

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2148455
TO REGISTER A TRADE MARK IN THE NAME OF
ERGONOM LIMITED
IN CLASS 20

AND IN THE MATTER OF OPPOSITION THERETO
UNDER No 49199
BY GRAHL GMBH

BACKGROUND

1) On 18 October 1997 Idem Furniture Ltd of 39 Victoria St, London, SW1H 0EE applied under the Trade Marks Act 1994 to register the trade mark ERGONOM in respect of the following goods in Class 20:

“Office furniture; seating, desks, storage partitioning; parts and fittings for all the aforesaid goods.”

2) The applicant claimed honest concurrent use with Registration No. E85522.

3) On 29 November 2001 the applicant informed the Registry of a change of name from Idem Furniture Limited to Ergonom Limited.

4) Opposition to the registration was filed by Grahl GmbH of 31595 Sleyerberg/Voigtei, Germany, on 19 November 1998. The grounds of opposition were amended in April 2001, the amended grounds in summary are:

a) The opponent is the proprietor of the UK application shown below, and Community Trade Mark Application E85522.

Number	Mark	Effective Date	Class	Specification
2260126	ERGONOM	1.4.96	20	Furniture, in particular chairs and tables, conference and seating units, especially easy chairs, chairs, pivot chairs, pivot stools also with rolls and slides, in particular for offices, social rooms, schools and workshops; parts of chairs, namely foot rests, rolls, seat backs and mechanisms for height adjustment of the seat and slope adjustment for the back.

b) The opponent has used the Trade Mark “ERGONOM” in the UK for many years. Registration of the application in suit is therefore contrary to Sections 5(1), 5(2), 5(3), 5(4) & 3(6).

5) The applicant filed a counterstatement denying all the grounds, and claiming that their predecessor in title, Hille Ergonom Ltd, were the proprietors of UK Trade Mark Registration 1280312 ERGONOM in Class 20. They state that the registration was not renewed in 1993 due to an oversight which “arose due to the various internal changes at the proprietor company”. They claim that they, and their predecessors in title, have been trading under the name ERGONOM since before 1969.

6) Both sides ask for an award of costs. Both sides filed evidence in these proceedings and the matter came to be heard on 23 January 2002, when the applicant was represented by Mr Mellor of Counsel instructed by Messrs Marks & Clerk while the opponent was represented by Miss McFarland of Counsel instructed by Messrs Wilson Gunn Skerrett.

OPPONENT’S EVIDENCE

7) The opponent filed two declarations. The first, dated 29 June 1999, is by Michael John Croft, the opponent’s Trade Mark Attorney. At exhibit MJC1 he provides a copy of Community Trade Mark Registration number 85522 which has a filing date of 1 April 1996 and constitutes an earlier trade mark. He provides his opinion that the mark and the goods are identical or, at worst, very similar.

8) Mr Croft claims that research into the companies register reveals the existence of three companies with the word “Ergonom” in their name. He provides copies of his searches at exhibit MJC3. The exhibit shows:

a) Ergonom Holdings Ltd, registration number 3584891, incorporated on 16 June 1998.

b) Ergonom Ltd, registration number 963271, incorporated on 3 October 1969. Originally called Ergonom (Contract Furnishers) Ltd the company changed its name on 31 December 1978 to Ergonom Distributors Ltd. On 17 March 1982 it changed its name again, this time to Ergonom Ltd. On 31 January 1997 the name was changed to Idem Furniture Ltd with the change to its current name occurring on 23 April 1998.

c) Hille Ergonom Ltd, registration number 1634710, incorporated on 11 May 1982. Originally called Neartalck Ltd, the name was changed on 20 July 1982 to Ergonom International Ltd. On 5 December 1983 the name was changed to Hille Ergonom Plc, with the change to its current name occurring on 23 April 1998.

9) Mr Croft states that the company called Idem Furniture Ltd at the date of filing the application on 18 October 1997 was company No 963271. This was not the same company as that which owned the earlier registration, which was company 1634710 called Hille Ergonom Ltd.

10) The opponent’s second declaration, dated 26 August 1999, is by Ralf-Werner Munster the Sales Director of the opponent company. Herr Munster confirms that he is familiar with the English language. He states that the opponent began using the mark ERGONOM in the

UK in 1978 and has used it continuously since then in relation to seating for use in offices, public places, schools and workshops. He provides both promotional and turnover figures for sales of furniture under the mark in suit in the UK. The figures were provided in German Marks so I have converted them into Sterling.

