

O-325-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2482027
BY AURORA LIGHTING INTERNATIONAL INC. LIMITED
TO REGISTER A TRADE MARK IN CLASS 11**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 97648 BY
ARNOLD & RICHTER CINE TECHNIK GMBH & CO BETRIEBS KG**

BACKGROUND

1. On 11 March 2008, Aurora Lighting International Inc. Limited (Aurora) applied to register the trade mark:



for a specification of goods in class 11 which reads:

Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, all included in class 11.

Following examination, the application was accepted and published for opposition purposes on 25 April 2008 in Trade Marks Journal No.6732.

2. On 25 July 2008, Arnold & Richter Cine Technik GmbH & Co. Betriebs KG (Arnold) filed a notice of opposition. This consisted of grounds based upon sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (as amended) (the Act); both grounds are directed against all of the goods contained in the application. Arnold indicate that their section 5(2)(b) ground is based upon the following trade marks:

Trade Mark	No.	Application Date	Protection conferred/ Registered	Goods
ARRI	932085 International trade mark designating the Community	4/6/07 IC date of 05.12.2006 claimed from Germany	7/7/08	9 - Film and video recording, playback and projection equipment; film and video processing and viewing apparatus; measuring and control instruments, test equipment for the analysis of the picture quality; accessories for all the aforementioned goods, namely tripods, tripod heads and hanging fixtures, multifunctional remote control equipment, lenses, film and video cassettes, lens hoods (sunshades in front of/for camera lenses with filter rings), optical filters and filter holders (metal frames for adjusting optical filters); adaptors, monitors (visual display units), marker discs providing means for the setting of camera lenses with respect to the fixation of set values, counters, mounted accumulators, blimps (soundproof coverings for cameras), anamorphic lenses, motor handles, time coding devices; digital, optical and magnetic data carriers; memory chips; apparatus for digital picture processing; apparatus for recording and conversion of information stored on film strips to digital data carrier; computers, computer software;

				<p>scanner (data processing); apparatus for recording and exposure of information stored on data digital carrier to film strips, in particular laser exposures; batteries, rechargeable electric batteries, power packs, voltage converters and (electrical, electronic) controlling devices for lamps, spotlights, searchlights and other lighting; electrical pre-switch devices for lamps, spotlights, searchlights and other lighting, not as parts of the aforementioned goods; electrical signalling apparatus, electrical/electronic signal and advertising boards; illuminated notices; flashes and flash lights (for photography); optical fibers, namely apparatus for sending, receiving and conversion of control signals for lamps and lighting; accessories of the aforementioned goods included in this class; transport cases which are adapted to the aforementioned goods</p> <p>11 - Film lighting, video lighting and stage lighting apparatus and installations thereof; accessories for the aforementioned goods, namely apparatus devices for influencing colour, brightness and reflective features, included in this class; adapted fixed, manual and/or powered hanging facilities for lighting and lamps; adapted control facilities and bearings for lighting and lamps, in particular suspensions and adaptors, included in this class; transport cases which are adapted to the aforementioned goods.</p>
ARRI	1342000 – now merged into registration No.1342002	20/4/88 IC date of 22.10.1987 claimed from Germany	30/8/91	<p>9 - Film and video recording, reproducing, processing and viewing apparatus and instruments, parts and fittings for all the aforesaid goods; tripods and heads and suspensions therefor; remote control apparatus and instruments; film and video cassettes; filters and platforms therefor; light meters; monitors; counter mechanisms; push-on accumulators; image stabilisers; time-coding apparatus; film developers and printers; apparatus for fixing bath analysis; all included in Class 9.</p> <p>11 - Film, video and stage lighting apparatus and installations, all included in Class 11.</p> <p>37 - Repair and maintenance of photographic, projection and cinematographic apparatus and instruments; all included in Class 37.</p> <p>41 - Film demonstrations for instructional purposes; rental of film and video recording and reproducing apparatus and instruments; rental of film, video and sound recording and reproducing studio services; rental of stage scenery; all included in Class 41.</p>

3. I note that in relation to the ground based on section 5(2)(b) Arnold say:

“The goods covered by the Application are identical and/or similar to those covered by the Opponent’s prior Registrations and the Marks ARRI and ARR (stylised) are similar...”

