

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATIONS UNDER
Nos 2106096 AND 2119787 BY ROYAL COUNTY OF
BERKSHIRE POLO CLUB LIMITED TO REGISTER
TRADE MARKS**

**AND IN THE MATTER OF OPPOSITIONS THERETO
UNDER Nos 47378 AND 47140 BY THE POLO/LAUREN
COMPANY LP**

BACKGROUND

1. On 24 July 1996, Royal County of Berkshire Polo Club Ltd applied for the registration of the trade mark shown below:



2. The application was given the number 2106096 and was advertised for opposition purposes in respect of the following specification of goods:

Class 9

Spectacles, spectacle cases, spectacle frames, spectacle glasses, sun glasses; and

accessories therefor.

Class 16

Pens, pencils, writing and drawing instruments, stationery, notepaper, writing paper, gift wrapping paper, envelopes, greeting cards, post cards, magazines, books, playing cards, rulers, painting sets, posters, calendars, diaries, photograph albums, stickers, labels, sketch pads, bulletin boards, paper party decorations, paper napkins, pen and pencil cases, facial tissues.

Class 18

Leather goods; imitation leather goods; trunks, travel bags, umbrellas, parasols, whips, harnesses, saddlery, walking sticks.

Class 21

Picnic baskets, fitted picnic baskets, crockery, pottery, porcelain, earthenware, tableware, glassware, cups, saucers, plates, dishes, bowls, mugs, cold boxes, coolers, corkscrews, decanters, tea services, trays, cruets, coffee grinders, parts and fittings therefor; but not including tableware made of metal.

3. On 31 December 1996, the same applicant applied for the registration of the series of three marks shown below.

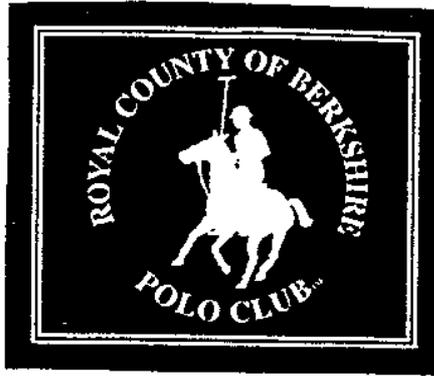
1)



2)



3)



4. This application was given the number 2119787 and was advertised for opposition in respect of the following specification of goods:

Class 9

Spectacles, spectacle cases, spectacle frames, spectacle glasses, sun glasses; and accessories therefor.

Class 14

Watches, jewellery, precious stones, precious metals, goods coated in precious metals.

Class 16

Pens, pencils, writing and drawing instruments, stationery, notepaper, writing paper, gift wrapping paper, envelopes, greeting cards, post cards, magazines, books, playing cards, rulers, painting sets, posters, calendars, diaries, photograph albums, stickers, labels, sketch pads, bulletin boards, paper party decorations, paper napkins, pen and pencil cases, facial tissues.

Class 18

Leather goods; imitation leather goods; trunks, travel bags, umbrellas, parasols, whips, harnesses, saddlery, walking sticks.

Class 21

Baskets, picnic baskets, fitted picnic baskets, crockery, pottery, porcelain, earthenware, tableware, glassware, cups, saucers, plates, dishes, bowls, mugs, cold

boxes, coolers, corkscrews, decanters, tea services, trays, cruets, coffee grinders.

Class 25

Articles of clothing, footwear, headgear.

5. Both applications are opposed by The Polo/Lauren Company, L.P. of New York, USA. The grounds of opposition to each application are very similar. The opponent relies upon numerous registrations in the UK of marks consisting of, or containing, the word 'POLO' and the device of a polo player, as support for its objections under Section 5(2) of the Act. It relies upon the same registrations and its claim that they enjoy a reputation in the UK, to support its objections under Section 5(3). The opponent further relies upon its reputation and goodwill under the word POLO and polo player device, as support for its objections under Sections 5(4)(a) and 3(6) of the Act. There is an additional ground of opposition under Section 3(6) of the Act with regard to application No 2119787 (hereinafter '787) which is not part of the opponent's case in respect of application No 2106096 (hereinafter '096). The opponent contends that the '787 application was made in breach of a contractual obligation to the opponent, and consequently provides an alternative basis for a finding that the application was made in bad faith. This objection is limited to the Class 25 section of the '787 application.
6. The applicant denies the grounds of opposition. Both sides seek an award of costs.
7. These matters came to be heard on 2 October 2000, when Dr P McL Colley appeared as counsel for the opponent, and Ms D McFarland appeared as counsel for the applicant.
8. The proceedings have not been consolidated, but the cases were heard together. This decision covers both oppositions.