Year	Sales £ Approx.	Promotion £ Approx.
1980	10,496	-
1981	18,661	-
1982	46,575	-
1983	6,050	-
1984	8,426	-
1985	63,893	-
1986	61,142	-
1987	117,736	-
1988	123,312	-
1989	229,690	-
1990	225,220	-
1991	149,754	-
1992	130,095	1,669
1993	52,718	2,277
1994	51,796	15,888
1995	99,901	24,405
1996	168,664	18,542

11) Herr Munster also provides a large number of invoices at exhibit 1. The invoices cover the period February 1986 - January 1999. From 1986 to 1992 all the invoices are from Grahl International in Germany to "Office Furn. Systems Ltd" in the UK, with the exception of a few in 1990 and 1991 which are to "Qubix Ltd". From 1993 to 1999 all the invoices are to Grahl UK Ltd. All the invoices include products titled ERGONOM and a reference number such as 24, 35, 66, 67, 68 or 69. There is no other description of the item on the invoice. It is clear from the brochures at exhibit 2 that the items marked ERGONOM on the invoices refer solely to chairs.

12) The literature at exhibit 2 contains three press cuttings dated June, August and "summer" 1997 which all refer to "ergonom seating" being supplied by Grahl to fifty branches of the Woolwich Building Society with the prospect of further branches being supplied in the

following two years. There are also a number of brochures. All the brochures relate to office seating only, with all of the chairs being referred to by the name ERGONOM and a reference number such as 24, 35, 66, 67, 68 and 69. However, it is not clear when or if these brochures were used in the UK for the following reasons:

Brochure date	Language	Contact Address
1982 (handwritten)	German & English	None
1982 (printed)	German	In Germany
1982 (handwritten)	4 languages including English	In Germany and USA
1984 (printed)	4 languages including English	In Germany and USA
1986 (printed)	English (but prices in German DM)	In Germany
1986 (printed)	English (but prices in German DM)	In Germany
1986 (handwritten)	4 languages including English	In Germany and USA
1986 (handwritten)	4 languages including English	None
1987 (handwritten)	English	In Germany
1987 (handwritten)	4 languages including English	In Germany
1988 (handwritten)	4 languages including English	Grahl UK Ltd, Bucks
1989 (handwritten)	4 languages including English	In Germany
1995 (printed)	German	Eight countries including UK
1998 (handwritten)	4 languages including English	None

13) Lastly, Herr Munster states:

“About 10-15 years ago my company received an objection from Ergonom Limited to its use of the mark ERGONOM. In response to that objection it was pointed out that my company had been using the mark in the UK since 1978, and as a result Ergonom Ltd did not pursue the matter further.”

APPLICANT’S EVIDENCE

14) The applicant filed a declaration, dated 2 December 1999, by Kelvin Abbott the Finance Director of the applicant company which is part of Wassall Plc.

15) Mr Abbott states that his company “has been trading under the name Ergonom since before 1969 and has used the trade mark ERGONOM in relation to a whole range of office furniture, including tables, shelving, drawers, cupboards, filing cabinets, computer stations, book-cases, storage, desking, seating and screens (hereinafter referred to as “the said goods”) continuously since that time.” He also claims that his company was the proprietor of UK

Trade Mark 1280312 ERGONOM for goods in Class 20. The mark was not renewed in 1993 due to an oversight because of various reorganisations within the company.

16) At exhibit KA2 Mr Abbott provides literature which “shows the name ERGONOM and the wide range of products provided under that name”. A number of brochures are provided, all of which show use of the ERGONOM name and advertise a wide range of goods including, inter alia, tables, chairs, desks, cupboards, screens and flooring. An undated brochure states that “Ergonom Ltd is a part of the Furniture Division of Wassall Plc”. However, only three of the brochures are dated, these show:

a) A brochure for ERGONOM brand screening systems dated October 1980 issued by Ergonom Distributors (A member of the Unilock Group of Companies).

b) The front and back pages of a price list for ERGONOM brand office systems dated March 1988, issued by Hille Ergonom Plc.

c) A price list for ERGONOM brand furniture (desks, tables, drawer units, screens & cupboards) dated January 1989, issued by Ergonom Limited. This states under “conditions of sale” that the word Ergonom has the following meaning: “Hille Ergonom plc and/ or its successors.”.

