

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2033472
BY RALEIGH INTERNATIONAL TRUST
TO REGISTER A TRADE MARK
RALEIGH INTERNATIONAL & DEVICE
IN CLASSES 16,21,25,26,36 & 41

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 46834
BY DERBY HOLDING LIMITED

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DECISION

BACKGROUND

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On 13 September 1995, Raleigh International Trust of Raleigh House, 27 Parsons Green Lane, London, SW6 4HZ applied under the Trade Marks Act 1994 for registration of the following trade mark:

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In respect of the following goods:

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Class 16: "Printed matter; magazines, journals, newsletters and periodicals; booklets; books; calendars; pamphlets; pictures; postcards; greeting cards; posters; paper, wrapping paper, cardboard, cardboard articles; paper and plastic merchandise bags; stationery; transfers; writing pads; writing or drawing books; folders; note books; artists' materials; drawing materials; drawing pens; office requisites; paperweights; pen cases; pen clips; stands for pens and pencils; instructional and teaching materials; maps; but not including pens and writing instruments or any goods similar to pens and writing instruments.

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Class 21: "Household or kitchen utensils and containers; glassware, porcelain and earthenware, crockery, cups and mugs, tableware."

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Class 25: "Articles of clothing."

Class 26: “Badges; cloth badges; button badges.”

Class 36: “Charitable fund-raising services.”

5 Class 41: “Arranging and conducting educational expeditions all relating to environmental and community projects.”

On the 14 May 1997 Derby Holding Limited filed notice of opposition to the application. The grounds of opposition are in summary:

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I) that the opponents are the registered proprietors of the following trade marks:

Trade Mark	Number	Date	Goods
RALEIGH	1194780	27/4/83	Tubes and tubing, all of metal and for use in the manufacture of bicycles and of tricycles; fittings therefor included in Class 6
15 RALEIGH	1541118	8/7/93	Protective clothing for cyclists; cycle helmets; parts and fittings for all the aforesaid goods; all included in Class 9
RALEIGH	448983	4/6/24	Motor cycles
RALEIGH	601115	17/9/38	Pedal bicycles and their parts
RALEIGH	819297	11/4/61	Bicycles, tricycles, motor-cycles, mopeds and scooters; parts and fittings included in Class 12 for all the aforesaid goods
20 <i>RALEIGH RALEIGH</i> RALEIGH	1197924	18/6/83	Toy bicycles and toy tricycles, all being pedal propelled
25 <i>RALEIGH RALEIGH</i> RALEIGH	1197923	18/6/83	Bicycles, tricycles and parts and fittings included in Class 12 for all the aforesaid goods
30  RCO THE RALEIGH	B684668	10/12/49	Carriages for infants

<p>5</p> 	348496	4/1/13	Bicycles, tricycles, motor-cycles, cycle-cars, motor cars, and motor land vehicles
<p>10</p> <p>15</p> <p>20</p>  <p>THE RALEIGH NOTTINGHAM</p>	913060	10/8/67	Bicycles, tricycles, motor cycles and mopeds, and carriages for infants; and parts and fittings included in Class 12 for all such goods.
<p>25</p>  <p>R RALEIGH NOTTINGHAM ENGLAND</p>	1586442	30/9/94	Cycles, parts and fittings therefor; all included in Class 12
<p>30</p>  <p>RCCO THE RALEIGH NOTTINGHAM ENGLAND</p>	903529	30/12/66	Pedal powered toy wheeled vehicles and parts and fittings included in Class 28 therefo
<p>35</p> <p>40</p>  <p>THE RALEIGH</p>	917557	22/11/67	Toy bicycles, tricycles, motor cycles and motor cars.++This trade mark is hereby altered under Section 35 of the Trade Mark Act 1938. Representations of the mark as altered were deposited on the 24 th August 1983.

5 ii) It is contended that the applicants must have been aware of the opponent's earlier trade marks but have proceeded nonetheless with their application. It is, therefore, contended that the application offends against Section 3(6) of the Trade Marks Act 1994.

10 iii) The applicant's mark is similar to the opponents' registered trade marks and is for similar and/or identical goods. It therefore contravenes Sections 5(2) and, by virtue of the opponents' reputation it also offends against Section 5(4) of the Trade Marks Act 1994.

15 The applicants filed a counterstatement denying all the grounds other than accepting that the opponents are the proprietors of the trade marks claimed. Both sides ask for an award of costs. Both sides filed evidence in these proceedings and the matter came to be heard on 3 November 1999 when the applicants were represented by Mr Burrington from the trade mark agents Alan Burrington & Associates, and the opponents by Mr Campbell of Counsel, instructed by the trade mark agents Wilson Gunn M'Caw.

