

O-283-08

**TRADE MARKS ACT**

**IN THE MATTER OF APPLICATION NO 2345904  
BY CRAIG JAMESON BAILLIE AND STEPHEN LAMBERT  
TO REGISTER THE TRADE MARK DUAL GLO IN CLASS 9**

**AND**

**IN THE MATTER OF OPPOSITION NO 93429  
BY LINMARK ELECTRONICS LIMITED**

## **TRADE MARKS ACT 1994**

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Register the Trade Mark DUAL GLO in Class 9**

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**IN THE MATTER OF Opposition No 93429 by  
Linmark Electronics Limited**

### **BACKGROUND**

1. On 3 October 2001 Craig Jameson Baillie and Stephen Lambert applied to register the mark DUAL GLO for the following specification of goods in Class 9:

“Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; all the aforesaid goods made from luminescent plastics.”

2. On 18 May 2005 Karstadt Quelle AG and Schneider UK Limited (later Linmark Electronics Limited) filed notice of opposition to this application, citing grounds under Sections 5(2)(b), 5(3), 5(4)(a) and 56 of the Act. The opponent (Linmark) is the proprietor of UK registration No 961804 for the mark



3. Following partial revocation under No 81595 (in relation to record players) the mark remains registered in respect of:

“Tape recorders, sound amplifiers, radio receiving apparatus, loudspeakers and fitted cabinets containing loudspeakers, and tuners for use with all the aforesaid goods, but not including metal framed fitted cabinets for loudspeakers.”

4. The opponent makes a number of submissions in relation to the parties’ respective marks (which I will come to below) and claims that identical and similar goods are involved resulting in a likelihood of confusion for Section 5(2)(b) purposes.

5. In the alternative, if it is found that the application does not cover similar goods, it contends that the application should be refused under Section 5(3). It does so in terms that largely mirror the wording of the Act but without further elaboration.

6. In relation to Section 5(4)(a) the statement of ground claims as follows:

“It is submitted that KARSDADT (and the predecessors in title) have used and/or licensed the use of the Trade Mark DUAL in Germany since 1931 and in the United Kingdom from as early as, (if not earlier than) 1955 in relation to goods in class 9. By reason of such extensive use the Mark DUAL enjoys a significant and substantial goodwill in reputation for the promotion and sale of the goods as covered by Trade Mark Registration No 961804 and similar goods. The Trade Mark DUAL has its beginnings in the promotion and sale of record players and turntables and is particularly well known in relation to the promotion and sale of such goods; however, the product range has evolved over the years in keeping with the evolution of electronic goods for the playing of music and film. Through the licensing of the second Opponent, SCHNEIDER UK LIMITED, the reputation in the DUAL Trade Mark has expanded into a veritable plethora of electric and electronic equipment including home entertainment systems, hi-fi equipment, DVD players and the like. KARSTADT have expended significant monies over the years in advertising and promoting the Trade Mark DUAL as has the second opponent SCHNEIDER UK LIMITED through major retailing operations here in the United Kingdom.”

By reason of this use the opponent claims goodwill in the UK and a protectable right in passing off.

7. The final ground is based on Section 56 of the Act. The opponent claims a significant reputation and the likelihood of confusion if the mark DUAL GLO is put into use.

8. The applicants filed a counterstatement asking that the opposition be rejected. They make the following additional points:-

-the applied for mark is visually and conceptually different from the figurative mark DUAL. The suffix GLO provides a distinctive element.

-the applicants request that the opponent specify what it regards as ‘similar goods’.

-the relevant public for electrical goods would not be confused. The register contains over 40 registered trade marks comprising the prefix DUAL, the majority being word marks.

-the word DUAL is descriptive in the trade.

-the opponent is put to proof of use of its mark. The applicants believe that any such use within the relevant period was subsequent to the opponent becoming aware of the applicants' applications (UK and CTM) for the mark DUAL GLO and is therefore in bad faith.

-use in Germany as claimed is irrelevant for present purposes.

9. Both sides have filed evidence. Neither side availed itself of the opportunity to be heard. Written submissions have been received from Bromhead Johnson on behalf of the applicants. The covering letter acknowledges that there was a slight delay in filing these submissions. I confirm nevertheless that they have been taken into account.

