

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2045449 IN THE NAME
OF BRIDGE INSURANCE BROKERS (MANCHESTER)(LTD)**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 44914 IN THE NAME OF
THE POST OFFICE**

TRADE MARKS ACT 1994

**IN THE MATTER OF application no 2045449
in the name of Bridge Insurance Brokers (Manchester) Ltd
to register a trade mark in Class 36**

and

**IN THE MATTER OF opposition thereto under No 44914
in the name of The Post Office**

Background

On 21 November 1995, Bridge Insurance Brokers (Manchester) Ltd, of Indemnity House, Chatham Street, Piccadilly, Manchester, M1 7BD applied to register the trade mark POST GUARD in Class 36 in respect of "Insurance services".

On 15 July 1996, The Post Office filed notice of opposition to this application. The grounds of opposition are in summary:-

- 1. Under Section 5(2)(b)** Because the applicants' mark is identical or similar to the opponents' trade mark and is to be registered for services identical or similar to the goods and/or services for which these marks are protected such that there exists a likelihood of confusion including the likelihood of association.
- 2. Under Section 5(3)** Because the opponents' trade marks have a reputation in the United Kingdom such that use of the mark applied for would take unfair advantage of or be detrimental to their distinctive character or repute
- 3. Under Section 5(4)(a)** Because use of the applicants' mark in the United Kingdom is liable to be prevented by virtue of rule of law, in particular, the law of passing off.

The opponents' registrations referred to in the grounds of opposition are set out as an annex to this decision.

The opponents ask that the Registrar exercise his judgement and/or discretion and refuse the registration.

The applicants acknowledge the presence of the opponents registrations but deny each ground specified.

Both parties request that an award of costs be made in their favour.

Both sides filed evidence in these proceedings. The matter came to be heard on 14 June 1999, when the applicants were represented by Mr Guy Tritton of Counsel, instructed by Wilson Gunn M'Caw, their trade mark attorneys, the opponents were represented by Mr John Hornby of Clifford Chance, their trade mark attorneys.

5

Opponents' evidence

10 This consists of a Statutory Declaration dated 1 September 1997, executed by Matthew Bruce, Head of Brand and Marketing Communication of Post Office Counters Ltd. Mr Bruce says that he has held this position since April 1997 and was previously Advertising Manager. He confirms that he has been employed by the his company for approximately five years.

15 Mr Bruce begins by explaining the organisational make up of The Post Office, and that his company, Post Office Counters Ltd is a wholly owned subsidiary of The Post Office and the retail arm of The Post Office Group. He sets out the range of services provided by his company which are mostly related to finance (including insurance), and says that they also trade in a range of goods. He refers to exhibit MB1 which consists of pages from his company's Internet web site which advertises the services provided by his company (but these do not reveal the date his company first offered the services), and a copy of a magazine produced by his company for Sub-Postmasters and dated Summer 1997 which is after the relevant date in these proceedings. Mr Bruce says that his company has over 19,000 offices across the country and has the largest retail arm in the United Kingdom serving some 28 million customers each week.

25 He goes on to refer to the trade marks in the ownership of The Post Office Group containing the word POST, and which are shown in exhibit MB2, and the "lozenge" device marks which are set out in exhibit MB3. Mr Bruce goes on to set out the history of the lozenge device and the "red and yellow livery" which he says was adopted by The Post Office in 1967 saying that his company has, with the consent of The Post Office, been using the device since 1987. He refers to exhibit MB4 which is a copy of The Post Office Group Report and Accounts for 1994-95 which shows the livery in use and which he says the public would be well used to seeing. He makes particular reference to the double line logo and uniform typeface which he says is used to give a distinctive corporate look.

35 Mr Bruce goes on to say that in 1993 the lozenge device was revised and that the new design is gradually replacing the original. He refers to exhibit MB7 which consists of an example of a new lozenge design, exhibit MB5 which consists of The Post Office Design Guidelines from 1985 relating to The Post Office corporate image and the use of the lozenge device, and exhibit MB6 which consists of photographic slides showing current usage of the lozenge design.