4. Insofar as their ground based on section 5(4)(a) of the Act is concerned, Arnold explain that the sign ARRI has been used in the United Kingdom by them or with their consent since “at least as early as 1983” in relation to “all goods covered by [the registrations mentioned above].” They add:

“The Opponent has substantial reputation and goodwill in the UK as a result of its use of the Trade Mark ARRI and the use of the Trade Mark ARR (stylised) by the Applicant would constitute a misrepresentation liable to lead to damage to that reputation and goodwill.”

5. On 11 November 2008, Aurora filed a counterstatement which consists, in essence, of a denial of the grounds on which the opposition is based. Paragraph 5 of the counterstatement reads:

“Apart from the above we mentioned, our client has invested much money in promoting the publicity of [Aurora’s trade mark], and used [the trade mark] on all of the products (Please see attachment).”

6. A review of the official file indicates that the attachment mentioned was never supplied to the Trade Marks Registry (TMR). Finally, I note that in Boxes 5 and 6 of their counterstatement Aurora put Arnold to proof of use in relation to “apparatus for lighting”.

7. Only Arnold filed evidence in the proceedings and only Arnold filed written submissions in lieu of a hearing. I will refer to these written submissions as necessary below. After a careful consideration of all the material before me, I give this decision.

EVIDENCE

Arnold’s evidence

8. This consists of a witness statement, dated 3 March 2009, from Jens Schäfer who is a member of the management board of ARRI AG (his company) of which Arnold is a wholly owned subsidiary. Mr Schäfer explains that he has full access to the records of his company and confirms that he is authorised to make his statement on their behalf.

9. Mr Schäfer explains that the evidence of use of the ARRI trade mark referred to in his statement was provided to him by Arri GB Limited and its subsidiaries, ARRI Lighting Rental Ltd, Media Film Services Ltd and ARRI Media Services Ltd (collectively Arri GB) which is, he explains, a wholly owned subsidiary of ARRI AG and user of the ARRI trade mark in the United Kingdom. He says:

“The information provided and documents referred to in this witness statement can be assumed to have emanated from and be relevant to the United Kingdom. If a reference is made to [ARRI AG] it should be deemed to comprise [Arri GB].”

10. Mr Schäfer states that the use of the ARRI trade mark commenced in the United Kingdom (in London) at least as early as 1983, adding that use has been continuous since that time. While he explains that further details can be found on the website www.arri.com, I note that no pages from this website are provided in evidence. He states that Arri GB was formed in 1983 and provides:

“the highest quality camera and lighting equipment and service to the professional fields of film and television.”

11. He goes on to say that with separate lighting and camera sales departments they specialise in pre and post sales service including technical support and training. In addition, he explains that Arri GB offer a range of peripheral products including grip equipment, filters, textiles, bulbs and ARRI branded merchandise.

12. Exhibit JS1 consists of what Mr Schäfer describes as:

“comprising details of [Arnold’s] use, advertising and marketing of the Trade Mark ARRI throughout the United Kingdom.”

13. Of this exhibit Mr Schäfer says:

“As can be seen, my company uses the Trade Mark ARRI in relation to inter alia film and video recording, reproducing, processing and viewing apparatus and instruments and accessories therefore; film video and stage lighting apparatus and installations and accessories therefore, including support services in relation to these and related products.”

14. Section 7 of exhibit JS7 consists of an extract downloaded from www.imdb.com on 26 February 2009 which Mr Schäfer explains lists films for which Arri GB have provided lighting; I note that 366 films are listed with dates ranging from 1986 (“Captive”) to 2009 (“The Boat That Rocked”). Section 7 also lists the Academy Awards® won by Arnold between 1967 and 2009. Arri GB’s turnover in the period 1999 to 2008 was as follows:

Year	Turnover - £ (000)
1999	26, 704
2000	29,816
2001	29,863
2002	26,849
2003	29,978
2004	34,107
2005	34,254

2006	32,233
2007	37,100
2008	35,385

15. Mr Schäfer explains that goods and services sold and supplied under the ARRI trade mark have been widely promoted throughout the United Kingdom. Exhibit JS1 contains details and examples of advertisements placed, exhibitions attended and literature prepared and distributed for the period 2003 to 2008.