THE EVIDENCE

9. The opponent filed three Statutory Declarations by Lee S Sporn in support of the opposition to application '096. Mr Sporn is Vice-President, Intellectual Property and

Secretary of PRL International, Inc, which is a "General Partner" of the opponent, a Limited Partnership of the State of New York. Three similar declarations were filed in the opposition to application '787. An additional two declarations by Mr Sporn were filed in support of the opposition to '787.

10. The applicant two Statutory Declarations by Michael Amooore and Paul Beric Dyson in support of its '096 application. Mr Amooore is the 'polo manager' of the applicant. Mr Dyson is a Trade Marks Attorney. Similar evidence was filed by the same gentlemen in respect of the '787 application. An additional Statutory Declaration by Bryan Anthony Morrison (the applicant's Managing Director) was filed in support of application '787.

FINDINGS OF FACT

11. Having reviewed the evidence, I have come to the following findings of fact:-

- (a) The opponent had established a reputation in the UK before the date of the first application '096 (24 July 1996). This is not in dispute.
- (b) The reputation was in respect of clothing. The reputation may also have extended to clothing accessories such as belts, although this is not clearly established in the opponent's evidence.
- (c) Although the opponent claims to have carried on a business of designing and promoting high quality home furnishings, there is no supporting evidence from which it could be safely concluded that this trade was conducted in the UK prior to the relevant dates in these proceedings. It follows that there is no evidence that the opponent enjoyed a reputation in respect of such goods at the relevant dates.
- (d) The opponent used the marks RALPH LAUREN, POLO and the device of a polo player. Although much of the use of the last two marks was with the first

named mark. For example, POLO BY RALPH LAUREN and the device of a polo player sandwiched between the words RALPH LAUREN. However, there is also evidence of the word POLO and device of a polo player being used alone. (See “representative” examples of use in Exhibits 'E' and 'F' to Mr Sporn's first declaration).

- (e) The use of POLO BY RALPH LAUREN is likely to have educated the public to the perception that POLO is a trade mark used by RALPH LAUREN. The use of the device of a polo player as a secondary component in a composite mark (between the words RALPH LAUREN), is unlikely, without more, to have resulted in the polo player device acquiring a reputation with the public. There is more. The combination of i) evidence of the polo player device being used alone, ii) the parallel reputation under the word mark POLO and iii) the size of the opponent's trade in the UK (\$27 M in 1995), is likely to have enhanced the inherent distinctive character of the device of a polo player for clothing by 1996. On the evidence, the opponent's reputation is likely to have been primarily under the words POLO and RALPH LAUREN. However, the opponent's polo player device is likely to have been familiar to a smaller but still significant proportion of the relevant public in the UK clothing market.
- (f) The applicant marketed goods under its name and polo player rider logo (similar to the mark in '096) since around 1986/7. Initially these were leather goods, although it also sold clothing, such as jeans.
- (g) The extent of the applicant's trade in relevant goods in the UK is not clear but appears to be limited. It seems likely that such sales that have occurred in the UK have been made from the applicant's own premises in Berkshire.
- (h) The applicant's trade in merchandise overseas appears more extensive. The applicant claims to have received £250k royalties from sales of trade marked merchandise in Japan in 1996.

- (i) There is no evidence of any use of the marks in application '787 before the date of that application. There is evidence (in Mr Sporn's fourth declaration of 22 April 1999 and in Mr Morrison's evidence in reply dated 29 November 1999) of an unsuccessful attempt to licence the marks in '787 to a Korean company in respect of clothing. However, this was in 1998.