40 Mr Bruce next says that in February 1995 his company first offered travel insurance services, followed by bill payment protection cover in March 1996, life insurance in September 1996 and medical insurance in November 1996. He again refers to exhibit MB7 which consists of examples of brochures setting out details of the insurance products sold by his company as at June 1997, which is after the relevant date. These offer a range of insurance services and bear the words POST OFFICE either in white on a black oval background, or more commonly, the words in yellow on a red background contained within a green oval border. He goes on to set out his company's business transactions, advertising expenditure and income (as at June 1997) relating

45

to insurance services, and to give a forecast of expected business in this area. Mr Bruce concludes by giving his opinion on the distinctive character of the mark applied for, on the intentions of the applicants and the likelihood of confusion and association between the applicants' and his company's trade marks.

5

Applicants' evidence

This consists of a Statutory Declaration dated 14 December 1997 by Michael Backner, a Director of Bridge Insurance Brokers (Manchester) Limited, a position he has held for 26 years.

10

Mr Backner begins by saying that early in 1995, his company devised a policy specifically to insure the property, buildings and liabilities of sub post offices, and that to reflect the nature and target market, the name POST GUARD was adopted. He says that on 9 January 1995 his company wrote to the opponents giving particulars of the proposed insurance service, and that through subsequent correspondence the opponents would have been aware of his company's intention to use the mark POST GUARD in relation to this service. Exhibit MB1 contains copies of the correspondence which includes references to POST GUARD, and a leaflet showing the word POST in white with a yellow shadow effect, the word GUARD in yellow and placed on a red lozenge background with a yellow line border.

15

20

Mr Backner confirms that his company launched the POST GUARD insurance scheme in March 1995, and has continuously sold insurance policies under the mark since that date. He refers to exhibit MB2 which consists of a prospectus and proposal for a POST GUARD insurance policy which bears the words POST GUARD as previously described and the applicants' name and contact details. Mr Backner confirms that since March 1995 his company has sold some 1,850 policies with the income from premiums being £620,000.

25

Mr Backner next refers to exhibit MB3 which consists of a copy of a letter dated 12 November 1996 sent by his company to the opponents enclosing a specimen policy referred to as "POST GUARD - AN EXCLUSIVE INSURANCE SCHEME FOR SUB-POSTMASTERS", and two letters dated 26 November 1996 and 7 January 1997 from the opponents referring to POST GUARD, the latter suggesting an in-house and a trade magazine in which to advertise the scheme. Mr Backner concludes by referring to exhibit MB4 which consists of a number of promotional items for POST GUARD, an in-house newsletter called POST GUARD News dated Summer 1997 and a sample policy. All bear the POST GUARD logo detailed earlier.

30

35

Opponents' evidence in reply

This consists of two Statutory Declarations, the first dated 29 August 1997 by Stephen A. Keith. Mr Keith says that he is a Director of Probe International, Inquiry Agents.

40

He begins by detailing the instructions his company received from the opponents' trade mark attorneys. Mr Keith says that he telephoned the applicants who confirmed that they specialised in offering comprehensive cover to various types of business. He says that he was told that the POST GUARD policy was specifically directed to Post Offices and sub agencies throughout the United Kingdom and was underwritten by Guardian Insurances Limited, and offered cover for trade contents, buildings and fixtures, theft, malicious and accidental damage, and business

45

interruption cover.

Mr Keith says that posing as a potential buyer acting on behalf of a group of sub-post offices, he spoke to Patrick Klabou, a Senior Broker at the applicants' company. He says that Mr Klabou stated that the POST GUARD policy is not connected with The Post Office or Post Office Counters Limited and that these companies did not recommend or endorse the policy. Mr Keith next says he asked Mr Klabou about the style and colours used in the POST GUARD logo and was told that it was “craftily chosen” to “take advantage of the association with The Post Office” and that they deliberately used the colours red and yellow which The Post Office uses nationally. Mr Keith says that the text in inverted commas are the exact words used by Mr Klabou, as contemporaneously recorded by himself. Mr Keith continues giving his interpretation of the conversation with Mr Klabou, drawing conclusions as to why the applicants had adopted the particular colours and style for their logo. He concludes by referring to exhibit SAK1, which consists of a copy of a POST GUARD policy he requested Mr Klabou send to him.

The second Statutory Declaration is dated 8 April 1998 and comes from Keith Hardie, Head of Public Relations of the Post Office. Mr Hardie confirms that he has held his current post since November 1997, and has been employed by The Post Office Group since 1991 but does not say in what capacity.

