

O-231-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2262661A
BY AUTONOMY CORPORATION PLC
TO REGISTER A TRADE MARK IN
CLASSES 9, 38 AND 42**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 80561 BY
TELEFONAKTIEBOLAGET L M ERICSSON**

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BACKGROUND

1. On 28 February 2001 Autonomy Corporation Plc applied to register the trade mark AXE in Classes 9, 38 and 42 of the register for the following specifications of goods and services:

Class 09

Computer software and computer programs; computer systems, terminals and peripherals; data processing apparatus; CD Roms, software and programs for searching, retrieving and profiling information via computer systems, computer networks and the Internet; software and programs for providing on-line access to the Internet and for running web-site searches on-line or for concept matching, agent creations, agent restraining and for conducting text searches; software and programs for searching, retrieving, profiling, managing, sorting, selecting and/or storing information available via the Internet or other networks and systems; software and programs capable of adapting their behaviour according to a user's instructions or responses; software and programs that enable on-line publishers and corporations to create, analyse and extract information from the Internet and to automatically maintain and navigate customised portal sites; software and programs with added intelligence involving text; software and programs which deliver to users information via desktop computers, mobile telephones, personal digital apparatus and other handheld digital devices; software and programs which analyse and extract ideas and profiles in text from the Internet thus enabling them to profile users based on documents which are produced or read and then to deliver information which matches this profile; software and programs which provide information from the Internet which enables users to be automatically alerted to the existence of other people whose interests coincide with their own and to be given their e-mail and telephone details; computer software and programs capable of adapting their behaviour according to a user's instructions or responses by personalising and profiling end-users the retrieval, profiling, management, and delivery of data in knowledge management, new media, and e-commerce software applications; computer software and programs for the delivery or exchange of business information to desktop computers, mobile telephones, personal digital apparatus and other handheld digital devices; computer software and programs utilising a processing engine capable of working with

an arbitrary structure to provide information; none of the aforesaid being for the monitoring of telecommunication networks and data communication networks.

Class 38

Providing on-line access to the Internet; providing search engines.

Class 42

Consultancy, design, analysis, development and implementation services relating to software and programs; leasing access time to computer data bases; maintenance and updating of software, computer software packages and computer programs; rental and/or licensing of software and programs; services relating to running web-site searches on-line; leasing or providing access to software and programs for use by third parties; retrieval and profiling of information via networks and the Internet; leasing or providing access to software and programs for the searching, retrieval and profiling of information via computer systems, computer networks and the Internet; services relating to providing software and programs for searching, retrieving, profiling, managing, sorting, selecting and/or storing information available via the Internet or other networks and systems; services relating to providing software and programs that enable on-line publishers and corporations to create, analyse and extract information from the Internet and to automatically maintain and navigate customised portal sites; services relating to providing software and programs with added intelligence involving text; services relating to providing software and programs which deliver to users information via desktop computers, mobile telephones, personal digital apparatus and other handheld digital devices; services relating to providing software and programs which analyse and extract ideas and profiles in text from the Internet thus enabling it to profile users based on documents which are produced or read and then to deliver information which matches this profile; provision of information from the Internet which enables users to be automatically alerted to the existence of other people whose interests coincide with their own and to be given their e-mail and telephone details; providing design, development, customisation, implementation and maintenance services in respect of knowledge management, new media and e-commerce software applications and programs that provide information via the global computer information network; computer services for concept matching, agent creations, agent retraining and for conducting text searching; computer services, including design, development, customisation, implementation and maintenance services relating to providing on-line navigation of the global computer network and for running web-site searches on-line; none of the aforesaid being for the monitoring of telecommunication networks and data communication networks.

2. The application was accepted by the Registrar and published in the Trade Marks Journal.
3. On 17 January 2002 Haseltine Lake Trademarks on behalf of Telefonaktiebolaget L M Ericsson filed Notice of Opposition against the application under Section 5(1) or in the alternative Section 5(2)(a) of the Act because the mark is identical to the following earlier registered trade mark owned by the opponent and is to be registered for the same or similar goods and/or services and there is a likelihood of confusion on the part of the public:

Number	Mark	Registration Effective	Goods and Services
2190161	AXE	25 February 1999	<p>Class 09 Apparatus for recording, transmission or reproduction of sound and images; apparatus and instruments for checking (supervision); magnetic and optical data carriers; data processing equipment and computers, computer programmes, peripheral equipment; optical apparatus and instruments; apparatus and instruments for monitoring of telecommunication networks and data communication networks; installation apparatus and instruments for data communication networks and telecommunication networks; instructional and teaching material, manuals and brochures, all provided from a computer network or registered on data carriers.</p> <p>Class 37 Installation, maintenance and repair of data communications and telecommunications.</p> <p>Class 38 Telecommunication services.</p> <p>Class 41 Education within the data communication area and telecommunication area; providing of training; conferences; seminars.</p> <p>Class 42 Consultancy services within the data communication area and telecommunication area; computer programming; leasing of data processing equipment.</p>

4. The applicant, through its agent Barlin Associates, filed a Counterstatement and sought to amend the specification of their application insofar as it concerns Classes 9 and 42 by the addition thereto of the wording “none of the aforesaid being for the monitoring of telecommunication networks and data communication networks”. The applicant stated that the

effect of this amendment is to remove identical and similar goods and services and the grounds of opposition are denied.

