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TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2021952
by AIG EUROPE (UK) LIMITED
TO REGISTER A TRADE MARK IN CLASS 36.

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AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 46611
by ECCLESIASTICAL INSURANCE OFFICE PLC.

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DECISION

BACKGROUND

15 On 17 May 1995, AIG Europe (UK) Ltd of 120 Fenchurch Street, London EC3M 5BP applied
under the Trade Marks Act 1994 for registration of the trade mark shown below:

20 **HOMESAFE**

25 In respect of “Insurance services” in Class 36.

On the 28 April 1997 Ecclesiastical Insurance Office Plc filed notice of opposition to the
application. The grounds of opposition are in summary:

30 i) that the opponents are the registered proprietors of trade mark 1556233
HOME SECURE registered as of 10 December 1993 in respect of “Insurance
services for domestic properties and their contents, all included in Class 36.”

35 ii) In view of (i) above use of the mark in suit would be contrary to Sections 3(3),
3(6) & 5(2)(b).

The applicants subsequently filed a counterstatement denying all of the grounds of opposition,
other than accepting that the opponents are the registered proprietors of trade mark 1556233.

40 Both sides ask for an award of costs. Neither party wished to be heard in the matter. Only the
opponents filed evidence. My decision will therefore be based on the pleadings and the evidence
filed.

OPPONENTS’ EVIDENCE

45 This consists of a statutory declaration, dated 31 October 1997, by Mr Roger Ward Clayton the
Company Secretary of Ecclesiastical Insurance Office Plc. Mr Clayton has worked for the

opponents since 1990.

Mr Clayton states his belief that the services of the two parties are similar if not identical. He claims that the opponents' activities are a sub set of those in the application in suit. He states:

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“..in practice most insurance offices handle insurance for all sorts of artefacts and activities and the procedures differ marginally if at all. From the initial enquiry, through the issue of a policy, to the settling of a claim there is a similar pattern, whatever the subject insured. In my group, that is certainly the case, and there is no difficulty or significant re-training necessary to change staff from dealing with car insurance, say, to handling house insurance. All insurance work is ‘similar’.”

Mr Clayton claims that the nature of the mark applied for, HOMESAFE, is such that the public will be deceived as the services extend beyond home related ones.

On the matter of “bad faith” Mr Clayton states that it is his belief that the applicants are connected with the American International Group Inc. who have had dealings with the opponents. Mr Clayton also claims that at the time the application in suit was filed, 17 May 1995, the opponents mark HOME SECURE was well established. Mr Clayton states that he would expect other insurance companies to be aware of competitors' products. He states that he would have expected the applicants to have carried out a search of other trade marks. Such a search he claims would have revealed the presence of the opponents' mark.

Mr Clayton states that:

“I have always regarded SAFE and SECURE as virtually synonymous, and on checking a couple of dictionaries I find:

Collins English Dictionary:

- Safe = Affording security from harm / secure from risk
- Secure = in safe custody / Safe from attack / To make safe

The Oxford English Reference Dictionary

- Safe = affording security
- Secure = safe against attack / safe from / safe against / make safe.

It is therefore difficult for me to distinguish between HOMESAFE and HOME SECURE as they both convey the same meaning. If HOMESAFE had been required for insurance services before my company had contemplated HOME SECURE, I would have vetoed the adoption of HOME SECURE since, quite apart from the legal niceties of similarity and whatever professional advice I may have received, I would have thought that as a matter of common sense there was a grave danger of confusion by the insurance buying public, which would not have been in my company's interests.

These considerations do not appear to have weighed at all with the applicants, and if they did have knowledge of HOME SECURE prior to 17 May 1995, the adoption of HOMESAFE is, in the eyes of my company at least, reckless to the point of being in bad faith.

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If they did not have knowledge of HOME SECURE prior to that date, the adoption of HOMESAFE would have been faith misplaced to the point of being bad.”

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

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DECISION

I first consider the ground of opposition under Section 3(3) which is as follows:

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“3 (3) A trade mark shall not be registered if it is -

(a) contrary to public policy or to accepted principles of morality, or

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(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).”