### **Related proceedings**

10. There have been, and are, other proceedings involving these parties. As mentioned above the current applicants (along with the company Dualglo Limited) were partially successful in a revocation action (No 81595) brought against the earlier trade mark that underpins this action (Case O/301/05). Linmark Electronics Limited is also the applicant for the mark DUAL (plain word) under No 2368710 which is opposed on both absolute and relative grounds by the current applicants (who rely on No 2345904 for the relative ground attack). At an interlocutory hearing held on 25 May 2007 another Hearing Officer determined that in the light of all the circumstances, the two current cases should not be consolidated, but that given the overlapping nature of some of the issues they should be brought within common timeframes and travel together. At the time that that decision was taken (it was not appealed) the expectation was that the two cases would be heard together or at least on the same day and by the same Hearing Officer. In the event no request for a hearing has materialised but it is sensible to consider both cases together. Although separate decisions are being issued (on the same day), because of the degree of overlap in the issues, the cases should remain together in the event of the decisions being appealed.

### **Proof of Use**

11. The Trade Marks (Proof of Use, etc) Regulations 2004 apply in this case. The relevant provisions read as follows:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

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

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), 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).”

12. The opponent is, therefore, required to show proof of use of No 961804 in the five year period ending with the date of publication of No 2345904, that is to say 1 April 2005.

13. Ray Anthony Nugent, the Managing Director of Schneider UK Limited has filed a witness statement setting out some of the history of the DUAL brand. In terms of relevant recent history the key points are:

-up to June 2002 Schneider was the agent for DUAL branded turntables and spare parts thereof with sales being made to Richer Sounds PLC.

-additional sales were made to BBG Distribution Ltd, an importer which in turn sells to retail customers.

-in June 2002 Schneider became the exclusive licensee for DUAL branded products in the UK. Sales of hi-fi systems began in 2003 and developed into a wider range of goods. ASDA is a major customer with goods available in 256 of its stores (a list of towns and cities in which Asda stores currently sell DUAL branded goods is at RAN2).

14. In terms of detail Mr Nugent states that from 1 January 1999 to December 2002, the following numbers of products were sold to BBG Distribution Ltd and Richer Sounds Plc:

Product	Number of products	Net sales value (£)
Turntables	955	56,134.50
Spare parts	199	805.78

For the period 1 January 1999 to December 2002 value of sales of turntables was as follows:

1999	£32,000.00
2000	“
2001	£21,332.28
2002	£2,802.27
Total	56,134.55*

(\*In the period June 2001 to January 2002 the net sales value of spare parts amounted to £805.78).

Mr Nugent gives the following information in relation to orders of goods from Asda stores:

#### DUAL 5 DISC HOME CINEMA SYSTEM

Date	Net Value of Sales (£)
31.12.03	144,145.43

#### DUAL D3056 PERSONAL CD PLAYER

Date	Net Value of Sales (£)
17.09.03	44,375.80
17.09.03	29,073.80

17.09.03	73,449.60
19.11.03	129,087.00
30.11.03	206,577.00
Total	482,563.20

#### DUAL 2 CHANNEL DVD PLAYER

Date	Net Value of Sales (£)
01.10.03	213,348.00
27.10.03	106,674.00
28.10.03	106,674.00
26.11.03	213,348.00
27.11.03	320,022.00
27.11.03	213,348.00
27.11.03	213,348.99
27.11.03	106,674.00
27.11.03	320,022.00
20.01.04	106,674.00
01.02.04	106,674.00
01.02.04	106,674.00
17.02.04	106,674.00
09.03.04	106,674.00
Total	2,346,828.00

#### DUAL MINI CD SYSTEM (MP200)

Date	Net Value of Sales (£)
07.08.03	80,492.64
18.08.03	4,666.24
18.08.03	57,212.16
25.09.03	123,756.80
27.10.03	185,635.20
25.11.03	185,635.20
26.11.03	61,878.40
30.11.03	123,756.80
Total	823,033.44

#### DUAL MP200 MIDI SYSTEM

Date	Net Value of Sales (£)
04.12.03	45,027.50
19.12.03	45,027.50
Total	90,055.00