16. Amounts spent on the advertising of goods and services under the ARRI trade mark were as follows:

Year	Advertising Expenditure - £ (000)
1999	327
2000	332
2001	356
2002	226
2003	374
2004	318
2005	346
2006	296
2007	331
2008	418

17. Mr Schäfer concludes his statement in the following terms:

“It is hereby confirmed that my company has continuously and actively promoted and sold the Opponent’s goods and provided services under the Trade Mark ARRI throughout the United Kingdom since at least as early as 1983 and continues to do so, enjoying significant turnover and accruing a substantial market share, reputation and presence.”

18. That concludes my summary of the evidence provided to the extent that I consider it necessary.

19. In an official letter dated 5 February 2010 the parties were allowed an opportunity to indicate whether they wanted to be heard or were content for a decision to be taken from the papers on file. That letter contained the following paragraph:

“Before a decision is taken the opponent has been requested to provide submissions on why they consider the applicant’s goods, other than apparatus for lighting, are identical or similar to the goods of the opponent...”

20. In a letter dated 1 March 2010, Arnold responded to this request by drawing the TMR’s attention to the comments contained in paragraph 6 of their written submissions dated 4 March 2009 the relevant part of which reads:

“All of the goods listed in the Opponent’s earlier Trade Mark Registrations referred to above are identical to the goods covered by the Applicant’s opposed Application in Class 11.

In the alternative, all of the goods covered by the Opponent’s aforementioned earlier Trade Marks are similar to the goods covered by the opposed Application in Class 11.

In terms of actual or intended use of the Applicant’s Trade Mark, close comparison is precluded by the broad specification being applied for which covers the class 11 heading, but the ambit of goods covered by the Application is so broad so as to cover the Opponent’s use and Registrations and hence the significant level of concern that it should not be granted at all, **or in the alternative not for the broad goods as filed.**”(my emphasis)

21. As this response did not, in my view, answer the question posed by the TMR, on 28 July 2010 I wrote to Arnold again. I explained that the proceedings had been passed to me to make a decision from the papers on file and having noted their response to the TMR’s original question I said:

“In my view this response is insufficient and does nothing to answer the question originally posed in the official letter mentioned above. Consequently, before I consider this case any further, **I direct that within 14 days of the date of this letter** you provide full reasoned arguments as to why you consider the “Apparatus for heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes” contained in the application for registration to be identical/similar goods to those of your client. In the absence of such reasoned arguments, you should confirm in writing that the opposition is only being pursued in relation to “apparatus for lighting.”

22. Arnold responded in a letter dated 9 August 2010. Given what I consider to be the importance of answering the TMR’s original question fully, the material part of Arnold’s response is reproduced verbatim below:

“Taking into account both the close similarities between the Trade Marks at issue and the identity and similarity between the goods covered thereby, in conjunction with the an assessment of the average consumer, it is the Opponent’s firm belief that there is a very real likelihood of confusion arising in these circumstances. Moreover, in view of the Opponent’s extensive use of their trade marks, it is submitted that they enjoy an enhanced degree of recognition and reputation in their trade marks, which adds to the likelihood of confusion.

As the examiner will be aware, when assessing the similarity of the goods in question, all relevant factors relating to the same must be taken into account,

including inter alia their nature, end users, method of use and whether they are in competition or are complimentary.

As the examiner will appreciate, there is a potential for the goods marketed by the applicant's under the trade mark ARR to be available through the same channels of trade and to the same end user. The applicant and the opponent's goods are similar in nature and as such it is contended that the average consumer of the respective parties' goods must be considered the same, thus bringing the list of goods covered by the opposed application to be within the scope of goods that ought to be considered as either identical and/or similar to those of the opponent. Therefore, the consumer will likely be confused as to the origin of the respective parties' products in view of the similarities in the trade marks at issue.

Taking into the above comments and the submissions and evidence filed to date on behalf of the opponent, the hearing officer is directed to accept that the opponent's innovative motion picture cameras, digital and intermediate lighting, equipment that are available in the UK and worldwide through a network of sales, rental and post production facilities are identical/similar to the applicant's goods namely apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.