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The opponent has claimed that because of their use of the mark HOME SECURE, the public will be deceived if the applicant uses the mark in suit. By this I assume that they contend that the applicant’s mark is likely to deceive the public into thinking that the applicant’s goods originate from the opponent. However, I note that Section 3(3)(b) is intended to apply where the deception alleged arises from the nature of the mark itself. This is consistent with the heading of Section 3 of the Act which is entitled “Absolute grounds for refusal” and is to be contrasted with Section 5 of the Act which deals with the “Relative” rights of the applicant and other parties. Consequently, the opponent cannot succeed under this heading based upon their use of the same mark.

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The opponents also claim that the specification of the mark in suit is

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“...contradictory to the general thrust of the mark, whose first syllable is the word ‘home’. No-one seeking insurance services would expect a mark such as HOMEMADE to indicate anything other than a home-related product.”

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The specification applied for is “Insurance Services” in Class 36. Since this encompasses insurance for the home, I do not accept that the public will be deceived. The fact that the mark only has a capacity to be used in respect of a particular type of insurance is not to conclude that it is “of such a nature as to deceive the public.” There would simply be no point in the applicant using it in respect of anything else. Nevertheless, “insurance services” is a reasonable statement of services. The opposition under this heading fails.

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Next I turn to the ground of opposition under Section 3(6) which reads:

“3 (6) A trade mark shall not be registered if or to the extent that the application

is made in bad faith.”

5 It has been contended that the applicants were aware of the opponents’ mark that they knew of the similarity and potential for confusion and deliberately chose the mark. Alternatively they have contended that the applicants should have been aware of the mark and that failure to be aware of the opponents’ mark was “reckless to the point of bad faith”. The opponents also claim that the applicants are linked to an American company who have had dealings with the opponents.

10 In my view the opponents have offered no evidence to support this pleading, therefore I do not consider this ground proven.

Finally I turn to the ground of opposition under Section 5(2)(b) which is as follows:

15 “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 mark is protected,

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

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

25 6.- (1) *In this Act an ‘earlier trade mark’ means -*

30 *(a)...a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.*

35 I have to determine whether the marks are so similar that there exists a likelihood of confusion on the part of the relevant public. In deciding whether the two marks are similar I rely on the decision of the Court of Justice of the European Communities (ECJ) in the Sabel v Puma case C251/ 95 - ETMR [1998] 1-84. In that case the court stated that:

40 “Article 4(1)(b) of the directive does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion ‘depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified’. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.

45 *Global appreciation of the visual, aural or conceptual similarity of the marks in question,*

5 *must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - "there exists a likelihood of confusion on the part of the public" - shows that the perception of the marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.*

10 *In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public."*

15 As the applicants' specification would encompass the opponents' services, the marks must be considered on the assumption that the services of the two parties are identical.

20 Visually the marks differ in that the applicants' mark consists of HOME SECURE as two words whereas the opponents' mark consists of the single word HOMESAFE. It is clear that each mark begins with the word HOME, although this word has no distinctive character for insurance. The distinctive character of the marks therefore arises only from the combination of the word HOME with the words SECURE and SAFE, respectively. The marks have only a slender distinctive character, although the combination of the words for insurance services is, perhaps slightly unusual in a way that it would not be, for example, for security devices or services. Overall I consider that the marks convey a similar visual impression.

25 Phonetically the first syllables of each mark are identical, the applicants mark then has the additional word SAFE whereas the opponents' mark has the longer two syllable word SECURE. One has to take into account the notion of imperfect recollection and acknowledge that the public are prone to slurring word endings. It is my view that the marks are likely to be confused through oral use.

30 Taking into account all of the above factors and considering the marks as wholes it is my opinion that there exists the likelihood of confusion on the part of the public. The opposition under Section 5(2)(b) succeeds.

35 The opposition having been successful the opponent is entitled to a contribution towards their costs. I order the applicant to pay the opponent the sum of £735.

40 Dated this 18 day of November 1999

45 George W Salthouse
For the Registrar
The Comptroller General