5. The applicant filed evidence and both sides asked for an award of costs in their favour. The parties were content for a decision to be taken without recourse to a hearing and both parties forwarded written submissions for the Hearing Officer's attention.

Applicant's Evidence

6. This consists of a witness statement by Rose-Marie Embleton-Smith dated 10 April 2003. Ms Embleton-Smith is an Enquiry Agent and received instructions from Barlin Associates, the applicant's professional advisors in these proceedings, to conduct enquiries to ascertain the use, if any, of the trade mark AXE by the opponent in the UK.

7. Ms Embleton-Smith explains that on the basis of these instructions she conducted an entire website search using the term AXE and located 3,001 references thereto. She states that this search provided information with regard to the use of the trade mark AXE by Telefonaktiebolaget L M Ericsson and she summarises the information that was obtained as a result of her enquiries as follows:

“Canada : “Ericsson signs IP and AXE agreement with Canadian Bridge Point”
Egypt : “Ericsson signs strategic AXE contract with Egypt”
Iran : “Ericsson makes AXE breakthrough in Iran”
Belgium : “Ericsson's AXE enters the Belgian telecom market” Ericsson has taken an important step into the Belgian market. The first AXE contract with the national telecommunications carrier, Belgacom, has been signed and this means one of the few remaining non-AXE markets in Europe has been entered
Syria : “Ericsson signs USD120Million AXE contract in Syria”
Sweden : “Ericsson signs AXE contract with Telia”
Brazil : “Ericsson signs ENGINE contract in Brazil” Ericsson's ENGINE Bridgehead Solution will upgrade Sercomtel's entire network to a next generation network. One AXD301 will be added to the main AXE exchange and the other three exchanges will be connected to another AXD301 (Media Gateway)

8. The Ericsson AXE switching system is described as “The most widely deployed switching system in the world, is a system for digital exchange nodes in large public telecommunications networks. It serves as a platform for every type of public telephone application, in local, transit, international and combined networks.”

9. Ms Embleton-Smith goes on to declare that in a press release dated the 10th October 2000 Telefonaktiebolaget L M Ericsson and Compaq Computer Corporation announced the formation of a strategic partnership to “*Jointly develop and build advanced switching computers for Ericsson's AXE-based next generation wireless and wireline networks. These switches, which are the powerful computers at the heart of telephone networks, will incorporate Compaq's high performance Alpha Server and Tru64 UNIX technology*”. It was stated in the release dated the 20th March 2001 that “*Ericsson announced the 3G cdma2000tm Mobile Switching Center (MSC)*”.

Built on Ericsson's latest global AXE platform, the MSC will provide superior capacity and scalability in an exceptionally small package".

10. Ms Embleton-Smith attaches confirmation obtained from the internet which relates to Ericsson's enterprise products at Exhibit RMES1 to her statement and at Exhibit RMES2 is a copy letter from Mr Nick Adams of Ericsson Ltd.

11. Ms Embleton-Smith concluded by stating that her enquiries have revealed that Ericsson only uses the word AXE in relation to telephone exchanges such as those used by BT.

Opponent's Submissions

12. As mentioned earlier in this decision both the opponent and applicant have forwarded written submissions for the Hearing Officer's attention.

13. In summary, Haseltine Lake, the opponent's professional representatives in these proceedings, submit the following:

- (i) the fact that the trade marks at issue are identical is not in dispute;
- (ii) the amendment made by the applicant to its specifications is a qualification of the class of goods and services rather than the removal of any of the goods and services and does not assist its position as a computer programme, even if it is limited to such a programme not being for the monitoring of telecommunications networks and data communications networks, it still falls within the description "computer programmes";
- (iii) a table containing each term in the opposed application and the corresponding term in the earlier registration which is considered identical or similar. (A copy of this table is at Appendix One to this decision);
- (iv) that all goods in Classes 9 and 38 of the opposed application are identical to the goods and services in Classes 9 and 38 for which the earlier mark is protected;
- (v) the majority of the Class 42 services contained in the respective marks are identical and if they are not identical they are similar and the goods and services are often sold through the same channels of trade to the same end users;
- (vi) the opponent's mark is inherently very distinctive and deserves a wide penumbra of protection;
- (vii) regarding costs, an exemplary award should be made to the opponent in respect of the evidence filed by the applicant as the evidence was entirely superfluous.