In the event that the arguments are not accepted as to why it should be considered that "apparatus for heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes" are not identical/similar goods to those of the opponent, then it is requested that the opposition be allowed to proceed in relation to the apparatus for lighting goods listed in the application. However, this is subject to the Hearing Officer being satisfied that such limitation would adequately extend to all possible related and ancillary goods, so as not to unfairly prejudice the interests of the opponent that have already been evidenced."

DECISION

23. The opposition is based upon sections 5(2)(b) and 5(4)(a) of the Act. Section 5(2)(b) reads as follows:

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

(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."

24. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,

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

25. In these proceedings Arnold is relying on the trade marks shown in paragraph 2 above which have application/priority dates prior to that of Aurora’s application for registration; as such, they qualify as earlier trade marks under the above provisions. The application for registration was published for opposition purposes on 25 April 2008 and Arnold’s earlier trade marks achieved registration/protected status on 30 August 1991 and 7 July 2008 respectively. While Arnold’s earlier trade mark No. 932085 had not been registered for five years at the point at which Aurora’s application was published and is not subject to The Trade Marks (Proof of Use, etc) Regulations 2004, trade mark No.1342002 was registered in August 1991 and is, in principle, subject to the Regulations. However, while as I noted above Aurora put Arnold to proof of use in relation to “apparatus for lighting”, this request can only apply to the goods contained in the class 11 element of trade mark No. 1342002. As all of the goods contained in class 11 of this registration are also contained in the class 11 element of trade mark No. 932085 (which is not subject to proof of use) it is unnecessary for me to conduct the proof of use assessment.

Section 5(2)(b) – case law

26. The European Court of Justice (ECJ) has provided guidance in a number of judgments germane to this issue. The principal cases are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Mayer & 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 Thomson Multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).

It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all the relevant factors: *Sabel BV v. Puma AG*, paragraph 22;

- (b) the matter must be judged through the eyes of the average consumer of the good/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and 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* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (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*, paragraph 23;
- (e) when considering composite marks, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element; *Shaker di L. Laudato & Co. Sas* (C-334/05), paragraph 42;
- (f) an element of a mark may play an independent distinctive role within it without necessarily constituting the dominant element; *Medion AG V Thomson multimedia Sales Germany & Austria GmbH*, paragraph 30;
- (g) 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*, paragraph 17;
- (h) 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*, paragraph 24;
- (i) 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*, paragraph 26;
- (j) 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 + Adidas Benelux BV*, paragraph 41;
- (k) 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*, paragraph 29.

Comparison of goods and services

27. The leading authorities on how to determine similarity between goods and services are considered to be *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117 and *British Sugar Plc v James Robertson & Sons Ltd (Treat)* [1996] R.P.C. 281. In the first of these cases the ECJ accepted that all relevant factors should be taken into account including the nature of the goods/services, their intended purpose, their method of use and whether they are in competition with each other or are complementary. The criteria identified in the *Treat* case were:

- (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;
- (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 or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

28. Insofar as complementary goods and services are concerned, I will keep in mind the comments of the Court of First Instance (now the General Court) in Case T-420/03 – *El Corte Inglés v OHIM- Abril Sanchez and Ricote Sauger* (Boomerang TV). The court said at paragraph 96:

“96.....Goods or services which are complementary are those where there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the production of those goods or provision of those services lies with the same undertaking (Case T14 169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, and judgment of 15 March 2006 in Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gomez Frias* (euroMASTER), not published in the ECR, paragraph, paragraph 35.”

29. I note that in *Canon* the ECJ said:

“22. It is, however, important to stress that, for the purposes of applying Article 4(1)(b), even where a mark is identical to another with a highly distinctive

character, it is still necessary to adduce evidence of similarity between the goods or services covered. In contrast to Article 4(4)(a), which expressly refers to the situation in which the goods or services are not similar, Article 4(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar.” (my emphasis)

30. This finding has been reiterated by the ECJ and the GC e.g. in *Commercy AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-316/07:

“43 Consequently, for the purposes of applying Article 8(1)(b) of Regulation No 40/94, it is still necessary, even where the two marks are identical, to adduce evidence of similarity between the goods or services covered by them (see, to that effect, order of 9 March 2007 in Case C 196/06 P *Alecansan v OHIM*, not published in the ECR, paragraph 24; and Case T 150/04 *Mülhens v OHIM – Minoronzoni(TOSCA BLU)* [2007] ECR II 2353, paragraph 27).”