SECTION 5(2) - THE LAW

12. I approach the matter taking account of the following guidance from the European Court of Justice (ECJ) in *Sabel BV v Puma AG (1998 RPC 199 at 224)*, *Canon v MGM (1999 ETMR 1)* and *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV (1999 ETMR 690 at 698)* and *Marca Mode CV v Addidas AG & Others (2000 ETMR 723)*:

- a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- b) the matter must be judged through the eyes of the average consumer, of the goods/services in question, 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;
- c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- 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;
- e) a lesser degree of similarity between the marks may be offset by a greater degree of

similarity between the goods, and vice versa;

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;

g) mere association, in the strict sense that the later mark simply brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2);

h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

i) but if the association between the marks results in a likelihood that the average consumer will 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.

13. I take no account of the state of the register evidence filed by the applicant which is, in principle, irrelevant.

DECISION - '096 APPLICATION

14. The application covers goods in Classes 9, 16, 18 and 21. The opponent relies upon three registrations in Class 9 - 1188805, 2010856 and 2016652 - all of which are registered in the UK for identical goods.

15. The mark which is the subject of registration 1188805 is re-produced below:

Ralph  Lauren

Although this mark includes the device of a polo player, the dominant element of this mark is the words RALPH LAUREN. Considered as wholes, these marks are so different there is no likelihood of confusion.

16. Registration No 2010856 in Class 9 is for the mark POLO BY RALPH LAUREN. Registration No 2016652 is for the mark POLO. Both cover identical goods to application '096. In practice it is only necessary to consider the registration of POLO solus, which is obviously the closer mark.

17. In an earlier opposition to application No 2029454, the Registrar's Hearing Officer decided that the mark reproduced below was likely to cause confusion, having regard to the opponent's earlier registration of the word POLO for the same goods (cosmetics, perfumery etc in Class 3):



18. On appeal, Geoffrey Hobbs QC, sitting as the Appointed Person, reversed the Hearing Officer's decision under Section 5(2). He gave his reasons for doing so as follows:-

"..... I am satisfied that the use of the word POLO as part of the Applicant's mark does not capture the distinctiveness of the Opponent's earlier trade marks. I do not think

that people exposed to the use of the Applicant's mark would notice that it contained the word POLO without also noticing that it contained the words ROYAL BERKSHIRE and CLUB. The message of the mark comes from the words in combination and that is not something that I would expect people to overlook or ignore in the ordinary way of things.

The Applicant's mark would naturally be understood to represent that the ROYAL BERKSHIRE POLO CLUB was directly or indirectly responsible for the goods to which it was applied. The presence of the numeral 10 in the Applicant's mark adds to the individuality of the mark (whether or not it is appreciated that 10 is the highest handicap a polo player can have). Abbreviations and approximations would, in my view, be likely to centre on the words ROYAL BERKSHIRE because they contribute more than the other words to the identification of the club named in the mark.

The word POLO functions adjectivally in the context of the Applicant's mark whereas the Opponent's earlier trade mark registrations envisage use of the word POLO in a manner that would, most likely, be perceived as a noun. Adjectival use of a word is distinguishable from use of the same word as a noun and the resulting differences of perception may be sufficient to preclude a likelihood of confusion of The European Ltd v The Economist Newspaper Ltd [1998] FSR 283 (CA) at 293 per Hobhouse LJ. I think that is the case here. In my view the semantic content of the marks in issue is (and was at the relevant date) insufficiently similar or analogous to give rise to the mistaken belief that POLO brand toiletries and ROYAL BERKSHIRE POLO CLUB toiletries come from the same undertaking or economically-linked undertakings."

19. It appears to me that applying the same reasoning to the applicant's '096 application produces the same result. It is true that this mark does not contain the stylised numeral '10' from the earlier case, but the presence of this feature does not appear to have been critical to Mr Hobbs' decision. The presence of the device of a polo player reinforces the semantic association between the respective marks, but it is still difficult to see how the average consumer could overlook the presence of the words ROYAL COUNTY OF BERKSHIRE

and CLUB in the applicant's mark. In one respect, the opponent's case is weaker in Class 9. This is because the opponent has no established reputation for goods in Class 9, whereas Mr Hobbs accepted that the opponent's POLO mark had a reputation for goods in Class 3.