Applicant's submissions

14. In summary, the submissions made by Barlin Associates (the applicant's professional representatives in these proceedings) are as follows:

- (i) as the opponent has not filed evidence the earlier right to which it lays claim has not been formally put and the opposition should be denied as there is no formal evidence to support the claim for an earlier right;
- (ii) it should be recognised that the word AXE is an acronym for the expression Autonomy XML Engine and in the applicant's industry the term AXE would be wholly associated with the applicant when used on products or services supplied by the applicant;
- (iii) the applicant's evidence shows that the opponent's trade mark is used exclusively in relation to telephone exchanges and in the light of this evidence the opponent's trade mark rights should relate exclusively to telecommunication networks and data communication networks and that the qualification in the specification for Class 9 should have made this clear;
- (iv) the opponent has not in its Statement of Grounds particularised those goods and services in the work applied for which it considers to be identical and similar to those goods and services set out in its earlier registration;
- (v) regarding Class 9, the applicant offers to delete the goods "computer software and computer programmes" per se, together with the specification qualification made earlier;
- (vi) there are other trade marks registered in the relevant classes which contain the word AXE eg GOLDEN AXE THE DUEL, AXESS, AXE BRASIL.

15. This completes my summary of the evidence filed in this case and the written submissions of the parties to this opposition. I now turn to the decision.

DECISION

16. Firstly, I note that the applicant has criticised the opponent's Statement of Grounds for not particularising those goods and services which they consider are identical or similar to those set out in the earlier registration. I would point out that the opponent clearly identifies the earlier right on which it relies and claims identity of goods and services. Similarity of goods and services is only claimed to the extent that the goods and services are not deemed identical.

17. Section 5(1) and Section 5(2)(a) of the Act read as follows:

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

(2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

18. An earlier right is defined in Section 6, the relevant parts of which state:

“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,”

19. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] R.P.C 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*, page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, page 224, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27;
- (c) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, page 132; paragraph 17;

- (d) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, page 224;
- (e) account should be taken of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it was registered; *Lloyd*, paragraph 29.

20. The mark in suit and the mark comprising the opponent's registration are identical – both marks consist of the obvious dictionary word AXE presented in upper case. The word AXE is distinctive in relation to the goods and services at issue and I have no reason to suppose that the opponent's registration does not deserve a good penumbra of protection. While the applicant submits that the word AXE is an acronym for the expression "Autonomy XML Engine" and that in the applicant's industry the term AXE would be wholly associated with the applicant when used on products or services supplied by the applicant, there is no evidence to substantiate this claim and I am unable to give it weight.

21. In my considerations I am guided by the judgments of the European Court mentioned above. The likelihood of confusion must be appreciated globally and I need to take into account the degree of similarity in the goods and/or services in question, the category of goods and/or services and how they are marketed. Furthermore, in making my comparisons I must assume notional fair use of the marks on the full range of goods and services which fall within the respective specifications.

22. The applicant claims that the opponent's use of the AXE trade mark is limited to use in relation to telephone exchanges. This may be so, but for the purposes of the current opposition the opponent's earlier right extends across the full width of its Class 9, 37, 38, 41 and 42 specifications of goods and services.

23. In the written submissions the opponent has drawn attention to a number of trade marks containing the word AXE in the relevant classes. None of these are identical to the mark in suit and the opponent's mark. In any event I am not assisted by this evidence and I am guided on this point by the following comments of Mr Justice Jacob in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281:

"Both sides invite me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word "Treat". I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what the circumstances were which led the Registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, eg *MADAM Trade Mark* and the same must be true under the 1994 Act. I disregard the state of the register evidence."

24. I turn now to the consideration of the respective goods and services covered by the specifications of the mark in suit and the opponent's earlier registration. In this context I bear in mind that the applicant seeks to amend its Class 9 and 42 specifications by the addition of the wording "none of the aforesaid being for the monitoring of telecommunication networks and data communication networks" and also by the deletion in Class 9 of the goods "computer software and computer programmes". I also take into consideration the "table" attached to the opponent's written submissions – a copy of which is attached as Appendix One to this decision.

25. Where respective goods and services are not identical I need to determine similarity of goods and/or services and in this regard I intend to follow the guidelines formulated by Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 (Pages 296, 297) as set out below:

"The following factors must be relevant in considering whether there is or is not similarity:-

- (a) the respective uses of the respective goods or services;
- (b) the respective users of the respective goods or services;
- (c) the physical nature of the goods or acts of services;
- (d) the respective trade channels through which the goods or services reach the market;
- (e) in the case of self-serve consumer items, where in particular 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;
- (f) the extent to which the respective goods or services are competitive. This inquiry 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 or services in the same or different sectors."