Mr Hardie refers the Statutory Declaration of Michael Backner filed on behalf of the applicants. He goes first to exhibit MB1 saying that the correspondence forming the exhibit is inconclusive and does not say that the opponents consented to or endorsed the applicants' insurance policy or their use of the mark POST GUARD. Mr Hardie says that the applicants have been aware of their objection to the mark for some time, but does not give any further details and there is no evidence to support this assertion.

Mr Hardie next refers to paragraph 3 of Mr Backner's Declaration in which it is said that use of the Bridge Insurance name (which is clearly shown on the policy document) is sufficient to avoid confusion or association with the opponents. Mr Hardie says that it is common for insurance policies to be “double branded” and endorsed by an unrelated company, although there is no evidence to support this. He goes on to say that use of the name Bridge Insurance on the policy document is irrelevant as the trade mark does not include these words.

Mr Hardie concludes by referring to exhibit MB3 to Mr Backner's Declaration, saying that this correspondence is inconclusive and not relevant to these proceedings as it is only advice of a nature that would be given to any prospective advertiser..

Decision

At the hearing Mr Hornby indicated that the ground of opposition under Section 5(3) was not being pursued, leaving the grounds under Section 5(2)(b) and Section 5(4)(a). In considering these grounds I am required to take into account actual or notional use and the reputation and/or goodwill of one or both of the parties to these proceedings. Having considered the grounds of opposition and counterclaims, and having heard the excellent submissions put forward at the hearing, I would have to say that I have found the evidence to provide limited support to the cases in some important areas.

I consider it convenient to consider the ground under Section 5(2)(b) first. That section reads:

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

5 (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,

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

An earlier trade mark is defined in Section 6 the relevant parts of which state:

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

20 The opponents rely on six registrations in their name. Two, in classes 9 and 16 are for a triangle device with the word POSTGUARD placed underneath, the word being disclaimed. The remaining four are in Class 36, two for the mark THE POST OFFICE in plain block capitals, one for the words POST OFFICE contained within a lozenge shaped border with the words and border being represented in double lines, and one for the words POST OFFICE in plain white lettering placed inside a black oval shaped background.

30 I will begin with a comparison of the respective marks, which are clearly not identical. For this purpose I have regard to Sabel BV v Puma AG (1998) RPC 199 in relation to Article 4(1)(b) of the First Council Directive of 21 December 1988, which corresponds directly with Section 5(2)(b), in which the European Court of Justice in dealing with the issue of comparison of marks said:

35 “..... 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 I also take into account the decision of the European Court of Justice in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] RPC 117. In particular I take note of the following:

15 A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital of the preamble to the Directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.

and

25 It follows that, for the purposes of Article 4(1)(b) of the Directive, registration of a trade mark may have to be refused, despite a lesser degree of similarity between the goods or services covered, where the marks are very similar and the earlier mark, in particular its reputation, is highly distinctive.

30 Finally the court gave the following judgement on the interpretation of Article 4(1)(b):

35 “On a proper construction of Article 4(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, the distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion.

40 There may be a likelihood of confusion within the meaning of Article 4(1)(b) of Directive 89/104 even where the public perception is that the goods or services have different places of production. By contrast, there can be no such likelihood where it does not appear that the public could believe that the goods or services come from the same undertaking or, as the case may be, from economically-linked undertakings.”

45 In the view of Mr. Geoffrey Hobbs QC, acting as the Appointed Person, in the *Balmoral* case (Application No. 2003949):

“The tenth recital to the Directive and these observations of the Court of Justice indicate

that an objection to registration under Section 5(2) of the Act should be taken to raise a single composite question: are these similarities (in terms of marks and goods or services) which would combine to create a likelihood of confusion if the “*the earlier trade mark*” and the sign subsequently presented for registration were used concurrently in relation to the goods or services for which they are respectively registered and proposed to be registered?”

While the consideration of the likelihood of confusion requires a composite approach, it is inevitable that in reaching a decision reference will be made to the similarity of individual elements of the marks and the respective goods and/or services, with due weight given to the opponents' reputation.