31. In paragraphs 19 to 22 above, I outlined the various exchanges between the TMR and Arnold regarding the scope of this opposition. Having re-read these exchanges and having applied the case law mentioned above, I see nothing which changes the position I took in my letter to Arnold of 28 July 2010. In short, while I accept that the “Film lighting, video lighting and stage lighting apparatus and installations thereof” contained in Arnold’s registration No. 932085 are identical goods to the “Apparatus for lighting” included in Aurora’s application, there is nothing which suggests to me that the other goods in Aurora’s application i.e. Apparatus for heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes” are similar to any of Arnold’s goods and services.

32. In those circumstances, and in line with the comments in the final paragraph of Arnold’s letter mentioned above, I intend to proceed on the basis that Arnold’s opposition to Aurora’s application is confined solely to “apparatus for lighting”. The opposition insofar as it relates to “Apparatus for heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes” is dismissed.

The average consumer and the nature of the purchasing decision

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ goods and services; I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. However, having determined that I need only consider Arnold’s opposition in relation to the phrase “apparatus for lighting” appearing in Aurora’s application, it is only necessary for me to identify the average consumer for such goods.

34. Apparatus for lighting is purchased by the general public; they then are the average consumer for such goods. As the cost of the goods falling within the phrase “apparatus

for lighting” appearing in Aurora’s application is likely to vary (compare, for example, the purchase of a desk lamp in a supermarket to the purchase of lighting equipment for use in the making of motion pictures), it is, in my view, inevitable that the level of attention paid by the average consumer to any given purchase is also likely to vary.

35. I note that in their written submissions Arnold say:

“There is a strong likelihood that end-users of the Opponent’s goods although often well informed...”

36. Arnold’s film, video and stage lighting apparatus (which would be included in the phrase “apparatus for lighting” appearing in Aurora’s application) are, in my view, broadly speaking goods of a technical/sophisticated nature which are likely to be sufficiently expensive of themselves (or where accessories are concerned have compatibility issues to be considered) for one to reasonably infer that the average consumer will pay at least a normal if not a higher than normal level of attention to their selection.

37. As to how apparatus for lighting will be selected by the average consumer, I have only Arnold’s evidence in relation to their lighting apparatus and my own experience to guide me. Arnold’s evidence indicates that at least insofar as the use they have made of their ARRI trade mark is concerned, their lighting apparatus has been brought to the average consumer’s attention by means of advertisements, product literature and by attending exhibitions. As one might have guessed this suggests that for Arnold’s lighting equipment (and I would add apparatus for lighting generally), it is likely that visual considerations will be the most important means of identification.

Comparison of trade marks

38. For the sake of convenience, the trade marks to be compared are as follows:

Arnold’s trade marks	Aurora’s trade mark
ARRI	

39. It is well established that the average consumer is considered to be reasonably well informed, circumspect and observant, and perceives trade marks as a whole and does not pause to analyse their various details. In addition, he rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has kept in his mind. In reaching a conclusion on similarity I must identify what I consider to be the distinctive and dominant elements of the respective trade marks and with that conclusion in mind, I must, as the case law dictates, then go on to compare the respective trade marks from the visual, aural and conceptual perspectives.

Distinctive and dominant elements

40. In their written submissions Arnold say:

“The dominant element of both marks is the first 3 letters ARR. It is well established that the average consumer pays most attention to the prefix of composite marks, because when reading a Trade Mark the same is read from left to right. For this reason, the prefix of a Trade Mark is most likely to catch the consumer’s attention because it is the first visible element of the marks...”

41. The above begins with an assumption that the average consumer would perceive Aurora’s trade mark as the letters ARR. While there is no evidence on this point, I am inclined to agree with Arnold that notwithstanding its presentation (where the bar of the letter A and the down strokes of the letters R are omitted), Aurora’s trade mark is likely to be perceived by the average consumer as the letters ARR. Insofar as the distinctive and dominant elements of each trade mark is concerned, I agree that (despite its presentational aspects), the letters ARR are the distinctive and dominant feature of Aurora’s trade mark (the black background adding nothing to the trade marks overall distinctive character). However, I disagree that the letters ARR are the distinctive and dominant element of Arnold’s trade mark. Consisting of a short four letter word each letter presented in the same upper case font, there is, in my view, no distinctive and dominant component. Rather, the distinctiveness of Arnold’s trade mark lies in its totality.