#### DUAL RCD 12 PERSONAL CD PLAYER

Date	Net Value of Sales (£)
27.10.03	97,356.00
28.10.03	23,940.00
15.11.03	20,748.00
15.11.03	20,748.00
17.11.03	100,548.00
22.03.04	110,124.00
31.03.04	11,172.00
Total	384,636.00

#### DUAL HEADPHONES AND ACCESSORIES

Date	Net Value of Sales (£)
20.10.03	50,355.90
20.10.03	50,355.90
20.10.03	102,375.45
21.11.03	2,034.00
17.12.03	6,508.80
17.12.03	1,627.20
06.02.04	4,554.00
06.02.04	4,554.00
17.02.04	5,695.20
17.02.04	5,695.20
17.02.04	6,773.22
26.02.04	8,152.98
27.02.04	10,881.90
Total	259,563.75

#### DUAL ML904

Date	Net Value of Sales (£)
14.08.03	99,496.80
25.09.03	149,245.29
19.11.03	99,496.80
27.11.03	99,496.80
30.11.03	99,469.80
17.03.04	103,989.60
Total	651,195.00

Mr Nugent states that since Schneider's appointment as licensee the following numbers of products have been sold:

Product	No of Products	Net Value of Sales (£)
DVD home cinema systems	1,102	113,715.38

DVD players	68,888	2,130,016.96
CD/cassette/radio players	22,470	482,563.20
CD players	30,257	1,065,625.44
Total	122,717	3,791,920.98

The sales were made as follows:

Year	Product	Net Value of Sales (£)	Total Net Sales (£) for All Products
2003	DVD players	213,348.00	
	CD/cassette/radio players	482,563.20	
	CD players	1,065,625.44	1,761,536.64
To February 2004	DVD home cinema systems	113,715.38	
	DVD players	1,916,668.96	2,030,384.34
Total			3,791,920.98

15. In support of the above are the following exhibits:

RAN 3 - copies of recent and current DUAL packaging.

RAN 4 - copies of advertisements and press releases in magazines and Asda publications.

RAN 5 - a copy of Schneider's product catalogue.

RAN 6 - copy invoices to BBG Distribution, Richer Sounds and Asda.

16. I should say at this point that the evidence described and set out above is, in substance, the same as that before the Hearing Officer in the current applicants' revocation action against No 961804, the decision in which was issued on 11 November 2005 under reference O-301-05. On the basis of this evidence the hearing officer (Mr D Landau) concluded that genuine use had been shown in relation to all the goods of the specification with the exception of record players (the registration being revoked in respect of these latter goods with effect from 26 January 2004).

17. The relevant five year period in this case is the five years ending with the date of publication of the applied for mark that is to say 1 April 2005. There is thus substantial but not complete overlap in the period considered in the revocation action and the one I have to consider. The evidence is, in substance, the same in each case. Having considered that evidence and the supporting exhibits in the case before me and the hearing officer's reasoning in the earlier action I can see no reason for departing from his view of the matter. Thus, genuine use has been proved for the specification set out at paragraph 3 above.

18. In the ordinary course of events I would also have needed to consider whether the goods that were revoked with effect from 26 January 2004 should nevertheless be factored back into the equation from the perspective of a decision that has to be based on the position that existed at the earlier date of 3 October 2001. In this respect the position in *Riveria Trade Mark* [2003] RPC 50 may be contrasted with the ECJ's subsequent judgment in Case C-

145/05 *Levi Strauss v Casucci Spa* where the Court held in paragraph 36 that after revocation had been ordered a competent national court cannot order cessation of use of a prima facie infringing sign even if, at the time when that sign began to be used, there was a likelihood of confusion between the sign and the mark concerned. In the circumstances of this case it is not a point I need to resolve though it does have a minor consequence in terms of the case under Section 5(4)(a) – see below (I would in any case hesitate to take a view on such a potentially important point without the benefit of a hearing or at least written submissions). Given the generality of the terms used in the applicant’s specification and the goods that remain in the specification of the earlier trade mark the presence or absence of the term ‘record players’ is unlikely in itself to be determinative of the outcome.

### **Section 5(2)(b)**

19. Section 5(2)(b) reads:

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

(a) ...