I will look first at the opponents' registrations number 1274811 and 1378589 for the words THE POST OFFICE in plain block capitals, number 1411593 for the words POST OFFICE in double line lettering within a lozenge shaped double line border, and number 1559797 for the words POST OFFICE in plain white block capitals placed upon a black oval border. The opponents contend that the shape of the border and background in the marks numbered 1411593 and 1559797, and the double line presentation of mark number 1411593 are distinctive of them. Beyond showing that the opponents have used these styles of presentation there is no evidence that these features would be recognised as a trade mark of the opponents. Mr Tritton submitted that borders and backgrounds of this shape are commonly used in trade marks and considered to be devoid of any distinctive character, and while no evidence has been filed to substantiate this, I am aware from my own knowledge that Mr Tritton is correct in his submission.

In a comparison of the applicants' mark for the word POST GUARD and the opponents' marks for the words THE POST OFFICE and POST OFFICE, it is self evident that any similarity must rest in the word POST, as this is the only element common to all marks. POST is an ordinary English word and widely used by the public as a descriptive term, although I acknowledge that the word also has a strong association with the opponents as part of their trading name and as a description of their business.

Mr Tritton accepted that the opponents had a considerable reputation in the words THE POST OFFICE/POST OFFICE as a whole, but that this did not extend to the word POST on its own. In the past it was possible that through the opponent's monopoly position that the public would have associated the word POST when used in relation to mail services and other associated goods and services with the opponents. However, the services for which the applicant seeks to register their mark are not post services and the opponents are not the only provider in the market. To accept that the opponents have a reputation in the word POST on its own would effectively ring fence an ordinary descriptive word and prevent legitimate use by other traders. In my view there is nothing which goes any way to substantiate a claim to a reputation in the word POST solus. Thus, considering all of the circumstances surrounding the respective trade marks I find that the opponents' registrations for the marks THE POST OFFICE and POST OFFICE are not similar and dismiss the part of the objection based on these marks.

This leaves two composite marks numbered 1270971 and 1270972, both comprising a triangular device and the word POSTGUARD. In assessing the distinctive and dominant components of a composite mark, it is, generally speaking, considered that words “speak louder” than the devices.

5 The words POST and GUARD conjoined may well have been considered as descriptive and consequently their exclusive use disclaimed, but disclaimers do not go into the market place and I do not consider that the words in combination are so descriptive of the goods for which they are registered so as to prevent them from being regarded as a trade mark and seen as the distinctive and dominant component. I think it follows that if the opponents have acquired a reputation it is likely to extend beyond the composite mark to the word POSTGUARD. I note, however that there is no evidence that the opponents have ever used their mark which is a factor to be taken into account when considering whether there is sufficient similarity in the applicants' services and the goods covered by the opponents' registrations so as to create a likelihood of confusion.

10 In a comparison of the services covered by the application and the goods set out in the opponents' two POSTGUARD registrations I look to the British Sugar Plc v James Robertson & Sons Ltd (TREAT) trade mark case (1996) RPC 9 in which Jacob J says:

15 “I think the sort of considerations the court must have in mind are similar to those arising under the old Act in relation to goods of the same description. I do not say this because I believe there is any intention to take over the conception directly. There plainly is not. But the purpose of the conception in the old Act was to prevent marks from conflicting not only for their respective actual goods but for a penumbra also. And the purpose of similar goods in the Directive and Act is to provide protection and separation for a similar sort of penumbra. Thus I think the following factors must be relevant in considering whether there is or is not similarity:

- 20
- 25 (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 service;
 - 30 (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 practice they are respectively found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
 - 35 (f) The extent to which the respective good 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 of industry, put the good or services in the same or different sectors.
- 40

45 This is rather an elaboration on the old judicial test for goods of the same description. It seeks to take account of present day marketing methods. I do not see any reason in principle why, in some cases, goods should not be similar to services (a service of repair might well be similar to the goods repaired, for instance). I do not pretend that this list can provide other than general guidance. The fact is that the Directive and hence our Act have introduced an area of uncertainty into the scope of registration which in many cases can only be resolved by litigation.”

Insofar as the provision of a service will require some form of paper or computerised action or record, I can see no reason why at least some of the goods covered by the opponents' registrations could not be used in the provision of the service. However, distinct from the position in the VISA trade mark case (1985) RPC 323 where the goods were considered to be “essential articles” to the delivery of the service, the goods in the opponents' registration are unlikely to be part of a wider trade carried out in the provision of the service and are used by the applicants as an adjunct.