Visual/Aural similarity

42. In their written submissions Arnold say:

“...it is concluded that from a visual point of view the Trade Marks ARRI and ARR must be considered similar, and from a phonetic point of view, the two Trade Marks are also similar.

The comparison between the two Marks, ARRI and ARR shall be based on their similarity, rather than their differences, and in this case the point of identity in the dominant part of the mark specifically the letters ARR is of greater significance than the points of difference at the end of the Marks.

It is contended that the consumer would either ignore the suffix of a mark in its entirety or slur the same during the pronunciation. Hence, the respective Trade Marks are aurally closely similar.”

43. I have already concluded that Aurora’s trade mark will be perceived by the average consumer as the letters ARR. While Arnold’s trade mark begins with these three letters, when the presentational aspects of Aurora’s trade mark is taken into account there is, in my view, only a low level of visual similarity between the competing trade marks.

44. Considered from the aural perspective, Arnold's trade mark is, in my view, most likely to be pronounced as a two syllable word i.e. Ah-Ree, whereas Aurora's trade mark may be pronounced as either the letters A-R-R or as a single syllable word ARR (as in "are"). While in the first scenario mentioned there is, in my view, no aural similarity, if Aurora's trade mark is pronounced as a word, the respective trade marks are, in my view, aurally highly similar.

Conceptual similarity

45. In their written submissions Arnold say:

"From a conceptual point of view, the words ARRI and ARR have no meaning within the ordinary language, and are absolutely invented in connection with the relevant goods. Consequently, both the Trade Marks ARRI and ARR might suggest to the relevant public the same arbitrary nature and purpose of the goods to which they refer. They must therefore be considered identical from a conceptual point of view."

46. While I agree that there is no evidence to suggest that either trade mark has any meaning, this does not make the competing trade marks conceptually similar. As neither trade mark is likely to create any conceptual image in the mind of the average consumer, the competing trade marks are, in my view, neither conceptually similar nor conceptually dissonant; the conceptual position is, in effect, neutral.

Distinctive character of Arnold's earlier trade mark

47. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods and services for which it has been registered as coming from a particular undertaking and thus to distinguish those goods and services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. In their written submissions Arnold say:

"In the context of the goods covered by the Opponent's earlier trade marks, the Trade Mark ARRI is inherently distinctive, bearing no direct reference to the goods for which it is registered. By virtue of this individuality, the Trade Mark ARRI functions as a readily recognisable and memorable badge of commercial origin. This inherent distinctiveness has been further enhanced by virtue of the Opponent's use its trade mark..."

48. There is no evidence to suggest that Arnold's ARRI trade mark is anything other than highly distinctive per se. While the turnover and advertising figures provided in Mr

Schàfer witness statement have not been split by class, his evidence indicates that the ARRI trade mark has been used in the United Kingdom since 1983 in relation to a range of camera and lighting equipment and support services. Turnover under the ARRI trade mark in the period 1999 to 2007 amounted to some £281m with promotional expenditure in the same period amounting to £3m. In addition, I note that Arnold have provided lighting equipment for a wide range of major film projects in the United Kingdom and won a number of Academy Awards®. As none of Arnold's evidence has been challenged by Aurora, I am prepared to accept that the high level of inherent distinctive character Arnold's ARRI trade mark possesses, in relation to the goods mentioned above, been improved upon by the use Arnold have made of their ARRI trade mark.

Likelihood of confusion

49. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of Arnold's ARRI trade mark, as the more distinctive this trade mark is the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have retained in their mind.

50. Having determined that Arnold's opposition should be construed as directed only at the phrase "apparatus for lighting" included in Aurora's application, I concluded that to that limited extent the respective goods were identical. Having found that such goods will be bought by the general public and having identified the manner in which such goods are likely to be selected and what may be the differing costs of the various goods (and the corresponding differing levels of attention which will be paid by the average consumer when selecting such goods), I went on to find that the respective trade marks shared a low level of visual similarity, either no or a high level of aural similarity and no conceptual similarity. I also concluded that Arnold's ARRI trade mark was highly distinctive per se, and that the use they had made of their ARRI trade mark had strengthened its distinctiveness even further.