17) Mr Abbott provides a potted history of his company:

“9) Ergonom was established in 1969 by two partners who had for the prior two years been in association in an office planning consultancy. The company was established as Ergonom (Contract Finishers) Limited but traded under the name Ergonom.

10) During the 1970's the business developed on three fronts: office planning and design; contract furnishing and interior contracting; and office furniture distribution. These three areas remain at the forefront of my company's business today.

11) In 1974 a division of Maple & Company was acquired to strengthen the group's interior design and contract furnishing services, which led to major contracts in the Middle East. However, by the late 1970's the main thrust of the business had become the marketing and distribution of office products made by Unifor SPA in Italy, notably the Modulo 3 system which had been introduced in 1972 and promoted under the Ergonom name.

12) In 1978 the company changed its name to Ergonom Distributors Limited to reflect the change in its main business activity. In March 1980 the business was merged with Unilock Limited with a view to achieving more rapid growth in conjunction with that company's activities in partitioning and interior contracting, although Ergonom continued to trade under its own name as a largely autonomous business.

13) In 1982 the original partners repurchased the original Ergonom business, which had by then acquired the sole UK distribution for Wilkhahn GmbH, a leading manufacturer of office seating, to add to its sole distribution rights to Unifor furniture.

In that year the company's name was changed to Ergonom Limited.

14) In October 1983, to complement its existing activities, the company acquired a controlling interest in Hille International Limited, a British furniture manufacturer, acquiring the whole company the following year. Hille had a long standing reputation for well designed products and had been family owned since it was founded in 1906. As Hille Ergonom the group continued to manufacture its own range of office furniture, as well as promoting the Unifor range under the ERGONOM banner. In 1986 the group was floated on the USM (the Unlisted Securities Market) as Hille Ergonom Plc. In 1989 Hille Ergonom Plc was acquired by Wassall Plc, a large conglomerate, and incorporated into its furniture division which included Evertaut and Toone. In this new group, Ergonom Limited became a non-trading company but the business entity continued to trade in its core activity under the mark ERGONOM."

18) Mr Abbott claims that "my company has been in existence and has traded as Ergonom for the last thirty years. In that time the company has had many guises and legal entities, but despite all these changes the business has always been known and promoted its products in all advertising and brochures as ERGONOM."

19) At exhibit KA4 Mr Abbott provides copies of five letters from clients of his company who state that they have traded with "Ergonom" for many years and that they have always known the company by the single name. The letter from IBM in Portsmouth dated 7 September 1999 states that "I can confirm that IBM has been conducting business with your company, Ergonom, since about 1974 and in all that time we have always known your company as "Ergonom". At exhibit KA5 he provides turnover and promotional figures for the ERGONOM mark. These date from 1970 - 1999. I have selected years throughout the period to reflect trends.

Year	Sales £	Promotion £
1970	64,470	48
1974	355,459	3,896
1977	759,057	10,953
1981	2,482,267	45,147
1984	3,118,882	51,741
1986	6,046,628	71,860
1990	3,201,600	104,700
1992	3,933,700	175,700
1994	5,384,200	145,400
1995	5,168,000	167,100

1996	7,309,300	199,500
1997	12,670,700	208,100

20) At exhibit KA6 Mr Abbott provides three invoices. Two from 1981 which are from Ergonom Distributors Ltd, and one from Ergonom Ltd on which the year has not been copied.

OPPONENT'S EVIDENCE IN REPLY

21) The opponent provided a witness statement, dated 22 June 2001, by Michael John Croft who provided an earlier declaration. He states that the opponent's Community Trade Mark has been converted into a UK trade mark albeit with a slightly different specification. The changes are attributed to the use of different translators.

22) That concludes my review of the evidence. I now turn to the decision.

DECISION

23) At the hearing the ground of opposition under Section 5(3) was dismissed as it was common ground that the goods were identical or similar. Similarly, as the opponent has offered no evidence in support of their ground of opposition under Section 3(6) it is dismissed.