I can see no reason why the users of the applicants' services should not also be a user of the applicants' goods. That said, I can see little connection in a trade in essentially stationery and computer items and the provision of an insurance service, other than perhaps the insurance may be taken out as an extended warranty. Apart from the possibility that they may ultimately share the same end customer, I can see no overlap in the channels of trade, and do not consider the goods and services to be in any way competitive.

There is a similarity of the marks in terms of the essential features. However, given the distance between the respective goods and services and the absence of any evidence by the opponents to substantiate a reputation in the mark, I am unable to conclude that there is likely to be confusion should the applicants use their mark. I find that the use of the mark POST GUARD by the applicants for the services detailed in the application is unlikely to cause confusion on the part of the public, and that the objection under Section 5(2)(b) fails accordingly.

I turn next to consider the grounds founded under Section 5(4)(a). My findings under Section 5(2)(b) do not decide the matter as the considerations under Section 5(4)(a) go wider than the rights afforded by registration to take into account the scope of any earlier rights existing independently of registration. At the hearing Mr Tritton took me through a number of reported cases on the law of passing off. I do not propose to go through them here. Section 5(4)(a) of the Act reads as follows:

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) ...

A person thus entitled to prevent use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.

The opponents contend that they would succeed in an action for passing off against the applicants should their mark be used in the United Kingdom. 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 Erven 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.”

5

10

15

It is accepted, and the evidence shows that the opponents have considerable goodwill in the business and name The Post Office. While this rests primarily in the service of postal delivery, I take the view that the reputation and goodwill in these marks is such that it would extend into a broad range of goods and services.

20

The Post Office has for some time also been providing a range of financially related services, such as bill payment facility, issuing of licences, etc, and more recently, insurance services which is the same area in which the applicants carry on trade. Mr Hornby sought to persuade me that the opponent's association with insurance was long standing, arguing that their recorded and registered post services are, in essence, an insurance service. This is in my view stretching the interpretation of what constitutes an insurance and I cannot accept the submission.

25

30

On the face of it, it would appear that the applicants and the opponents have different end customers. The applicants provide their service to Sub-Post Offices to insure against risks to the fabric of the building and the business itself. Prior to the relevant date the opponents provided travel insurance to the general public and have since expanded the range of insurances to include bill payment protection and medical and life cover, the majority of the business being transacted after the relevant date. The policies are sold through main and Sub-Post Offices and I see no reason why those running or working in these businesses could not and would not also buy the insurance.

35

40

The opponents also have the two POSTGUARD registrations referred to earlier in this decision, and a large number of other registrations with the word POST as a prefix or a significant element of the mark. Details of these registrations are contained within exhibit MB2 to the Declaration by Matthew Bruce. There is, however, no evidence of any use of these marks, let alone sufficient use to establish that they have a reputation for POSTGUARD, or that a substantial number of the public would automatically consider any mark incorporating the word POST when used in conjunction with services outside of postal delivery with the opponents.

45

There is, however, another aspect to the opponent's use, of which Mr Hornby sought to take advantage. Since 1967 the opponents have used their marks in a particular style of double line lettering contained within a lozenge shaped border. Although subject to an occasional change in presentation, the marks have consistently been used in red and yellow, and in particular, in yellow

lettering on a red oval or lozenge shaped background with a yellow line running around just inside the edge of the border. The opponents claim that the style and colours are so linked to their business that should the applicants' mark be registered and used, confusion is inevitable.

5 The comparison under Section 5(4)(a) is between the applicants' mark as applied for (assuming normal and fair use), and the opponents' mark as actually used. The applicants have applied for the mark in black and white, with the word POST shown in a double line, or shadow type script, on a black lozenge shaped background with a white inner line running around the outer rim of the background. In considering normal and fair use of the applicants' mark, there is no reason to
10 exclude use in the colours and style claimed as an earlier right by the opponents, and there is actual evidence to show that this is essentially how the applicants use the mark.