26. Whilst I acknowledge that in view of the *CANON-MGM* judgment by the European Court of Justice (3-39/97) the *Treat* case may no longer be wholly relied upon, the ECJ said the factors identified by the UK government in its submissions (which are listed in *TREAT*) are still relevant in respect of a comparison of goods and/or services.

27. Firstly, I turn to a comparison of the applicant's Class 9 specification (as amended) with that of the Class 9 specification of the opponent's registration.

28. The applicant's specification is somewhat lengthy and detailed but nevertheless in essence it comprises:

- (i) computer and data processing systems and apparatus which are identical to the opponent's "date processing equipment and computers" and "peripheral equipment";
- (ii) CD ROMS and various dedicated software and programs which are nevertheless identical to the opponent's "magnetic and optical data carriers" and "computer programmes".

29. Although the applicant's Class 9 specification excludes goods "for the monitoring of telecommunication networks and data communication networks" this does not assist the applicant as identical goods contained in the opponent's specification are not limited regarding their scope or application.

30. To sum up, all the Class 9 goods within the applicant's specification (as amended) are identical to goods contained within the Class 9 specification of the opponent's earlier mark.

31. I go on now to a consideration of the Class 38 specifications. The specification of the mark in suit reads – "Providing on-line access to the Internet; providing search engines". I have no doubt that such services fall within the "telecommunications services" covered by the opponent's specification. They are commonly supplied and maintained by telecommunications providers, often in association with a telephone service. In my view the Class 38 services are identical.

32. Finally I go to the Class 42 services and I am in broad agreement with the detailed submissions set out by the opponent and contained in Appendix One to this decision. The applicant's services essentially relate to computer software – consultancy, access, maintenance, updating, leasing, retrieval, managing, extracting information from etc and also computer services in general eg design. These services are at least similar to those of the opponent, in particular computer programming, consultancy and leasing in relation to data communication and data processing, also computer programmes themselves (Class 9) and the installation, maintenance and repair of data communications (Class 37). In general the respective users of the services are likely to be the same, and the services (and goods) concerned are provided in the same discrete area, often by the same service provider eg the supplier of computer software, computers and computer programming services is also likely to be in a position to supply services relating to computer software in general. I do not consider the exclusion in relation to the "monitoring of telecommunication networks and data communication networks" assists the applicant as there is no limitation in relation to the scope of the opponent's computer programmes and its computer programming services. Furthermore, consultancy services in relation to data communication must be at least similar to consultancy services relating to computer software even if that software is not dedicated to data communication networks.

33. To conclude, I believe that all the services contained within the applicant's Class 42 specification are at least similar to services and goods contained within the opponent's specifications.

34. Section 5(1) is mandatory in that where marks and goods or services are identical, registration must be refused. In relation to the applicant's Class 9 and 38 specifications I found

the marks, goods and services to be identical to those of the opponent and therefore, in relation to those specifications, the mark in suit cannot proceed. In relation to Class 42 I have found that the applicant's specification contains services which are similar to services and goods within the opponent's earlier registration and a global appreciation in relation to the likelihood of confusion is appropriate.

35. In my considerations relating to a likelihood of confusion I must consider the services and/or goods at issue and the average customer for the services and/or goods. The relevant range of services and goods covered by the applicant's and opponent's specifications is sufficiently wide to encompass specialist customers and the general public. However, it seems to me that, in general, the respective services and/or goods would be purchased with a good degree of care and diligence. While this could mitigate against confusion occurring, it does not follow that there is no likelihood of confusion and all relevant circumstances must be taken into account.

36. On a global appreciation after taking into account all relevant factors, the identity of the mark in suit and the opponent's earlier mark and the fact that the applicant's Class 42 services are closely similar to the services (Class 42 and Class 37) and goods (computers and computer programmes) makes, I believe, for a likelihood of confusion on the part of the relevant public.

37. The opposition succeeds under Section 5(1) in relation to Classes 9 and 38 of the application and under Section 5(2)(a) in relation to Class 42 of the application.

Costs

38. In relation to costs the opponent has requested an exemplary award in respect of the evidence filed by the applicant as in the opponent's view the evidence was entirely superfluous and involved the opponent having to read through it without any justification. I have some sympathy with the opponent's view as the evidence, which goes to the opponent's use of its mark, does not preclude the consideration of normal fair use of the opponent's mark across the full width of its specifications. However, the evidence at issue was not particularly lengthy or complex and it seems to me that the identification of the areas in which a mark has been used can sometimes prove useful in identifying the potential for market place confusion or the possibility of negotiated settlement. I do not consider exemplary damages to be appropriate.

39. The opponent is entitled to a contribution towards costs and I therefore order the applicant to pay the opponent the sum of £900. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14TH day of August 2003

**JOHN MacGILLIVRAY
for the Registrar
the Comptroller General**

Annex available in a paper copy.