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

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

20. In my consideration of the likelihood of confusion, I take into account the guidance from the settled case law provided by the ECJ in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. ThomsonMultimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C.Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)(OHIM)* C-334/05 P (LIMONCELLO). 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*,

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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.*,

(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*,

(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*,

(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-Mayer Inc.*,

(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*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(h) 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*,

(i) 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 and Adidas Benelux BV*,

(j) 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-Mayer Inc.*,

k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,

l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*.

### **The average consumer**

21. The opponent's goods are items that are, or form part of, home entertainment systems. As such the relevant audience is for the most part the public at large. Businesses may purchase these goods but they are not, I think, the main consumer group. Individual items can vary in price considerably depending on the degree of sophistication and the range of features that are sought. Generally speaking, home entertainment systems and/or the individual components thereof are occasional purchases only. But even basic systems are not cheap and are likely to command a reasonable degree of care and attention in the purchasing process. Some form of visual appraisal of the goods either in a shop or through catalogues or other advertising media is likely to be a key part of any purchasing decision.

## **Comparison of goods**

22. The applicants' specification is:

“Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; all the aforesaid goods made from luminescent plastics.”

23. The relevant test for determining similarity of goods is that laid down in the *Canon* case (above) and *British Sugar Plc v James Robertson & Sons Ltd (Treat)* [1996] RPC 281. In short I am required to consider the nature of the goods, the users, the uses/intended purpose, the channels of trade and issues as to whether the goods are complementary or in competition with one another.

24. The opponent's claim that all the applicants' goods are identical or similar to its own was met with a clear challenge in paragraph 3 of the counterstatement which amounted to a request for better particulars. It was a challenge that has largely gone unanswered. Applying the above test it is clear that “apparatus for recording, transmission or reproduction of sound” must be, or include, the goods of the earlier trade mark and hence be identical. I would also hold that “apparatus for recording, transmission or reproduction of .....images” is closely similar. Loudspeakers and sound amplifiers, for instance, are usually required with devices that provide images (televisions and computers say). ‘Recording discs’ in the applied for specification are commercially closely related goods and hence similar to the goods of the earlier trade mark. The only other item in the applied for specification that has caused me to hesitate is “....electric....apparatus and instruments”. That is a term of potentially broad and indeterminate scope. But taking the natural meaning of the terms in the earlier trade mark they would not be described as electric apparatus and instruments even though they are likely to employ electricity in the course of operation. So for these items and the other goods of the application I find no similarity.

## **The applicants' evidence in relation to the word DUAL**

25. Before turning to the distinctive and dominant components of the respective marks and my appraisal of the similarities between them I turn to the applicants' evidence. This is given in a witness statement by Michael David Spencer, their trade mark attorney at Bromhead Johnson where he is a partner.

26. His evidence consists of the following:

MDS1 - a state of the register search for marks consisting of, or incorporating, the element DUAL from which it is suggested that the opponent should not be able to claim a monopoly in the word.

MDS2 - internet print-outs for goods being sold commercially which are described as comprising dual features.

MDS3 - a copy of the hearing officer's decision in the revocation action against No 961804 referred to above.

MDS4 - copies taken from the August 2001 edition of Hi-Fi Choice magazine showing the word 'dual' used as a descriptive term in the relevant trade.

MDS5 - current details of No 961804

MDS 6-12 - details downloaded from the Google and Ask search engines showing the results of searches for the word 'dual' in conjunction with the goods of the earlier trade mark ('louspeakers', 'sound amplifiers' etc) from which I am asked to conclude that the word DUAL is being used in a descriptive manner. The MDS6 search was conducted on 8 January 2004, the others on 26 or 27 July 2004.

27. Firstly, as regards the state of the register material at MDS1, I note the following observations of Daniel Alexander QC sitting, as a Deputy High Court Judge in *Digipos Store Solutions group Ltd v Digi International Inc*, [2008] RPC 24.

**“62** The evidence of use is re-inforced by what has been described as "state of the Register" evidence. Before turning to that material, it is necessary to consider what reference it is appropriate to make to the state of the register. In [British Sugar \[1996\] RPC 281](#) at 305 Jacob J said:

"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, see e.g. [MADAME Trade Mark \[1966\] RPC 541](#) and the same must be true under the 1994Act."