To succeed under Section 5(4)(a) the opponents must show that they are recognised by the style and colours, or a combination of the elements forming their earlier rights. That the use appears
15 to have been in conjunction with other more obvious and well known trade mark matter could give rise to some doubt that this is in fact the case. The evidence does not in itself establish that the colours and style are distinctive of, or used exclusively by the opponents, or that the use they have made has been in a manner sufficient to cause confusion or deception when used as part of the get up of the applicants' trade mark. However, it is clear from the evidence that the opponents
20 have made extensive use of the colours and style in relation to mail services, and I take judicial note that there cannot be many members of the public who have not regularly come into contact with the opponent's use of the colours and get up, for example, on Post Office signs, vehicles, postal delivery workers uniforms and bags, or on stationery. I come to the view that when the colours and get up are used in connection with the word "POST" most people will bring to mind
25 and assume a connection with The Post Office.

The applicants provide a service to sub post offices, and it must be a rare circumstance indeed that an opponent knows the identity of all of the applicants' potential customers. There is also an
30 inextricable link between the applicants' customers and the opponents, such that, if any confusion as to the identity of the service provider had arisen, it would have almost certainly fed through to the opponents. However, there is no suggestion from the opponents that they are aware of any instances of confusion or deception. I accept that most of the applicants trade appears to date from after the relevant date, but given the particular facts of this case I take the view that if
35 confusion had arisen after, it would not be unreasonable to assume that confusion would have arisen before the relevant date. However, although there is no evidence of confusion, this is not fatal to the opponents' case. In the *Saville Perfumery v June Perfect Ltd and F.W, Woolworth & Co Ltd (JUNE)* trade mark case (1941) RPC 6, Viscount Maugham said:

40 "It is, of course, well settled that evidence of actual deception is not essential to establish the plaintiffs' claim."

There is the matter of the apparent admission by Mr Klabou, an employee of the applicants, set out in the Declaration filed by Stephen Keith as part of the opponents' evidence. Mr Klabou, while confirming that his company's insurance policy was not connected, recommend or endorsed
45 by the opponents' companies, apparently stated that the applicants' mark had been craftily chosen to take advantage of the association with The Post Office, and that they deliberately used the colours red and yellow which The Post Office uses nationally. Mr Tritton submitted that the

policy document showed who the brokers and underwriters of the insurance were, and that the statement by Mr Klabou that the policy was not endorsed or recommended by The Post Office made it clear that the applicants were not seeking to pass off their services as the opponent's.

5 In the JUNE trade mark case referred to earlier, Sir Wilfrid Greene M.R in considering the inclusion of added matter to indicate origin said:

10 “I now turn to the claim based on passing-off. It does not necessarily follow that a trader who uses an infringing mark upon goods is also guilty of passing-off. The reason is that in the matter of infringement, as I have already pointed out, once a mark is used as indicating origin, no amount of added matter intended to show the true origin of the goods can affect the question. In the case of passing-off, on the other hand, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff. Such proof may be very difficult, but theoretically at any rate the result may be as I have stated. In the present case there is to be found in connection with the three classes of goods of which complaint is made, added matter which refers their origin to the *June Hair Curler Co. Or to June Perfect Ltd.* But in my opinion, in view of the evidence in the case, this is not enough. The mere affirmative statement that the origin of the goods is one or the other of those two concerns is upon the facts of this case quite insufficient to prevent confusion arising.”

20 It is not clear from Mr Keith's declaration how Mr Klabou came to give this insight into the applicant's actions and it is possible that the comments are used out of context. However, they are in plain language and the applicants have not denied or sought to distance themselves from the admission, either in evidence or at the hearing, and I therefore take them at face value. In the *Harrods Ltd v Harrodian School Ltd* trade mark case (1996) RPC 697 at page 706, Millett L.J said:

30 “Deception is the gist of the tort of passing off, but it is not necessary for a plaintiff to establish that the defendant consciously intended to deceive the public if that is the probable result of his conduct. Nevertheless, the question why the defendant chose to adopt a particular name or get up is always highly relevant. It is “a question which falls to be asked and answered”: see *Sodastream Ltd v Thorn Cascade Co. Ltd* (1982) RPC 459 at page 466 per Kerr L.J. If it is shown that the defendant deliberately sought to take the benefit of the plaintiff's goodwill for himself, the court will not be “astute to say that he cannot succeed in doing that which he is straining every nerve to do”: see *Slazenger & Sons v Feltham & Co* (1889) 6 RPC 531 at page 538 per Lindley L.J.”