20 **OPPONENTS' EVIDENCE**

25 This takes the form of a statutory declaration by Ms Lyne Booth, dated 23 February 1998, who is the Company Secretary of Raleigh Industries Ltd, a wholly owned subsidiary of Derby Holding Company, the opponents in these proceedings.

30 Ms Booth states that her company was formed in 1887 and has been continuously manufacturing bicycles using the RALEIGH trade mark since that date. She claims that since 1887 60,000,000 bicycles have been manufactured. Ms Booth states that the company produces a diverse range of bicycles. At exhibit LB1 are copies of promotional material showing details of the range of bicycles manufactured by the opponents. However these are dated between October 1996 and July 1997 and so are after the relevant date.

35 Ms Booth provides approximate turnover figures for the UK and also advertising figures. I have selected the figures for the years prior to and including the year of the relevant date.

Year	Turnover approx. £	Advertising
1992	70,427,000	4,751,297
1993	70,212,000	4,305,217
1994	63,740,000	3,967,768
1995	63,513,000	4,086,723

Ms Booth states that the opponents advertise through a diverse range of mediums including television, magazines and exhibitions. Details of visits to the company's Internet site are provided but it is not clear what period this relates to. Ms Booth also claims that the opponents sponsor
5 n international mountain bike team and at exhibit LB3 promotional material relating to this team is provided. This shows a brochure produced for the 1997 season and gives details of the team members performances in previous years from 1995.

Ms Booth claims that the opponents manufacture not only bicycles, but also have items such as
10 baseball caps, badges, mugs, T-shirts, gloves, pens, tool bags, sweatshirts, key rings and carrier bags made under license. She claims that all of these bear the trade mark RALEIGH. At exhibit LB4 is a leaflet which shows a range of cycle helmets, saddles handlebars, computers, drink bottles, sunglasses, gloves, lights, pumps, bags locks' bells and cycle shirts. These are all
15 contained on two pages which are not dated. Only the two cycle jerseys, one helmet and a pair of gloves have the mark RALEIGH clearly visible on them.

Ms Booth also claims that the opponents license "its name and other associated names and logos to other companies." A brochure giving details of how to obtain a license from the opponents is provided at LB5 but is not dated.

20 Finally Ms Booth states:

"The word INTERNATIONAL is not distinctive of goods in Classes 16,21,25 or 26. Therefore, it must be the word RALEIGH that is supposed to constitute the distinctive
25 element of the mark RALEIGH INTERNATIONAL. This is reinforced by the bold type used to give RALEIGH more prominence over INTERNATIONAL. The relatively small "world" logo above the "I" does not draw attention away from the bold RALEIGH aspect of the mark. As a result, there is no doubt that confusion is bound to occur in the market as to the source of the goods, and that use of the subject application will be confused with
30 company and their trade marks."

APPLICANTS' EVIDENCE

35 This consists of a statutory declaration, dated 12 July 1998, by Mr Richard Kendall the company secretary of Raleigh International Trust.

Mr Kendall accepts that RALEIGH is "a familiar name for cycles." But he claims that "the Trust has also established reputation in its field which has been developed over nearly 15 years". Mr
40 Kendall provides the background to the formation of the Trust:

"Operation Raleigh was originally conceived prior to 1984 by The Scientific Exploration Society Ltd. Following on from Operation Drake, which celebrated Sir Francis Drake's
45 circumnavigation of the globe, Operation Raleigh was developed as a marathon expedition on six continents to provide opportunities for young people from many countries to realise their potential. The name RALEIGH was chosen to mark the 400th anniversary of the founding of America's first English speaking colony by Sir Walter Raleigh. The name

5 RALEIGH in the context of the trust has become synonymous with expeditions and
adventure. As Operation Raleigh grew, a charitable trust was formed on 29 November
1988 called "The Raleigh Trust". At the same time a company was formed called
Operation Raleigh Limited."

10 Mr Kendall provides, at exhibit RK2 newsletters and annual reports relating to the activities of
the Trust. These date from 1984 to date and show details of activities in the UK and also around
the world. Mr Kendall states that in 1992 the Trust decided to move away from the name
Operation Raleigh as this had military connotations and adopted instead the name Raleigh
International and logo.

15 Mr Kendall states that the Trust does not carry out large scale advertising, confining itself to
newsletters to individuals and companies on it's mailing list. At RB5 is a copy of a page from a
catalogue of merchandising items similar to the items which have been available claims Mr Kendall
since 1984. The exhibit is not dated and shows T-shirts, sweatshirts and hats with the applicants
trade mark on them.