51. Bearing these decisions in mind, and approaching the matter from a global perspective, I have come to the conclusion that notwithstanding what I consider to be the low of visual similarity between the respective trade marks, the potentially high level of aural similarity and the absence of a conceptual hook to assist the average consumer to distinguish the respective trade marks, combined with the identity in the goods and the high level of distinctive character Arnold's ARRI trade mark possesses, are sufficient to result in a likelihood of confusion. In this regard, I think it is unlikely that the average consumer would mistake one trade mark for the other (i.e. there is unlikely to be direct confusion). More likely, in my view, is that the average consumer will assume that

Aurora's trade mark is a variant/up-dating of Arnold's ARRI trade mark, and think that lighting apparatus sold under Aurora's trade mark emanates from an undertaking linked to Arnold i.e. there will be indirect confusion.

52. In summary, Arnold's opposition has succeeded in respect of:

"Apparatus for lighting, all included in class 11",

but failed in relation to:

"Apparatus for heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, all included in class 11."

53. That leaves the opposition based on section 5(4)(a) of the Act. This section 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 the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

54. In reaching a conclusion on this ground of opposition, I note the comments of the Appointed Person, Mr Geoffrey Hobbs QC, in *Wild Child Trade Mark* [1998] RPC. 455. In that decision Mr Hobbs said:

"The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731 is (with footnotes omitted) as follows:

'The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.'

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

'To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

The material date

55. First I must determine the date at which Arnold’s claim is to be assessed; this is known as the material date. In this regard, I note the judgment of the General Court in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07. In that judgment the GC said:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000.”

56. The date of filing of Aurora’s application is, therefore, the material date. However, if Aurora have used their trade mark prior to this then this use must also be taken into account. It could, for example, establish that Aurora is the senior user, or that there had been common law acquiescence, or that the status quo should not be disturbed; any of which could mean that Aurora’s use would not be liable to be prevented by the law of passing-off – the comments in *Croom’s Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 refer. Other than the

reference I noted at paragraphs 5 and 6 above, Aurora have not filed any evidence which shows use of their trade mark. The material date for the assessment is therefore the date of Aurora's application for registration i.e. 11 March 2008.

57. In paragraph 31 above I commented on what I considered to be the lack of similarity between the majority of Arnold's goods and services (other than lighting) and those of Aurora (other than lighting). In their written submissions Arnold say:

"that all evidential requirements have been complied with to demonstrate that in the UK, the Opponent's Trade Mark ARRI has accrued unregistered rights in relation to inter alia film and video recording, reproducing processing and viewing apparatus and instruments and accessories therefore; film video and stage lighting apparatus and installations and accessories therefore, including support services in relation to these and related products."

58. The difficulty in establishing confusion where there is a distance between the fields of activities was considered by Millet LJ in *Harrods v Harrodian School* [1996] RPC 697. He said:

"It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services"

And:

"The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration."

59. In view of those comments the position here is, in my view, much the same as it was under section 5(2)(b) of the Act. By that I mean that while Arnold also succeed under this head in relation to the phrase "apparatus for lighting" appearing in Aurora's application, the distance between the goods and services in which even Arnold consider they have a goodwill are no closer to the remainder of Aurora's goods than they were in relation to the goods for which Arnold considered they had a reputation under section 5(2)(b). Consequently, Arnold's case under section 5(4)(a) succeeds and fails to the same extent as its case under section 5(2)(b).

Outcome

60. Arnold's case succeeds and fails to the extent indicated at paragraph 52.

Costs

61. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. While Arnold successfully opposed one set of goods within Aurora's application for registration, they have failed in relation to seven others. Ordinarily in those circumstances I would have considered making an award to Aurora. However, it appears that other than filing a brief counterstatement Aurora have taken no part in these proceedings. In those circumstances, I do not propose to favour either party with an award of costs.

Dated this 22 day of September 2010

**C J BOWEN
For the Registrar
The Comptroller-General**