24) The opponent has based the opposition upon two marks. A Community application numbered E85522 and UK Trade Mark Application number 2260126. However, the Community Trade Mark (CTM) was not registered but was withdrawn and converted into the UK Trade Mark Application. The UK Trade Mark Application has the priority date of the CTM application. The UK Trade Mark is still pending and is the subject of a cross opposition by the applicant in the instant case. For the applicant, Mr Mellor contended that the lack of a registration was fatal to the opposition. He claimed that as the opponent's mark was not registered at the date of the hearing then all the grounds of opposition must fail. He contended that:

“This mark (2260126) only falls within the definition of “earlier trade mark” in section 6 of the Act “subject to its being so registered”. In other words, an opponent relying on an application must ensure that his application achieves registration before his opposition is heard. Otherwise his application has not been “so registered” and fails to support any ground of opposition.”

25) Section 6 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,

(b).....

(c).....

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

26) I do not accept Mr Mellor’s contention. As the opponent’s trade mark on which they base their claim to an earlier trade mark is subject to an application for registration then the provisions of Section 6(2) are applicable.

27) I therefore consider that the opponent’s trade mark has the necessary basic requirements in terms of its date of application to be considered as an earlier right under section 6(1)(a) and Section 6(2). Although I accept that should I find for the opponent when considering the grounds of opposition under Section 5(1) or 5(2), then that finding would be provisional and dependent upon the opponent’s application achieving registration.

28) I turn therefore first to the ground of opposition under Section 5(4), which states:

“5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

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.”

29) In deciding whether the mark in question “ERGONOM” 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 14 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 Art.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] RPC 341 and Even Warnik 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.”

30) 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. It is clear from Article 4(4)(b) that the earlier right had to have been “acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed...”. The relevant date is therefore 18 October 1997, the date of the application.

31) Although the Section 5(4)(a) claim has to be established at the date of the application, it is clear that the opponent could have had no such right if, the applicant’s use is protected in the UK from an earlier date or if, by the relevant date, the applicant had established its own actionable goodwill in the UK, (*Habib Bank* 1982 RPC at 24).

32) In the instant case the applicant company has filed evidence of use. However, only three of the exhibits provided were dated. Of these one was issued by the company now known as Hille Ergonom Ltd (company registration number 1634710). The applicant company (company registration number 963271) issued a brochure and a price list. The brochure, dated October 1980, was for screening systems under the brand name “Ergonom”. The price list, dated January 1989, showed costs for desks, tables, drawer units, screens and cupboards. For the applicant, Mr Abbott, claims that his company has been using the mark in suit since “before 1969”. However, he uses the term “my company” to refer to a number of different legal entities. The fact that the 1989 brochure had Ergonom Ltd on the back page, but defined “Ergonom” as Hille Ergonom Plc in the terms and conditions section, rather supports the applicant’s claim that these are economically linked companies. I also take into account the letters filed from customers, one of which claims to have traded with Ergonom (however constituted) since 1974. This letter does not give any details of the trade between IBM and

Ergonom in 1974. These letters are not filed in the form of witness statements or sworn evidence. In the absence of corroborative evidence of use with regard to the 1969 date I must regard the date of the applicant's first use as being October 1980.

33) With these considerations in mind I turn to assess the evidence filed on the behalf of the parties in the present proceedings as set out earlier in this decision, and the arguments put forward at the hearing.

34) It is common ground that the marks of the parties are identical.

35) The opponent has shown use of the mark ERGONOM in relation only to office seating. In his evidence Herr Munster states that his company has used the mark "in relation to seating for use in offices, public places, schools and workshops". The term "Seating" is included in the applicant's specification, these goods are therefore identical. In my view, "seating" would be regarded as similar to the rest of the goods listed in the applicant's specification, and would be traded in by undertakings in the same field of activity i.e. office and other commercial furniture.

36) The opponent states that they have used their mark in the UK since 1978. The sales figures provided start at 1980 when it is claimed that sales totalled £10,496. However, the exhibits provided do not corroborate either the 1978 or 1980 dates. Numerous invoices dated between 1986 - 1999 were provided. The brochures provided are dated between 1982 and 1998, although many cannot be said to prove use of the mark in the UK either through the lack of a UK contact address, or because they are not in English or have prices in German Marks. All of the use would appear to relate to office seating.