40 Setting aside the question of whether the opponents have substantiated a reputation and goodwill in the get up and colours, the applicants certainly appear to take the view that they have both, and sought to exploit both for their own commercial ends. That said, it is clear from the evidence that the applicants did not attempt to hide their choice of POST GUARD as a trade mark from the opponents, or the particular get up in which it was to be used. However, their actions appear to have been calculated to cause at least some confusion, and would very likely lead to deception amongst the respective customers.

45 This leaves the question of the likely damage to the goodwill or reputation of the opponents. In

Mecklermedia Corporation v D.C. Congress GmbH (1997) FSR 627 said:

5 "What about the third element of the trinity, damage? Miss Jones says none has been
proved. Now in some cases one does indeed need separate proof of damage. This is
particularly so, for example, if the fields of activity of the parties are wildly different (*e.g.*
Stringfellow v. McCain Foods (G.B.) Ltd [1984] RPC. 501, CA, nightclub and chips).
But in other cases the court is entitled to infer damage, including particularly damage by
10 way of dilution of the plaintiff's goodwill. Here I think the natural inference is that
Mecklermedia's goodwill in England will be damaged by the use of the same name by DC.
To a significant extent Mecklermedia's reputation in this country is in the hands of DC -
people here will think there is a trading connection between the German and Austrian fairs
and the Mecklermedia's fairs.

15 The applicants' customers are connected in trade with the opponents and will be aware of, and
well used to seeing the colours and get up used as part of the opponent's corporate identity, for
they are governed by the same constraints. They will know that the opponents also provide
insurance services because they actually sell these on their behalf. Given my findings in relation
to the apparent deliberate misrepresentation, it would seem almost inevitable that the applicant's'
20 customers would assume some sort of connection or endorsement by the organisation with which
they readily link the colours and get up. The fact that the applicants' and insurance providers
details are shown on the policy document does not, in my view, significantly lessen the likelihood
of this happening and it is not difficult to see how damage could result. Taking the best view that
I can on the facts before me, I find the opponents to be successful under Section 5(4)(a).

25 The opposition having succeeded I order that the applicants pay the opponents the sum of £835
as a contribution towards their costs.

30 **Dated this 6 day of August 1999**

35
Mike Foley
for the Registrar
The Comptroller General
40

Registrations relied upon in the grounds under Section 5(2) of the Act

No.	Mark	Class	Journal/Page	Specification
5	1270971	9	5728/1688	Electrical, electronic and optical apparatus and instruments, all for use in the Handling, processing and sorting of goods; computers; computer programmes; discs and tapes, all being magnetic for the storage and transmission of data; parts and fittings included in class 9 for all the aforesaid goods
10				
15	1270972	16	5728/1701	Paper, cardboard, cardboard articles and packaging materials, all included in Class 16; printed matter, stationery, office requisites (other than furniture); paper tapes and cards, all for the recordal of computer programmes and for the recordal of data; instructional and teaching materials (other than apparatus)
20				
25	1274811	36	5792/5259	Banking and money exchange services; issuing of travellers cheques; all included in Class 36.
30	THE POST OFFICE			
35	1378589	36	5915/2237	Brokerage and underwriting services for insurance and for re-insurance; banking; mortgage banking; savings bank services; stocks, bonds and securities brokerage; financial valuation and financial management; surety, trusteeship, clearing house, credit bureau, lotteries and financing services; capital investments; arranging monetary transfers; exchanging money; lending against security; organising financial collections; provision of safe deposit facilities; issuing of travellers' cheques; real estate management and real estate agency services; all included in Class 36
40	THE POST OFFICE			
45				
50				
55				

1411593

5899/6726

5



10

15

20

25

1559797

36 6070/2359

30



35

Brokerage and underwriting of accident, damage, fire, freight, goods, life, loss-in-transit, motor, marine, postal services, property, transport and theft insurance; re-insurance; banking, cash transfer, investment, clearing, credit bureaus, customs brokerage, real estate agency, real estate management, monetary exchange, financial management and financial valuation services; financing of loans, issuing of travellers' cheques, lending against security, conducting of lotteries, mortgage banking, organising of collection, safe deposit services; brokerage of securities, stocks and bonds; surety and trustee services; all included in Class 3

Banking and financial services; issuing of travellers' cheques; agency services (financial); operating of lotteries; safe deposit services; financial clearing services; organisation of financial collections; all included in Class 36.