20. I must reach my own decision, although the views of Mr Hobbs deserve considerable respect. Considering the matter in the round, I find that the applicant's mark is not similar enough to the word POLO solus to give rise to the necessary likelihood of confusion. The same finding applies to the mark POLO BY RALPH LAUREN.

21. These findings also apply to the opponent's objections to the registration of the applicant's mark in Classes 16, 18 and 21, insofar as these are based upon earlier registrations of the word POLO, or the words RALPH LAUREN and mounted polo player device (registration Nos 685923, 1188807, 1188808 and 1188809).

22. The opponent has a device of polo player solus registered in Classes 3, 14, 20 and 25. The mark in question is re-produced below.



The respective devices are quite similar. The applicant's mark is in silhouette. The opponent's polo player device mark is not a true silhouette but it creates a similar impression. Both depict a polo player with a raised polo stick. The perspective view of the horse and rider is also

similar.

23. The opponent's polo player device mark is registered in Class 3 under No 657864. The registration covers various non-medicated toilet preparations and soaps. There is some similarity between these goods and "facial tissues" in Class 16 of application '096.

24. The registration of the same mark in Class 25 under No 1389846 covers outer clothing and various specific items of clothing, such as blouses, shirts and hats. There is some similarity between these goods and leather and imitation leather goods in Class 18 of application '096 because these terms cover hand bags which are clothing accessories.

25. The registration in Class 20 under No 1462591 covers, inter alia, "baskets", and "containers", which have some similarity with some of the applicant's goods in Class 21.

26. In each case the degree of similarity between the respective goods is not great. In most cases the respective goods are complementary rather than being for the same purpose. The physical nature of the goods is likely to differ, although the channels of trade and customers could be the same.

27. The opponent's registered polo player device is similar but not identical to the polo player device in application '096. The applicant's mark also includes the prominent words "Royal County of Berkshire POLO CLUB", which I consider to be the more dominant feature of the applicant's mark. In my view the differences between the respective marks and goods are such that the average consumer is unlikely to expect goods marketed under the applicant's mark to originate from the opponent or from an economically linked undertaking. In reaching this conclusion I have taken account of the possibility of imperfect recollection of the earlier mark, and the opponent's reputation for clothing. The opposition under s5(2) fails accordingly.

DECISION - '787 APPLICATION

28. The application covers goods in Classes 9, 14, 16, 18, 21 and 25. This application contains a series of three marks, which are re-produced at paragraph 3 above. The first mark in the series is simply a smaller version of the second mark, which is a negative of the first. This sort of trivial variation of marks is typical in the clothing trade in particular, where it is customary for the mark to be woven into the garment, and it is therefore necessary to use colours which contrast with the colour of the garment. The third mark in the series is the same as the second mark except that it includes a square border. This has no significant effect on the identity of the mark. Consequently, for the purposes of Section 5(2) of the Act, there is no significant difference between any of the applicant's series of marks in application '787.

29. In my view, the most dominant feature of the applicant's marks is the device of a polo player. The words "Royal County of Berkshire" and "Polo Club" are arranged around the device of the polo player, making this the visual centrepiece of the mark. The words "Polo Club" are easy enough to read because they are placed in a comparatively horizontal position relative to the device of the polo player. The words "Royal County of Berkshire" are a little less easy to absorb because of their position relative to the polo player device. Because of this one needs to change the position of one's head to read these words.

30. It follows from these conclusions that I believe that the opponent's best case is based upon its registrations of a polo player device (see paragraph 22 above) in Classes 14, 20 and 25.

31. The opponent's registration of this mark under No 1508254 in Class 14 covers all the goods in Class 14 of application '787 except "precious stones". These are closely similar goods to "jewellery" in the opponent's earlier registration.

32. Visually, I consider the marks to be similar. Conceptually, the marks are also similar. Whether they are similar to the ear depends upon whether the applicant's mark would be referred to as a "polo player" mark or a "polo club" mark, or whether it would be referred to as a "Royal County of Berkshire Polo Club" mark. Once the average consumer knows of the

brand, he may use the last description. On first encounter it is as, or more likely, to be described as a polo player mark. In any event, as both marks are primarily visual marks, the visual similarities are more important than any aural differences .

