

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2131757
BY HEADLAND AGROCHEMICALS LIMITED
TO REGISTER A TRADE MARK IN CLASS 1**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 47976 BY MERCK KGaA**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application no. 2131757
by Headland Agrochemicals Limited
to register a trade mark in Class 1**

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**IN THE MATTER OF Opposition thereto
under No. 47976 by Merck KGaA**

DECISION

On 6 May 1997 Headland Agrochemicals Limited applied to register the mark LION in Class 1 for a specification of goods comprising:- “Chemical products for use in agriculture, horticulture, amenity horticulture and forestry; wetting and sticking agents, products for conditioning the soil, products for stimulating plant growth, fertilizers, composts, plant foods, plant tonics.

The application is numbered 2131757.

On 24 December 1997 Merck KGaA filed notice of opposition to this application. The grounds of opposition are in summary:-

- (i) The opponents are the registered proprietors of the trade mark BION registered under No. 2002514 in respect of goods in Class 5 and have used and are using the mark BION in respect of goods in Class 5;
- (ii) the opponent’s mark is entitled to protection under the Paris Convention as a well known trade mark; (this goes to Section 56 of the Act)
- (iii) under Section 3(3)(b) in that the mark is of such a nature as to deceive the public;
- (iv) under Section 5(2)(b) because the mark applied for is similar to the earlier trade mark in their ownership and is proposed for registration in respect of identical or similar goods;
- (v) under Section 5(3) in that use of the mark applied for would take unfair advantage of, and be detrimental to, the distinctive character or the repute of the trade mark belonging to the opponents where the respective goods are not similar;
- (vi) under Section 5(4)(a) in that use of the trade mark is liable to be prevented by rule of law (in particular the law of passing off).

In response, the applicants filed a counterstatement admitting the existence of the opponents' prior registration but denying each of the grounds pleaded.

Both sides seek an award of costs in their favour.

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The opponents filed evidence in these proceedings and have asked for the Registrar's decision to be made on the basis of the papers filed and without recourse to a hearing. The applicants did not file evidence but they too have asked for a decision off the papers. Acting on the Registrar's behalf and after a careful study of the papers filed in these proceedings, I now give this decision.

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The opponents' evidence consists of a Statutory Declaration by Neil Waddingham and is dated 5 October 1998. Mr Waddingham explains that he is Business Development Manager of Novartis Crop Protection UK Limited, a position he has held since 15 September 1998. He says that he is authorised to make the declaration on behalf of his company.

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Mr Waddingham states that he is aware of the application for the registration of the mark LION by Headland Agrochemicals Limited and the subsequent opposition. He goes on to say that he is also aware that Merck KGaA is the registered proprietor of UK Trade Mark registration no. 2002514 of the mark BION in respect of goods in Class 5. Mr Waddingham states that the Statutory Declaration is made from his own knowledge or has been taken from the records of his company.

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Mr Waddingham explains that by virtue of a Licence Agreement dated 21 August 1995 Merck KGaA licenced the use of the mark BION for plant protection agents, plant tonics, preparations for destroying vermin, fungicides and herbicides to Ciba-Geigy Limited of Switzerland. On 20 December 1996 Ciba-Geigy AG (also known as Ciba-Geigy SA and Ciba-Geigy Limited) merged with Sandoz AG to create Novartis AG. Ciba-Geigy AG and Sandoz AG ceased to exist. Accordingly the licence has been transferred from Ciba-Geigy Limited to Novartis AG. Mr Waddingham goes on to explain that Novartis Crop Protection UK Ltd (a subsidiary of Novartis AG) will be using the mark BION. He believes that the mark LION and the mark BION are similar and notes that the applicants' specification covers goods of interest and similar goods to those which are the subject of the licence. Mr Waddingham believes that there exists a likelihood of confusion on the part of the public which includes the likelihood of association.

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That completes my review of the evidence.

I will deal firstly with the objection based in Section 5(2)(b).

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This Section reads:

“5.- (1)

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(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,

5 there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

The term “earlier trade mark” is itself defined in Section 6 as follows:

10 “6.-(1) In this Act an “earlier trade mark” means -

- 15 (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,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or
- 20 (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark.”

25 The correct approach to the interpretation of the expression “a likelihood of confusion on the part of the public” as used in article 4(1)(b) and section 5(2) was considered by the European Court of Justice in Case C-251/95 *Sabel BV v. Puma AG, Rudolf Dassler Sport [1998] RPC* 199. The way in which the presence or absence of a “likelihood of confusion” should be assessed was identified in paragraphs 23 and 24 of the judgment of the court at 223:

30 “.....it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion ‘depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified’. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.

40 That global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - ‘there exists a likelihood of confusion on the part of the public’ - shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

5 In that perspective, the more distinctive the earlier mark , the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public.”

10 The passage quoted above from Sabel V Puma indicates that the more distinctive the earlier mark the greater will be the likelihood of confusion. Therefore, I must consider whether the opponents’ mark can be said to have a particular distinctive character per se or because of the reputation it enjoys with the public. The opponents’ is an invented mark and, in my view, possessing strong inherent characteristics. As regards reputation, no evidence has been submitted by the opponents to establish such a claim at the relevant date.

