

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2199810
BY MOULINEX S.A. TO REGISTER A TRADE MARK IN CLASS 7**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 51502
BY EAZYPOWER CORPORATION**

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by Eazypower Corporation**

BACKGROUND

1. On 9 June 1999 Moulinex S.A. applied to register the trade mark EASY POWER in Class 7 on the basis of an International Priority date of 16 December 1998. Registration was sought in respect of the following specification of goods:

“Machines for processing foods, graters, blenders, mixers, kneaders, mincers, grinders and food cutters, coffee mills, fruit juicers, fruit and vegetable centrifugal extractors, vegetable peelers, slicers, vegetable cutters, electric knives, salad drainers; knife grinding machines; can opener machines; dish washing machines; cloth washing machines; cloth spin dryers; cloth ironing machines; cloth ironing presses; machines for treating floors and walls, sanders and washers; window-glass washing machines; lawn mowers and other gardening machines; hand-drills and hand-saws for working wood and metals; electric vacuum cleaners, electric motors (except for land vehicles); motor speed regulators and variators (except for land vehicles); spring motors; couplings; gearing and transmission belts; motor powered liquid pumps.”

2. The application was accepted by the Registrar and published in the Trade Marks Journal. On 5 October 2000 Serjeants, on behalf of Eazypower Corporation, filed a Notice of Opposition against this application under Section 5(4)(a) of the Act on the grounds that use of the mark applied for is liable to be prevented by the law of passing off. In their Statement of Grounds the opponent claims use of the trade mark EAZYPOWER in the UK on 28 December 1996 in respect of portable and rechargeable vacuum cleaners, screwdrivers, flexible driving tools, other handheld tools, tips and parts for such tools and since that date on a growing range of products, including electrically and manually operated hand tools.

3. The applicant, through its agent Venner, Shipley & Co, filed a Counterstatement denying the grounds of opposition. Both sides filed evidence and asked for an award of costs in their favour. Neither party requested a hearing but the opponent's agent forwarded written submissions for consideration.

Opponent's Evidence

4. The opponent's evidence consists of a sworn affidavit by Burton Kozak dated 8 August 2001. Mr Kozak is the President of Eazypower Corporation (the opponent).

5. Mr Kozak states that Eazypower Corporation has continuously sold products and used its trade mark EAZYPOWER in the UK prior to 16 December 1998 (the date of application for the mark in suit). He draws attention to the following specific examples:

- (i) Sales of products bearing the EAZYPOWER name directly to Attenborough Tools, High Wycombe, Bucks since 28 December 1995 with the sales between that date and 16 December 1998 amounting to \$.;
- (ii) Sales of products bearing the EAZYPOWER name directly to Aston Trading, Hayling Island, Hampshire since 18 June 1997 with the sales between that date and 16 December 1998 amounting to the value of \$.;
- (iii) Sales of goods bearing the EAZYPOWER name continuously through True Value, Chicago, Illinois by its UK affiliates located in Essex, Cambridge, Suffolk since January 1987;
- (iv) Sales of goods bearing the EAZYPOWER name through Orgill Worldwide Distribution & Retail Services Inc, Memphis, Tennessee to S & S Home Supply, located at Hale Lane, London and others since October 1993.

6. Mr Kozak adds that Eazypower Corporation catalogues have been displayed in the UK continuously by the above stated retailers and distributors since November 1995. Exhibit A to his Affidavit comprises example catalogues from 1991, 1993 and 1994 showing the EAZYPOWER trade mark in use in respect of screwdrivers, screwdriver tips, drill bits, heat guns and soldering irons.

7. Mr Kozak goes on to state that for several years Eazypower Corporation has exhibited at the Cologne Industrial Hardware Fair in Germany and during the 1997 Fair he distributed samples and literature to UK distributors with whom he has an ongoing relationship.

Applicant's Evidence

8. The applicant's evidence consists of a witness statement by Jean-Pierre Busquets dated 19 March 2002. Mr Busquets is a Trade Mark Attorney Consultant in the Industrial Property Department of SAS, Groupe SEB Moulinex.

9. Mr Busquets has considered the affidavit executed by Mr Kozak on behalf of the opponent and he states that the use made of EAZYPOWER in the UK by the opponent is very limited.

10. Turning to the applicant's use of their trade mark EASY POWER in the UK, Mr Busquets states that the mark was first used in August 1999 and since that date and up to January 31 2002, 32,043 blenders have been sold in the UK under the mark which approximately equates to £477,615 in value.

11. Mr Busquets refers to Exhibit JPB1 to his declaration which contains an international catalogue for 2000/2001 showing, on page 24, EASYPOWER electronic food blenders.

12. In conclusion Mr Busquet states that since his company has begun to use the mark EASYPOWER in the UK there have been no instances of confusion with other firms trade marks.

13. This completes my summary of the evidence filed in this case. I now turn to the decision.

DECISION

14. Section 5(4)(a) of the Act states:

“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.”

15. I intend to apply the test outlined in Halsbury’s Laws of England (4th Edition) as adopted by Mr G Hobbs QC in *Wild Child* 1998 RPC at 460. The relevant passages are re-produced below:

“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 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.”*

“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.”

16. Thus, to succeed in a passing off action, it is necessary for the opponent's to establish that at the relevant date (16 December 1998): (i) they had acquired goodwill under the trade mark; (ii) that use of the applicant's mark would amount to a misrepresentation likely to lead to confusion as to the origin of their goods or services and (iii) that such confusion is likely to cause real damage to their goodwill.