33. I have already noted that the respective devices of a polo player are quite similar. They could easily be confused in circumstances where the goods are sold side by side, before considering the likelihood of imperfect recollection. The question is whether the words surrounding the device in the applicant's marks are sufficient to avoid a likelihood of confusion with the opponent's mark.

34. In my view they are not. The polo player device is the dominant feature of the marks in the '787 application. By giving this feature prominence, the applicant has captured the distinctive character of the opponent's registration No 1508254. Even if the words ROYAL COUNTY OF BERKSHIRE are absorbed, the average consumer is likely to suppose that the same undertaking uses the polo player device mark sometimes with these words arranged in a subsidiary role, and sometimes without, cf *Bulova Accutron 1969 RPC 102*. In this connection I note that it is sufficient for the purposes of Section 5(2) of the Act if the similarities between the marks and goods result in "a likelihood of confusion on the part of the public ...". It is sufficient if the similarities between the respective marks wrongly cause the average consumer to believe that the parties goods originate from a single source, whichever source that might be thought to be. Consequently, the opposition under Section 5(2) succeeds insofar as Class 14 of application '787 is concerned.

35. The opponent also has its polo player device registered under No 1462591 in Class 20. I have already commented upon the similarities between the marks. Application '787 does not include any goods in Class 20, but includes "baskets", "picnic baskets" and "cold boxes" in Class 21, which are similar to "baskets" and "containers" in Class 20 of the opponent's registration. Baskets and containers are classified in Class 21 if they are for household use. Otherwise non-metallic baskets and containers fall into Class 20. The distinction can be a fine one. For example, picnic baskets fitted with cutlery fall into Class 21, whereas they otherwise fall into Class 20. Virtually identical goods are involved. In these circumstances my findings

for Class 14 also apply to Class 21 of application '787, insofar as "Baskets, picnic baskets, fitted picnic baskets" and "cold boxes" are concerned.

36. The opponent also has its polo player device registered in Class 25 under No 1389846. In fact it has three such registrations in Class 25 - the other two being Nos 1164945 and 1018024. These registrations consist of a different representation of a polo player. The latter has the word POLO beneath it. Despite this, these marks are less similar to the applicant's marks than the device I have already considered with regard to Classes 14 and 21 of application '787.

37. The respective goods in Class 25 are identical. My finding for Classes 14 and 21 also apply to Class 25. If anything, the opponent has a better case in Class 25 because the earlier mark has a reputation for clothing. In these circumstances, the average consumer faced with clothing featuring the applicant's polo player device is likely to expect it to be the polo player device mark they already know. The words "ROYAL COUNTY OF BERKSHIRE POLO CLUB" are not prominent enough in the applicant's marks to counter this expectation and thereby avoid confusion.

38. The opponent has a further registration for clothing in Class 25 under No 1407783. This mark and one of the applicant's marks are shown below.



39. The applicant agreed to licence its '787 marks to a Korean company by the name of Brudeng Children Clothing Co. The licence was for Korea and, in the event, was never completed because the Korean company were unable to register the mark in Korea. Despite this, the Korean company appears to have made some use of one of the marks in application '787. This is irrelevant except to the extent that it assists in comparing the marks in use.

40. My initial impression was that these marks are not confusingly similar. However, after seeing the photographs of the respective marks applied to a T-shirt and sweatshirt (see Exhibit 'C' to Mr Sporn's declaration of 22 April 1999), I find it quite easy to see how these marks could be confused. Once applied to garments the similarities between the polo player devices and the presence of words arranged in a roundel, are much more striking than the differences between (some of) the words. In the case of the applicant's mark, the words are not easy to absorb because of their smaller size relative to the polo player device, the angle of some of the words, and the fact that the words are slightly less distinct when applied to a garment. From a normal viewing distance (see the photographs at the top of Exhibit 'C') the marks create such a similar overall impression that one has to look closely to see which mark is which, even when they are side by side (which they will not always be).

41. The applicant points out that the licence was never finalised and that the Korean company's use was not therefore within their control. Nevertheless, it appears to be in accordance with the applicant's "Brands Design Manual", which is Exhibit 'A' to Mr Sporn's declaration of 22 April 2000. I think it is representative of the sort of use proposed in the UK. In my view, such use is likely to cause confusion. The opposition under Section 5(2)(b) therefore also succeeds in Class 25 based upon the opponent's earlier trade mark registration No 1407783.