**63** That was said in the context of a case where absolute grounds were relied on as the basis for refusing registration. However, in the present case, this material is not relied on in support of an argument that a mark which shares characteristics with those already registered should, for that reason, also be registered: the register is not relied on for its precedent value, in my judgment, rightly so. The register is not in this case deployed to show actual use of the marks recorded there either: for that purpose too, it would be of limited, if any, evidential value. Instead, the register is relied upon to show that, as a matter of fact, a significant number of traders have expressed the intention of using (and *may* be using) the prefix DIGI- as part of a mark in relation to class 9 goods which (one is invited to infer, in the absence of detailed specifications) involve a digital or computer-related element. It does not seem to me to be illegitimate, as a matter of principle, to deploy material of this kind for that limited purpose and, for that purpose, it is of some value as part of a larger body of material.”

28. MDS1 contains some 100 marks in a range of Classes including mainly ones that are registered but also some new applications. Not surprisingly, the marks range from the fanciful (DUALASE) to what is likely to be outright descriptive (DUAL FILTER with other distinctive matter for cigarettes) and degrees of allusiveness in between. Within the body of material at MDS1 there is a significant number of registrations in respect of Class 9 goods where 'dual' may serve a descriptive function but only a full examination of the potential significance (if any) of the word in the context of specific goods would tell the whole story. I regard this material as being indicative of the potential meaningfulness of 'dual' as an

element in certain circumstances but is not conclusive as to the position in this particular case.

29. Exhibits MDS2, MDS4 and MDS6 to 12 address, in various ways, the extent to which 'dual' is a term that is in descriptive use in trade. An overall word of caution is necessary in that much of the material in these exhibits is from almost three years after the relevant date and in the case of MDS2 approaching five years after the relevant date. This evidence is potentially open to the charge that it is not properly reflective of the position that existed in October 2001. However, Mr Nugent's reply evidence does not take issue with the evidence on this account merely arguing that this material is an "attempt to undermine the validity and integrity of Trade Mark No 961804". It is a reasonable inference that the opponent is not suggesting that the use of 'dual' exemplified in these exhibits misrepresents what the position would have been at the relevant date.

30. A further point that needs to be made about this material is that certain of the exhibits (MDS6 to 12) mainly consist of the Google and Ask search reports without the benefit of the underlying pages from the resulting lists. It is not always possible to distinguish between descriptive reference and brand usage from the limited references given. The first page of MDS6 illustrates the problem. The first 'hit' contains "BRAND NEW INDOOR OUTDOOR DUAL LOUDSPEAKERS..." (presented in upper case). The second reference contains "...the design of the internal dual loudspeakers enables...". Both of these references seem to me to be more consistent with descriptive use than trade mark use though there is just about scope for argument. Finally, it is not always possible to distinguish between UK and overseas use though there is no reason to suppose that overseas use of such a common and well understood word would be materially different to the UK.

31. With those cautionary observations in mind, the evidence shows a significant number of references where 'dual' is used in combination with other words to describe particular features of home entertainment products. Drawing on the exhibits, there is a dual deck cassette recorder (also with a dual auto reverse function), a dual format DVD recorder, a dual CD/MP3 player (I take dual here to mean combined), a dual alarm clock/radio, a dual rack mountable CD player, dual layer technology, dual-channel preamplifiers, a dual band tuner, a dual band DAB/FM radio, dual centre speakers, dual subwoofers, dual (loudspeaker) enclosures, dual core loudspeakers, dual tape speed, dual cassette system, dual head tuner etc. This is an indicative list of uses of the term and not an exhaustive one.

32. It will be apparent from the above examples that the word 'dual' is most commonly encountered in contexts where some other word or words need to be added for the full descriptive force to be apparent. This appears to be because 'dual' is being used to describe some aspect of functionality that itself needs to be described, thus a dual band radio or a dual channel amplifier. There are, however, examples in the evidence where 'dual' is simply used to indicate two of the products in question (dual loudspeakers) or the presence of two functions within a product (a dual clock/radio) or simply a duplicated capacity within a product (a dual CD player or cassette system). Usage of the term 'dual' seems to be sufficiently well entrenched in these circumstances to function as a description without the need for added explanation. These examples are not, however, in the majority and most of the uses of 'dual' I have described fall within the first group, that is to say it is a word used in combination with other matter to describe a product or an aspect of the functionality of a product. In short the word itself (setting to one side, for the moment, the stylisation of the

earlier trade mark) is either descriptive or lacking in distinctiveness. I bear in mind the impact of these findings in going on to consider issues to do with the marks themselves.