37) In the case of *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenmy Gary Stringer (a partnership)* [2002] RPC 19, Pumfrey J. in considering an appeal from a decision of the Registry to reject an opposition under Section 5(4)(a) said:

*"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (see *Smith Hayden (OVAX)* [1946] 63 RPC 97, as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.*

Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

38) The opponent has asserted that it had goodwill and reputation at the relevant date. The opponent has provided press cuttings from 1997 which confirm that the opponent had a major

trade in office chairs earlier in the year of the application. The opponent has also supplied invoices for the period 1986-1999 which provide some corroboration. However, these appear to all be to their UK supplier, there is no evidence of individual sales to end customers. There is a paucity of corroborative evidence given the long period of use claimed.

39) The evidence supplied by both parties is unsatisfactory. If a strict standard is applied to the evidence supplied then neither party could be found to have demonstrated that they enjoyed a goodwill under the ERGONOM mark at the relevant date. If a more lenient standard is applied then both sides have shown evidence of a concurrent goodwill. I take into account the remarks of Oliver LJ in *Habib Bank Ltd v Habib Bank AG Zurich* [1982] RPC at 24:

“Where you find that two traders have been concurrently using in the United Kingdom the same or similar names for their goods or businesses, you may well find a factual situation in which neither of them can be said to be guilty of any misrepresentation. Each represents nothing but the truth, that a particular name or mark is associated with his goods or business.”

40) Therefore, even if there is confusion, there is no misrepresentation. The ground of opposition under Section 5(4) therefore fails.

41) I next consider the other grounds of opposition under Sections 5(1) and 5(2) which read:

“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.

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 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.

42) In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel Bv v Puma AG* [1998 RPC 199], *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* [1999] E.T.M.R. 1, *Lloyd Schfabrik 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 Schfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* page 84, paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel Bv v Puma AG* page 224;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel Bv v Puma AG* page 224;

(e) 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-Meyer Inc.* page 7 paragraph 17;

(f) 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 8, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel Bv v Puma AG* page 224;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG* page 732, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* page 9, paragraph 29.

43) The applicant seeks sanctuary under Section 7(1) of the Trade Marks Act 1994 which relates to honest concurrent use. Section 7 of the Trade Marks Act states:

“7.- (1) This section applies where on an application for the registration of a trade mark it appears to the registrar -

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

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

but the applicant shows to the satisfaction of the registrar that there has been honest concurrent use of the trade mark for which registration is sought.

(2) In that case the registrar shall not refuse the application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

(3) For the purposes of this section “honest concurrent use” means such use in the United Kingdom, by the applicant or with his consent, as would have amounted to honest concurrent use for the purposes of Section 12(2) of the Trade Marks Act 1938.

(4) Nothing in this section affects-

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal), 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).

(5) This section does not apply when there is an order in force under section 8 below”.

44) First of all, I note that this provision of the Act does not derive from Council Directive No. 89/104/EEC of December 21, 1988 to approximate the laws of the Member States relating to trade marks. It is thus a piece of home spun legislation which can only be interpreted as complementing rather than conflicting with the Directive. This is because Article 5 of the Directive (the equivalent of section 5 of the Trade Marks Act 1994) requires a trade mark to be excluded from the Register if it conflicts with an earlier trade mark or other earlier right. However, the fifth recital to the Directive gives Member States latitude as to the stage at which such relative grounds are to be taken into consideration. The fifth recital states:

“Whereas Member States also remain free to fix the provisions of procedure concerning the registration, the revocation and invalidity of trade marks acquired by registration; whereas they can, for example, determine the form of trade mark registration and invalidity procedures, decide whether earlier rights should be invoked either in the registration procedure or in the invalidity procedure or both and, if they allow earlier rights to be invoked in the registration procedure, have an opposition procedure or an *ex officio* examination procedure or both; whereas member states remain free to determine the effects of revocation or invalidity of trade marks.”