42. The applicant points out that there has been no confusion despite its use of its marks. However, there is no evidence of any use in the UK of the marks covered in the '787 application. It appears from Exhibit BAM3 to Mr Morrison's declaration, that the marks in the '787 application were adopted in 1995. However, it appears from Exhibit BAM4 that the applicant has mainly used the mark the subject of the '096 application, or the mark considered

on appeal by Mr Hobbs. I do not therefore believe that the applicant's user is any guide as to the likelihood of confusion as a result of the marks in the '787 application, if they are used normally and fairly in the UK - including sales from premises other than the applicant's own premises.

43. The opponent's registrations for its polo player device do not cover any other goods which are similar to those listed in the '787 application - except possibly "leather goods" and "imitation leather goods", which include "handbags". These are somewhat similar to clothing in that they are accessories. The users and channels of trade are the same. The uses and physical nature are generally different. The degree of similarity is not great.

44. A lesser degree of similarity between the goods requires a greater degree of similarity between the marks. Where the extent of any similarity between the goods is borderline the respective marks are likely to have to be very similar to give rise to a likelihood of confusion. Although I have found the applicant's marks to be confusingly similar to the opponent's polo player device mark if used on the same goods, I do not believe that the similarities between the marks are such that their presence on, or in relation to, different goods (clothing and handbags) will give rise to a likelihood of confusion.

45. The opponent also relies upon registrations of the word POLO. The opponent has this mark registered, inter alia, in Classes 9 and 16.

46. I have already found that the most dominant feature of the applicant's marks in the '787 application is the device of a polo player. The word POLO is also included in the mark, but it is a subsidiary feature of the mark and part of the term POLO CLUB or, depending upon how closely one looks, the term ROYAL COUNTY OF BERKSHIRE POLO CLUB. There is otherwise little visual similarity between these marks. Even if the applicant's mark is initially recognised as a polo player mark, this is similar rather than identical to the word POLO. There is conceptual similarity between the marks, but in the absence of significant visual or aural similarities the word POLO is not confusingly similar to the marks in application '787. The matter may be more arguable in Class 25 where the opponent's mark enjoys a reputation

with the public. However, in the light of my earlier findings there is no need for me to reach a concluded view on that point.

47. The opponent also relies upon registrations in Classes 9, 16, 18 and 21 consisting of the mark shown at paragraph 15 above. The dominant feature of this mark is self evidently the words RALPH LAUREN. This mark is not confusingly similar to the applicant's marks.

48. It follows from the above conclusions that the opposition under Section 5(2)(b) has succeeded in respect of Classes 14 and 25 of application '787, and in respect of a small number of the goods in Class 21. The opposition under Section 5(2) fails in respect of the remaining goods.

THE LAW - SECTION 5(3)

49. I have found that the opponent's POLO word and polo player device enjoy a reputation in the UK in respect of clothing. The first requirement for an objection under Section 5(3) of the Act is therefore satisfied.

50. There is now a line of authority culminating in Premier Brands UK Ltd v Typhoon Europe Ltd 2000 FSR 767, to the effect that a likelihood of confusion is not a pre-requisite for a claim under Section 5(3) of the Act. The necessary conditions are that the later mark(s):

- (a) exploits the distinctive character of the earlier trade mark by taking unfair advantage of it, and/or;
- (b) is detrimental to the earlier trade mark by blurring its distinctive character to a significant extent, or tarnishes the repute of the earlier mark.

DECISION - '096 APPLICATION

51. I have already found that the more dominant feature of the mark in application '096 is the

words ROYAL COUNTY OF BERKSHIRE POLO CLUB. The polo player device is a secondary feature. Viewed in context, the presence of the device in the applicant's mark does not exploit the distinctive character of the earlier trade mark positively or negatively. Considered as a whole the mark is not similar enough to the opponent's word or device marks to attract or sustain an objection under Section 5(3) in respect of the proposed registration for goods dissimilar to clothing. The Section 5(3) objection fails accordingly.

