significant scale by GDI in the UK in respect of I.T. training and education services prior to February 1988. It follows that the opposition under Sections 11 and 12(3) to application 1335641 in class 41 succeeds.

58. There is no evidence that the use of the letters DMR by GDI has resulted in any confusion with DCL. I have not overlooked the fact that both parties have, in practice generally used logo marks and names which do not consist exclusively of the letters DMR. However, given that the letters DMR is an essential feature of the parties respective logos and trade names and given that the supporting evidence indicates that they are both known as DMR, I suspect that the lack of evidence of actual confusion has more to do with the fact that they have tended to trade in different sectors of the market rather than the small differences between the various DMR marks and trade names used by the parties.

59. There is no suggestion that GDI’s adoption and use of their mark is anything other than honest.

60. Finally, there is the balance of convenience point. Because of the inordinate length of time that it has taken for these proceedings to come to a conclusion, GDI have now been trading under their DMR mark for over 13 years. The evidence shows that their business continued to expand after 1988. The turnover in 1991 was £3.5m. They are an international company and the letters DMR is the distinguishing element of their trade mark and company names both abroad and in the UK. Registration of the letters DMR in DCL’s name without a

corresponding UK registration in their own name would clearly be extremely inconvenient to them. On the other hand granting them a registration may encourage GDI to expand their services into areas within their proposed registration that would bring about confusion with DCL. That would clearly be inconvenient to DCL. On balance, I think the convenience argument favours GDI.

61. There have been cases where the Registrar has accepted applications on the basis of relatively short periods of honest concurrent use. Mr Morcom mentioned the GRANADA case (1979 RPC 303) where the Assistant Registrar accepted a later filed application on the basis of 2 years and 10 months honest concurrent use. The extent of the concurrent use in this case is even shorter and the marks applied for are identical. Nevertheless, the parties are living together in the market place and registering GDI's mark for a specification that reflects their current range of services could be regarded as no more than a reflection of that commercial reality. In the end however, I have decided that this would really amount to taking account of GDI's use after the material date simply because of its length. I don't believe that the passage of time amounts to a special circumstance that would justify a conclusion based upon use after the material date. My decision will therefore only take account of GDI's use up until the date of their applications - 17 February 1988.

62. Taking the best view I can of all the above factors, I have decided that GDI's business within its specialised area was sufficiently well developed by 17 February 1988 for applications 1335640 and 1335642 to proceed under Section 12(2) by reason of honest concurrent use in respect of specifications limited to:

Business consultancy services relating to electronic banking and payments systems; all included in class 35

and

Computer services in the nature of technical consultancy; development of software for computer equipment manufacturers and retailers; all relating to electronic banking and payments systems and all included in class 42

63. There is a further ground of opposition to these applications under Sections 9 & 10 of the Act. In the light of my findings under Section 11 and 12(3) it is not necessary for me to determine this ground except with regard of applications 1335460 and 1335462 in classes 35 & 42. I find GDI's use of the letters DMR prior to the date of application sufficient for these applications to proceed under Section 10(2)(b) for the limited specification set out above.

64. I do not intend to use the Registrar's general discretion adversely to GDI.

65. There remains the question of costs. Both sides have been successful to varying degrees. Overall DCL have been more successful than GDI. Taking this into account I order GDI to pay DCL the sum of £800 as a contribution towards their costs.

### **Conclusion**

66. DCL's applications 1473392, 1472780 & 1582944 will proceed to registration. Application 1582942 may also proceed to registration provided a Form TM21 is filed within one month of the end of the appeal period for this decision limiting the specification by omitting "computers". Application 1582943 will be refused.

67. GDI's application 1335641 will be refused. Applications 1335460 & 1335462 may proceed to registration if a Form TM21 is filed within one month of the end of the appeal period for this decision limiting the specification to that shown in paragraph 62 above.

**Dated this 2 Day of June 1999**

**Allan James**

**For the Registrar**

**The Comptroller General**