### **Distinctive and dominant components of the marks**

33. Both the marks contain more than one word or element and are, therefore, composite marks. The *Medion* case acknowledges that the overall impression conveyed to the relevant public by a composite mark may, in certain circumstances, be dominated by one or more of its components. The European court of Justice in that case had before it a reference from the German courts in an infringement action involving the mark LIFE and the sign THOMSON LIFE. The question referred for a preliminary ruling was

“Is Article 5(1)(b) of [the directive] to be interpreted as meaning that where the goods or services covered by competing signs are identical there is also a likelihood of confusion on the part of the public where an earlier word mark with normal distinctiveness is reproduced in a later composite word sign belonging to a third party, or in a word sign or figurative sign belonging to a third party that is characterised by word elements, in such a way that the third party’s company name is placed before the earlier mark and the latter, though not alone determining the overall impression conveyed by the composite sign, has an independent distinctive role within the composite sign?”

34. The ECJ gave the following answer:

“Accordingly, the reply to the question posed must be that Article 5(1)(b) of the directive is to be interpreted as meaning that where the goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein.”

35. The application of the principle laid down in the *Medion* case was considered by Mr Justice Warren in *Rousselon Freres et Cie and Horwood Homewares Limited* [2008] EWHC 881 (Ch). The judge noted (paragraph 89 of the case) that *Medion* involved the use of a company name in the composite mark but considered that “the reasoning of the decision applied equally to other types of composite mark.”

36. In *Medion* the ECJ said that:

“32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.

33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.

34 This would be the case where, for example, the owner of a widely-known mark makes use of a composite sign juxtaposing this mark and an earlier mark which is not itself widely known. It would also be the case if the composite sign was made up of the earlier mark and a widely-known commercial name. In fact, the overall impression would be, most often, dominated by the widely-known mark or commercial name included in the composite sign.”

37. Referring to this passage Mr Justice Warren said:

91. In this context, paragraph 34 of the Judgment is of great importance in stating that this independent distinctive role will be present in the examples given. There is no material difference between those examples and the present case, (see paragraph 93 below). It may be that, in some circumstances, an earlier mark may not retain any independent distinctive role, a possibility which is consistent with the language of paragraph 31 (“.....it is quite possible...”) and paragraph 31 (“...the overall impression produced .....may lead....”). But that would surely be an exceptional case. As it is said in paragraph 36 “ in order to establish the likelihood of confusion, it suffices that, because the earlier mark still has an independent distinctive role, the origin of the goods or services covered by the composite sign is attributed by the public to the owner of that mark”. Thus where the earlier mark is a word mark, and that earlier mark forms part of a composite mark itself comprising words (whether with or without a further device), it may be difficult, or so it seems to me, to resist the conclusion that the earlier mark does indeed retain an independent distinctive role.

92. Mr Arnold submits that *Medion* is simply a particular application of the ECJ's earlier case-law which I have already mentioned. I agree with that, as does Mr Vanhegan. But it is a particular application which shows how the ECJ regards a composite mark which includes an earlier mark which retains an independent distinctive role. Of course, the actual test which must not be lost sight of remains whether, because of similarity of marks, there is a likelihood of confusion. The court in *Medion* does not in any way abandon that test. It does not say that a composite mark which contains an earlier mark will always carry a likelihood of confusion; rather, it says that there is such likelihood if the earlier mark has an independent distinctive role. However, the assessment whether the earlier mark does have such a role is, I consider, something which has to be decided before answering the question whether there is a likelihood of confusion. To elide the question of an independent distinctive role with the question of the likelihood of confusion runs the risk of answering the former question by first providing an answer to the latter. That would be to answer the question “Is there a likelihood of confusion” with the answer “Yes, if there is a likelihood of confusion” when the answer should be “Yes, if the earlier mark retains an independent distinctive role”.