DECISION - '787 APPLICATION

52. Counsel for the opponent expressed the case under Section 5(3) in the following terms in his skeleton argument

"As to taking unfair advantage of the earlier Polo marks, the prominence of the Polo Figure in 787 clearly invites association with the Opponent's marks consisting only of or including the polo figure and consisting only of or including the word "polo" as an exercise in sponsorship, licensing or some other collaboration between the Opponent and the Applicant. That takes advantage of the distinctive character of the earlier Polo marks (both inherent and acquired through use) and their repute (acquired through use).

As to detriment to the repute of the earlier Polo marks, the Brudeng licensing incident highlights the potential for detriment to the repute of the Opponent's marks.

Mr Morrison seeks to side-step that incident, but the simple fact is that had the Applicant not been flailing around trying to extend its business that incident could not have occurred. There is no reason to expect that the Applicant can prevent the same thing happening in the UK. There is, it is submitted, good reason for the Opponent to be concerned as to the quality of the Applicant's representations of 787 as applied to garments by its licensees and so a real risk that its marks including the distinctive polo player and/or "polo" will be reduced in distinctiveness and so damaged in the Opponent's hands. Similarly, the Opponent will have no control over the quality of any goods to which 787 is applied or the manner of their application. There is therefore a

serious risk of detriment to the integrity of the earlier Polo marks."

53. The allegation of "unfair advantage" seems to depend upon the public associating the applicant's marks with the opponent's earlier POLO word and polo player device marks, and wrongly supposing there to be some kind of economic link between the parties.

54. The allegation of detriment to the earlier marks appears to be based upon the possibility that the applicant's marks will be applied to goods of inferior quality and/or that the marks will be applied in a reckless way that decreases the differences between the applicant's marks and those of the opponent.

55. Although a likelihood of confusion is not a necessary requirement under Section 5(3), both of the opponent's allegations appear to me to depend upon the public wrongly supposing some economic connection between the parties - which is a form of confusion. I have already rejected that proposition in considering the opponent's case under Section 5(2). I have come to the same conclusions under Section 5(3) with regard to the dissimilar goods (to clothing) within application '787.

56. My principal reasons for coming to this decision are that:-

- (a) The word POLO is not similar to the marks in application '787;
- (b) The opponent's polo player device mark is similar, but the respective marks are not the same;
- (c) "Reputation" is a matter of degree; although I am satisfied that the opponent's polo player device has a reputation for clothing, the opponent has not established in evidence that its reputation is so great that use of a polo player device for even dissimilar goods would trigger an association with the opponent's mark;

- (d) In these circumstances, the similarity between the marks is insufficient to give rise to the sort of parasitic or detrimental use envisaged in the statute.

57. The ground of opposition under Section 5(3) fails accordingly.

DECISION - SECTION 5(4)(a)

58. The opponent clearly possesses a goodwill identified by inter alia, the word POLO and polo player device. On the evidence, this goodwill is in respect of a business engaged in the design and marketing of clothing. The second essential requirement to sustain a passing off action is misrepresentation. That depends upon the likelihood of the opponent's customers (or a significant number thereof) being confused by the use of the applicant's marks.

59. I have taken the opponent's reputation into account in considering the opposition under Section 5(2). I do not believe that the opponent has any better case under Section 5(4), in respect of application '096 or '787. Counsel for the opponent, in my view, failed to answer my challenge to explain how the case under Section 5(4)(a) could succeed if the case under Section 5(2) failed. I conclude that the case under Section 5(4)(a) does not succeed in respect of any goods for which the opponent's case under Section 5(2) failed, because, in respect of such goods, use of the applicant's marks at the relevant date would not have amounted to a misrepresentation. In consequence, there is no need for me to consider the third requirement for passing off - damage.

THE LAW - SECTION 3(6)

60. In *Gromax Plastics Ltd v. Don & Low Nonwovens Ltd* [1999] RPC 367 Lindsay J. said (page 379):

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, and I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the

particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall short to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances."

DECISION - '096 APPLICATION

61. The applicant has an earlier registration in Class 25 under No 1402908. A representation of the registered mark is shown below. For ease of comparison, the mark which is the subject of application '096 is also reproduced.