45) In relation to all applications for registration under the Act, the Trade Marks Registry must examine them against the provisions of sections 3 and 5 and undertake a search under the provisions of section 37 for that purpose. If, and when, as a result of the search an earlier trade mark is identified which is considered to be the same or similar in respect of both the trade mark and the specification of goods and services, then the Trade Marks Registry must raise an objection to the application for registration if the Registrar is of the view that, *prima facie*, there is a likelihood of confusion. However, if the applicant is able to show, to the satisfaction of the Trade Marks Registry, that there has been honest concurrent use of the trade mark, the subject of the application, with the earlier mark, under the provisions of section 7, and with due regard to the fifth recital, then the application may be accepted and

published. Where the concurrent use has not been in respect of all of the goods or services for which the trade mark is sought to be registered, the acceptance will be for those goods or services where there has been honest concurrent use. If there is no opposition to the application for registration either from the owner of the earlier trade mark against which the applicant for registration claims honest concurrent use or any third party, then the application will in due course be registered. However, if opposition is filed then the Registrar must determine whether the grounds for refusal upon which the opposition is based are made out. If the opposition is based upon section 5 then the provisions of the appropriate subsections must be considered. The fact that honest concurrent use has been shown at the examination stage cannot of itself overcome the objection.

46) If, for example, the trade mark the subject of the application for registration, and the trade mark the subject of the earlier trade mark were identical, and the specification of goods or services of the application was identical to the specification of goods or services covered by the earlier trade mark, then refusal must follow under Section 5(1), which bars absolutely the registration of identical trade marks in respect of identical goods or services (unless the proprietor of the earlier trade mark consents to the registration of the later trade mark). But in relation to section 5(2) the respective trade marks or respective specifications of goods or services may only be similar and the fact that there has been actual use of the trade mark in suit concurrently with the earlier trade mark, may be relevant in determining whether there is a likelihood of confusion.

47) At the hearing it was common ground that the marks of the two parties are identical. Equally it was accepted by Mr Mellor that part of his client's specification was identical to that of the opponent's trade mark. The one item in his client's specification that he felt was not identical was that for "storage partitioning". Even on this he agreed that the item would have to be deemed similar to the goods covered by the opponent's specification.

48) It therefore follows that as the marks are identical, the opposition in relation to those goods which are deemed identical must succeed under section 5(1) notwithstanding any concurrent use. I therefore find that the opposition under Section 5(1) in relation to "Office furniture; seating, desks: parts and fittings for all the aforesaid goods" is successful. Thus, once trade mark application No. 2260126, upon which the opposition is based is registered, this application in respect of "Office furniture; seating, desks: parts and fittings for all the aforesaid goods" must be refused. If the earlier mark is not registered then this application may proceed.

49) I must now consider the remaining opposition under Section 5(2) in relation to "storage partitioning; parts and fittings for the aforesaid goods". If similarity of the respective marks and the goods and services were all that is required for the objection under section 5(2) to be valid, then I would have no hesitation in finding in favour of the opponent on this ground. However, the above cases indicate that similarity of the marks and goods/services is but part of the global assessment in determining whether there is a likelihood of confusion, and I go on to consider other relevant factors.

50) There is no evidence that the opponent's trade mark ERGONOM has any particular meaning in respect of the goods for which it is registered and I can only conclude that it is,

prima facie, distinctive. The opponent's evidence shows only sporadic use of the mark insufficient to generate goodwill and repute, and therefore does not affect the distinctiveness of the mark for Section 5(2) purposes. However, the applicant is using an identical trade mark.

51) The applicant accepts that the goods for which they seek to register their mark (storage partitioning; parts and fittings for the aforesaid goods) are similar to the goods for which the opponent's earlier mark is protected. Equally it is clear that, assuming notional use, the goods would be used in the same area of trade to the same customers.

52) The applicant states that they have used the trade mark ERGONOM "since before 1969". However, the evidence accompanying the applicant's statement is not so unequivocal. In seeking the assistance of honest concurrent use the onus is clearly upon the applicant to make out its case. In providing three instances of actual use, one seventeen years, one nine years and the other eight years prior to the application date, the applicant has in my view failed to meet this obligation.

53) With all of this in mind I come to the conclusion that when all the factors are considered, that there was a likelihood of confusion at 18 October 1997. Thus, if trade mark application No. 2260126, upon which the opposition is based, is registered, this application in respect of "storage partitioning; parts and fittings for the aforesaid goods" must also be refused. If the earlier mark is not registered then this application may proceed.

54) The opposition has succeeded under Section 5(1) & 5(2) subject to the opponent's own trade mark the subject of application number 2260126 being registered.

55) As the instant decision is dependent upon the outcome of the opponent's trade mark application I am minded to defer any ruling on costs until after the decision in the matter of trade mark application 2260126.

Dated this 12th day of June 2002

George W Salthouse
For the Registrar
The Comptroller General