38. Although the final sentence of paragraph 91 above suggests that the earlier mark may often be considered to retain an independent distinctive role when reproduced in a later mark, it is clear from the observations in paragraph 92 that it is not an inevitable consequence. It is also clear that the issue of independent distinctive character is one that must be addressed

independently of the question of whether there is a likelihood of confusion. With those considerations in mind I turn to the marks in this case.

39. Starting with the earlier trade mark, the Hearing Officer in dealing with the current applicants' revocation action (against the earlier trade mark relied on here) had to consider whether use of Dual and DUAL in relation to record players constituted use in a form that did not alter the distinctive character of the trade mark (for Section 46(2) purposes). His analysis of the mark that was the subject of the registration under attack was as follows taken from paragraph 41 of his decision:

“The font that the word is in is, to my eye, not a common one; although it might be a standard one. The size of the lower case u and a are disproportionate to that of the capital D. The capital D itself has elements of a letter o to it. The nature of the word requires a dark background as the letters are in white, the white on black strikes me as quite noticeable. There is more to the trade mark than the simple reproduction of the letters. I consider that the stylisation of the trade mark, although not enormous, does strike the eye and that use of Dual in title or upper case does alter the distinctive character of the trade mark.”

40. On the basis of that analysis the registered proprietor had its registration partially revoked in relation to record players. There was no appeal against that decision. I see no reason to depart from the above analysis of the mark which recognises that, whilst the word itself is an important part of the mark, the manner of presentation of the lettering and the contrasting black box background also contribute to the mark's overall distinctive character. I would only add that the effect of the background device is not just to provide a necessary contrasting setting for the word but also to contain and isolate that word.

41. The applied for mark is DUAL GLO. Self evidently it consists of two words with what the opponent sees as the conflicting word appearing first. The second element GLO is not a known word but is phonetically equivalent to 'glow'. Marks must be considered in the context of the goods to which they relate. In this case there is an important qualification which applies to the whole of the applicants' specification. The qualification is "all the aforesaid goods made from luminescent plastics". I note that the applicants' counterstatement claimed that the suffix GLO provides a distinctive element to the mark. I differ from that view and regard it as a word having a strong allusive reference to the luminescent qualities of the material from which the goods are to be made. The important consequence of that finding is that DUAL will be seen in its normal role as a qualifying adjective. It is true that the actual significance of the combination DUAL GLO may be difficult to determine. Does it refer to two points or sources of luminescence, two colours or what? But imprecision does not prevent an allusive or even descriptive message being present (cf the possible meaning attributed to DOUBLEMINT in Case C-191/01P *Wm. Wrigley Jr. Company v OHIM*). The relevant point, it seems to me, is that DUAL GLO is likely to be treated as a composite expression with DUAL being a qualifying descriptor. The distinctive character of the mark, therefore, rests on its totality with neither element being particularly strong in its own right.

### **Similarity of the marks**

42. The well established test requires me to consider the visual, aural and conceptual aspects of the marks. Visually, the applied for mark contains the word DUAL with none of the

additional presentational features of the earlier trade mark but with the word GLO that is not present in the earlier mark. The presence of the word DUAL in both marks results in some slight visual similarity but I would not put the matter higher than that.

43. Aurally, the earlier mark is likely to be simply referred to as DUAL without reference to the aspects of stylisation. That improves the opponent's position somewhat compared to the visual comparison but does not displace the fact that the applied for mark consists of two words and will not be abbreviated in speech.

44. Conceptually, there is some distance between the marks with DUAL in the applied for mark qualifying GLO and thereby contributing to a composite expression which is likely to be understood as carrying an allusive reference to luminescent plastic goods. That is in stark contrast to the use of DUAL on its own. There is, in short, low to negligible conceptual similarity.