'908



'096



62. Counsel for the opponent expressed the Section 3(6) objection in the following terms:

"The Opponent contends that the size of its reputation in the earlier Polo marks renders the making of applications for the Applicant's representation in 096 an act of bad faith because by reducing or extinguishing the significance of the words in cursive script, the Application inevitably emphasised the Polo Figure and the word "polo" to the extent that 096 came to be a combination of two of the Opponent's best known and most widely used earlier marks."

63. I do not accept that the words 'Royal County of Berkshire' are any less prominent in the current application than they were in the applicant's earlier application. To characterise the applicant's mark as no more than a combination of the opponent's POLO word and polo player device marks is clearly wrong. The applicant is a polo club and this provides it with an obvious reason for adopting the words and device which make up the mark in application '096. It is true that the applicant has at no time offered any explanation for adopting a mark with POLO CLUB in block capitals and the rest of its name in cursive script. However, I note that in the appeal on application 2029454 (which featured the words ROYAL BERKSHIRE and POLO CLUB in similar form) , Mr Hobbs considered that the words ROYAL BERKSHIRE contributed more than the other words to the identification of the applicant's mark. If that is so, the Section 3(6) objection to application '096 must fail.

DECISION - '787 APPLICATION

64. The opponent filed opposition to the registration of the applicant's earlier mark No 1402908. This was withdrawn when the applicant offered the following written undertaking in a letter dated 8 February 1995.

"That we will always use the device of a mounted polo player in close proximity to the words "Royal County of Berkshire POLO CLUB" OR "Royal Berkshire POLO CLUB" at least in the same proportion as shown in the mark covered by application No 1402908."

65. It is common ground that this undertaking only applies to goods in Class 25.

66. Counsel for the opponent puts its case under Section 3(6) like this:

"The Opponent submits that in making application 787 at all the Applicant has not abided by its contractual undertaking in the letter of 8 February 1995 in that the name of the Applicant does not appear with at least the same prominence that it did in earlier application, nor is 787 limited to the same ambit as Mr Sporn describes in his Declaration."

67. I think it is significant that the opponent's counsel uses the word "prominence" whereas the undertaking uses the word "proportion". Because of the different presentation of the words and device in the '787 marks it is not easy to make minute comparisons of proportion of words to device. It is not beyond argument, but I am not able to find that the proportions have been altered to such an extent so as to fall foul of the applicant's earlier undertaking.

68. I am in no doubt that the effect of the different presentation of the words and device in application '787 is that greater prominence has been given to the polo player device in comparison to the applicant's name. There may, therefore, have been a breach of the spirit of the undertaking given to the opponent, but I am not satisfied that there has been a breach of the letter of the undertaking.

69. This raises the difficult question of whether the breach of the spirit of an undertaking amounts to bad faith even if there is no breach of the contractual undertaking. In the light of my earlier finding under Section 5(2) in respect of Class 25 of application '787, it is not strictly necessary for me to decide the point. However, in the absence of any evidence that the applicant's re-design of its mark was intended to take advantage of the repute of the opponent's earlier trade mark, I am inclined to the view that the opposition under Section 3(6) would fail.

SUMMARY OF CONCLUSIONS

70. All the grounds of opposition to application '096 have failed.

71. The Section 5(2) ground of opposition to application '787' has succeeded in Classes 14 and 25, and in respect of the goods listed in paragraph 35 in Class 21. The opposition under Section 5(2) fails in Classes 9, 16, 18 and the remaining goods in Class 21. All the other grounds of opposition to the '787 application have failed or (in the case of s5(4)a) not succeeded to any greater extent than the opposition under Section 5(2).

72. The applicant has 28 days from the date of this decision to file a Form TM21 restricting the specification of application '787 as per paragraph 71 above. If not the application will be refused in full.

COSTS

73. The applicant has been more successful overall than the opponent. I therefore order the opponent to pay the applicant the sum of £500 as a contribution towards its costs. This to be paid within seven days of the end of the period allowed for appeal or, in the event of an unsuccessful appeal, within seven days of this decision becoming final.

Dated this 21 day of November 2000

Allan James

For the Registrar

the Comptroller-General