17. With these considerations in mind I turn to assess the evidence filed in these proceedings. I will consider the issue under the three main headings of Goodwill, Misrepresentation and Damage.

GOODWILL

18. The opponent claim continuous use of their mark EAZYPOWER in the UK from 1987 onwards and have provided specific examples of companies selling their goods in the UK. Sales under the mark appear modest and the only examples of goods being sold under the EASYPOWER mark are shown in the catalogues exhibited with Mr Kozak's statement - paragraphs 5 and 6 of this decision refer. The catalogues show use in relation to a limited range of products; mainly screwdrivers and bits therefor, also drill bits, heat guns and soldering irons. While the opponent's evidence provides no product detail in relation to sales and provides no information in relation to the opponent's market share, it seems to me that the market for such products must be substantial and the opponent's impact in this market must be relatively small. The applicant's Mr Busquets is correct when he states that use made by the opponent of EAZYPOWER in the UK is very limited.

19. Notwithstanding my concerns relating to the extent of the opponent's use of and reputation in their EAZYPOWER trade mark, the evidence suffices, to demonstrate that, prior to the relevant date for these proceedings, the opponent was actively conducting a business which involved the sale of screwdrivers and tips/bits therefor, drill bits, heat guns and soldering irons in the UK. While the extent of this business was limited, in my view it suffices to provide the opponent with the necessary goodwill to mount a passing off action. As stated in Kerly's Law of Trade Marks and Trade Names (13th Edition) at paragraph 14-08 on page 420 under the heading of "Reputation":

"The mark or other indication concerned need not be universally known. A small trader with a limited clientele is as much entitled to protect his brands and business name as any large concern. The overriding consideration, in judging the extent of the reputation, is whether the claimant has built up a goodwill to the point where substantial damage will be caused to it by the acts complained of."

20. However, given the limited use and sales under the opponent's EAZYPOWER mark, their reputation and goodwill must be constrained accordingly and I do not believe the opponent's goodwill would extend to all types of hand held or electrically powered tools.

21. Having found that the opponent enjoys goodwill for screwdrivers and tips/bits therefor, drill bits, heat guns and soldering irons amongst consumers in this field, I go on to consider the question of misrepresentation.

MISREPRESENTATION

22. To succeed under this heading the opponent has to show that the relevant public will believe the goods offered by the applicant are goods of the opponent. The relevant public in this case include the general public as the customer for both the opponent's and applicant's goods is by no means limited to trade or specialist purchasers.

23. It seems to me that the question I must answer is as follows:

Having regard to the goodwill and reputation found in EAZYPOWER for screwdrivers and tips/bits therefor, drill bits, heat guns and soldering irons amongst customers in the relevant field, will those persons mistakenly infer from the applicant's use of the mark EASY POWER on the goods for which registration is sought, that they are provided by the opponent or are connected?

24. The applicant has shown no use of the mark in suit prior to the relevant date for these proceedings and I must assume notional and fair use across the specification for which registration is sought.

25. Firstly, I turn to a consideration of the respective activities in which the opponent and the applicant are engaged. I have already decided that the opponent has goodwill in its mark but that this goodwill is limited in its extent. Looking at the applicant's specification it seems to me that there is a cross-over and similarity of goods in relation to a number of the goods specified. The opponent's reputation lies with a limited range of goods which, in general

terms, could be described as being for use in the building or property repair/maintenance trades or in “do-it-yourself” activities. The applicant’s specification includes such goods whose uses or purposes are similar, namely:

- (i) machines for treating floors and walls;
- (ii) sanders and washers; and
- (iii) hand drills and hand saws for working wood and metals.

26. In my view the goods specified at (i) to (iii) above would share the same users as those of the opponent and reach the relevant customer through the same trade channels.

27. For the other goods within the applicant’s specification e.g. the machines for processing foods and ironing clothes, it seems to me that there is either no similarity or very little similarity between these goods on which the opponent has shown use and the goods and indeed, the category of goods for which the opponent’s mark has been used. While customers would include the general public, the uses, users and trade channels would largely differ.

28. Another factor to consider is the similarity of the marks in question. The applicant’s mark consists of the dictionary words EASY POWER while the opponent’s mark consists of one word EAZYPOWER, in my view the element EAZY being an obvious misspelling of the word EASY. I have no doubt that the respective marks are closely similar and in aural use they could not be distinguished.

29. I turn now to my conclusions in respect of misrepresentation. After taking into account all the factors it seems to me that the average customer aware of the mark EAZYPOWER used in relation to screwdrivers and tips/bits therefor, drill bits, heat guns and soldering irons, on seeing the applicant’s mark EASY POWER used in relation to “machines for treating floors and walls”, “sanders and washers”, and “hand drills and hand saws for working wood and metals”; would believe that those goods came from the opponent or were linked to the opponent. This would result in a misrepresentation. However, in relation to the remaining goods within the applicant’s specification, it seems to me that, given the narrow scope and extent of the opponent’s use and goodwill, no misrepresentation would result.

DAMAGE

30. Finally, I must consider the question of damage. Following my findings in respect of misrepresentation, it is my view that damage will follow. Where there is goodwill in a trade mark and another uses a closely similar trade mark such that there is a misrepresentation then damage can be inferred. Use of the mark would not be under the control of the opponents and where there is confusion as to goods this may result in damage to goodwill and reputation and/or result in damage through diversion of trade.

CONCLUSION

31. The opposition under Section 5(4)(a) of the Act has been successful in so far as the