### **Likelihood of confusion**

45. The distinctive character of the earlier trade mark is a factor to be taken into account. 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 made of it. The relevant date for assessing the matter is 3 October 2001. The opening paragraphs of Mr Nugent's evidence make a number of claims in relation to the historical reputation of the brand. The accompanying exhibit RAN1 is short on specifics as regards the UK market. With the exception of small amounts of sales of turntables and spare parts to BBG Distribution Ltd and Richer Sounds in the period from 1 January 1999 to 2001 amounting to just over £50,000 in total, there is little information on trading in the period leading up to the relevant date. The rather larger Asda sales came later. There can, therefore, be no claim to enhanced distinctiveness nor do I understand this to be part of the opponent's claim.

46. In terms of the inherent qualities of the earlier mark I have found the word 'dual' to have very weak credentials in relation to the goods for which it remains registered. It is an ordinary word of the language that readily lends itself to use in descriptive contexts. The earlier mark is, of course, not simply the plain word. However, even taking into account the particular form and presentation of the lettering and the contrasting black box background, I find that the mark is of very low distinctiveness.

47. The position is, therefore, that the earlier trade mark is not reproduced in its precise form in the later mark; the word element of the earlier mark is the key contributor to its overall distinctive character; but not to the extent that the other elements of presentation are reduced to entirely negligible proportions (see *Shaker di L. Laudato*); the later mark has the word DUAL as one of its components; but it does not have independent distinctive character in the overall context of the later mark (bearing in mind also the nature of the applied for goods); the weak distinctive character of the earlier mark and its ready use in a descriptive context reinforces that view; there are identical or highly similar goods; the average consumer is likely to be at least reasonably attentive and observant when purchasing home entertainment goods given the cost involved and the need to take a view on what features and functionality is required; on the other hand purchases of the goods are likely to be made on an occasional rather than a regular basis so imperfect recollection may play a part. Weighing these factors in the balance I find that there is no likelihood of confusion (direct or indirect). The opposition fails under Section 5(2)(b).

## **The other grounds of opposition**

48. These are other grounds of objection under Sections 5(3), 5(4)(a) and 56, the latter based on a claim to protection as a well known mark. Again, the opponent's position falls to be assessed as at 3 October 2001. As has already been said, there is limited information on the sale of goods prior to this date – this being largely restricted to the pre-October 2001 sales to BBG Distribution Ltd and Richer Sounds Plc which amount to just over £50,000. That is manifestly not going to be a foundation for a claim to reputation within the terms of the test laid down in *General Motors v Yplon SA (Chevy)* [2000] R.P.C. 572 for Section 5(3) purposes let alone a well known mark claim. I dismiss both of these grounds.

49. There is an issue I need to briefly touch on from the perspective of the claim under Section 5(4)(a) based on the existence of goodwill and a claim under the law of passing off. Earlier on in this decision I flagged the fact that the opponent's earlier trade mark was revoked in respect of record players with effect from 26 January 2004, that is to say after the relevant date for determining the opposition. That potentially raised the question of whether record players should be included or excluded from the scope of the earlier trade mark specification for the purposes of considering a claim as at 3 October 2001. Given the goods that remain I took the view that the point did not need to be resolved as it would not affect the outcome.

50. However, if it is right that record players should be excluded from consideration for Section 5(2) purposes because of the effect of the revocation, then it is worth recording that it would not automatically dispose of the Section 5(4)(a) ground as the latter would no longer be co-extensive with the former even though it is based on a sign that corresponds to the earlier trade mark. This is because the only itemised trading activity prior to 3 October 2001 was the sale of turntables (record players) and spare parts thereof. Although there are references to a more long standing trade in goods in Mr Nugent's witness statement they are too imprecise in terms of market, the nature of the goods and the extent of the trade to provide a meaningful basis for a Section 5(4)(a) claim.

51. Insofar as record players are concerned the trade was more than trivial and was arguably sufficient to found a claim to goodwill. However, it is a reasonable inference that that trade was conducted under the same sign as the registered mark (the evidence before me is difficult to date but if the first few pages of RAN3 are from the earlier period the use was of a sign corresponding to the registered mark). That being so the opponent would fail to establish a misrepresentation (and damage) just as it had failed to establish a likelihood of confusion. This ground also fails.

52. The applicant has been successful and is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of **£1000** in respect of this case. In making this award I have taken account of the fact that there is some duplication of evidence with the accompanying case. 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 15<sup>th</sup> day of October 2008**

**M Reynolds  
For the Registrar  
The Comptroller-General**