15 I go on to consider the marks from the point of view of visual comparison. Both LION and BION are short words consisting of four letters, the last three of which they have in common. There are, therefore, obvious points of similarity but the test requires me to consider whether the similarity is such that it could lead to confusion. In this respect the different initial letters seem to me to give the marks quite different characters. LION is readily recognisable as a
20 common dictionary word whereas BION, so far as I am aware, has no meaning in the English language. On my appraisal the marks are not confusingly similar from both a visual and aural point of view. The letters L and B are easily distinguishable and unlikely to be confused, least of all at the start of words. It is well established (see TRIPCASTROID 42 RPC 264 of page 279 lines 33 to 40) that the first syllable of a word is the most important for the purpose of
25 distinction. Therefore, even though the opponents’ mark has a particular distinctive character, I do not find the marks confusable.

30 As I have held that the respective trade marks of the opponent and the applicant are neither the same nor similar that effectively decides the matter under Section 5(2). However, in the event that I am found to be wrong on that point I go on to consider whether the respective goods are the same or similar. Clearly the goods are not the same and therefore I need to consider whether they would be considered to be similar. In that regard I use the test laid down by Jacob J in the TREAT decision 1996 RPC 296 lines 31-46 and page 297 line 1-5 which read as follows:-

35 “Thus I think the following factors must be relevant in considering whether there is or is not similarity:

- 40 (a) The respective uses of the respective goods;
- (b) The respective users of the respective goods;
- (c) The physical nature of the goods;
- 45 (d) The respective trade channels through which the goods reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

5 (f) The extent to which the respective goods are competitive. This enquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods in the same or different sectors”.

10 The applicants mark is proposed for registration in respect of the specification of goods set out on page 2 of the decision. Details of the opponent’s registration is as follows:-

| Number | Mark | Class | Specification |
|--------|---------|-------|--|
| 15 | 2002514 | 5 | Preparations for killing weeds and destroying vermin; insecticides; acaricides; larvicides; fungicides; herbicides; pesticides; molluscicides; nematocides; parasiticides and mitocides; all for use in professional agriculture, and none for domestic or garden use. |

25 In applying this test I have only the wording of the respective specifications to guide me - the only evidence in these proceedings being a statement on the likelihood of confusion. My conclusions are as follows:-

30 (a) The respective uses if the goods are very different. The opponents’ goods are substances for destroying weeds, insects, plants, parasites etc, whereas the applicants’ goods are either raw chemical products or such products as soil conditioners, fertilizers, plant tonics etc;

35 (b) There is a strong possibility that the users are likely to be the same. The opponents’ specification is limited to “all for use in professional agriculture”. The applicants’ specification contains a number of products that could also be used in agriculture. Indeed, it would not be unreasonable to assume that the respective goods could be used in combination;

40 (c) The physical nature of the goods seem to be different. It could be argued that the respective goods are, in one form or another, chemicals. But in my view that would clearly be taking too wide a view of the matter. Obviously, because of their respective uses, the applicants’ goods are made up of very different constituents to those of the opponents’ products.

45 (d) If I am right to assume that some of the respective goods could be used in combination, then it follows that the channels of trade could be the same.

However, simply because the users of some of the respective products are the same and the trade channels through which they come are the same does not, to my mind, justify a claim that the goods themselves are similar. Indeed, I am re-enforced in this by the comment of Jacob J in the TREAT case at page 297 lines 16-24, where he said:-

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“Turning to the present case, the two products to some extent have the same use, but broadly in practice have different uses. They are hardly in direct competition and consumers will find them in different places in supermarkets. Their physical nature is somewhat different, the Robertson product being hardly pourable and really needing spooning out of the jar whereas the British Sugar product is meant to be poured out of the small hole in the plastic top. Moreover it seems that for the purposes of market research the two products are regarded as falling within different sectors. Taking all these things together, I think the spread is not to be regarded as *similar* to the dessert sauces and syrups of the registration”.

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He found that in some respects the goods had the same characteristics but nevertheless were not similar goods. Similarly, in the context of the case in hand, in my view similar goods are not involved. However, this finding is not crucial to the decision as I have earlier decided that the respective marks are not confusable. Consequently, the opposition based upon Section 5(2)(b) of the Act fails.

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In relation to the ground of opposition based upon Section 3(3)(b), there is no indication that there is anything inherent in the trade mark which would deceive the public and no evidence has been submitted to substantiate this ground. Consequently, I find that the opposition fails under Section 3(3)(b).

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Finally, I turn to the grounds of opposition based upon Sections 5(3), 5(4) and 56 of the Act. In the Wild Child case (1998 RPC 455) Geoffrey Hobbs QC, when referring to the scope of the opposition, said:

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“In the interests of justice and fairness it is plainly necessary for an objection to registration under Section 5(4) to be framed in terms which: (i) specify whether the objection is raised under sub-section 4(a) or sub-section 4(b); (ii) identify the matters which are said to justify the conclusion that use of the relevant trade mark in the United Kingdom is liable to be prevented by virtue of an “earlier right” entitled to recognition and protection under the relevant sub-section; and (iii) state whether the objection is raised in respect to all or only some (and if so, which) of the goods...”

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Although in this case referring specifically to Section 5(4), “in the interests of justice and fairness” this must, in principle, be equally applicable to other grounds of opposition.

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The onus under Sections 5(3), 5(4) and 56 of the Act falls on the opponents who must establish through the filing of evidence that that mark or goods have acquired goodwill or reputation, and that use of the mark applied for would damage or be detrimental to them in some way. In this opposition the opponents have filed nothing to substantiate whether they

have ever used the mark, let alone acquired any goodwill or reputation in the market place. I have no evidence before me on which to base a decision and consequently I find that the opposition fails under these headings.

5 As the applicants have been successful they are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £235

10 Dated this 15 day of June 1999.

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D C MORGAN
For the Registrar
the Comptroller General