20 Mr Kendall states:

25 "Raleigh is a youth development charity whose main activity is running expeditions
abroad. However, we also undertake in the UK and abroad development training for
companies which has enabled us to build a reputation in the field of outdoor training. The
organisation as a whole is funded from many sources, including commerce and industry,
the National Lottery, the Darwin Initiative, The European Commission and so on. All this,
and the number of venturers and volunteer staff involved over the years, means there are
many, many people who are well aware of Raleigh International as a separate and distinct
entity which has nothing to do with the applicant [sic] whose name is synonymous with
cycles."

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

35 DECISION

40 At the hearing the grounds of opposition under section 3(6) were withdrawn as were all grounds
of opposition to the applicants' registration under Classes 36 & 41.

Next, I turn to the ground of opposition under Section 5(2) of the Act which states:-

45 *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,
there exists a likelihood of confusion on the part of the public, which includes the*

likelihood of association with the earlier trade mark.”

5 Mr Campbell clarified that the opposition under this Section was in relation to the opponents registration number 1541118. The specification for which is “protective clothing for cyclists; cycle helmets; parts and fittings for all aforesaid goods; all included in Class 9”. This, Mr Campbell compared to the applicants’ registration for “Articles of clothing” in Class 25.

10 At the hearing it was agreed that the predominant feature of applicants’ mark is the word RALEIGH. The word INTERNATIONAL, and the “globe” device are not distinctive in their own right and even when used in combination the main feature is still clearly the word RALEIGH. The opponents’ mark 1541118 consists of the single word RALEIGH. Even accepting that, as the European Court of Justice stated in the Sabel v Puma case C251/95 - EMTR [1998]1-84, the public normally perceive trade marks as wholes and do not proceed to analyse the various details, 15 the marks are similar.

I must therefore consider whether the goods are similar. In this I have regard to the decision by Jacob.J. in the British Sugar Plc v James Robertson & Sons [“TREAT” 1996 RPC 281]. In that case the court stated that:

20 “The following factors must be relevant in considering whether there is or is not similarity:

25 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;

30 d) The respective trade channels through which the goods or services reach the market;

35 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;

40 f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in the 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”.

45 In utilising the same test and applying it to this case it is clear that the uses of the respective goods are dissimilar as the applicant’s goods are designed to clothe the human body whilst the opponents’ goods are designed to prevent injury whilst participating in a particular sport. Some of the users will be the same, and it could be argued that as all of the users of the opponents’ goods would purchase articles of clothing then the users are the same. The trade channels would be very different and the articles would not be found in the same shops. The physical nature of

5 the goods is dissimilar as protective clothing in Class 9 would cover such items as helmets & knee and elbow pads. Such items are usually made of plastics, resins or foams and not made of fabric whereas the applicant's goods would not usually be made from such items. The goods cannot be said to be directly competitive as the opponents' goods serve a highly specialised market, with relatively few consumers, whereas the applicants' goods will potentially be purchased by the whole population of the UK. I acknowledge however that there is a degree of overlap.

10 Whilst I acknowledge that in view of the CANON - MGM judgement by the European Court of Justice (C-39/97) the TREAT case may no longer be wholly relied upon, the ECJ said that the factors identified by the UK government in its submissions (which are the factors listed in TREAT) are still relevant in determining the degree of similarity of the goods for the purposes of applying the composite test set out in paras 23 & 24 of the ECJ's decision in SABEL v PUMA (1998 RPC page 199)

15 There is no evidence that the opponents had a reputation in articles of clothing in general at the material date, 13 September 1995. The opponents have not provided any sales or advertising figures in relation to such items, the figures provided all relating to the sale of bicycles. The only examples of clothing shown with the name RALEIGH visible were two cycling jerseys, one pair of gloves and a cycling helmet. However, the brochure showing this use was not dated. Although
20 in the statutory declaration by Ms Booth it is claimed that a number of items of clothing, such as caps, T-shirts and sweatshirts, are manufactured under license no supporting evidence (brochures showing such items or declarations from the licensees) has been provided.

25 In these circumstances, I consider that the respective goods are not similar enough to have given rise to a likelihood of confusion at 13 September 1995, with the exception of clothing for cyclists (non-protective) which fall into Class 25. The opposition under Section 5(2) therefore succeeds only in so far as clothing for cyclists (non-protective) is concerned.

30 I now consider the remaining ground of opposition under Section 5(4) which 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 -

35 *(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*

40 *(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.*

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.”

45 In deciding whether the mark in question “RALEIGH INTERNATIONAL and DEVICE” offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the WILD CHILD case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

5 “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 Art.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.

10 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] RPC 341 and Even Warnik BV - v - J. Townend & Sons (Hull) Ltd [1979] AC 731 is (with footnotes omitted) as follows:

15 ‘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;

20 (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

25 (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.

30 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.’

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

40 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:

45 (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.

5 *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.*

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

15 *(a) the nature and extent of the reputation relied upon;*

15 *(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;*

20 *(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;*

20 *(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and*

25 *(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.*

25 *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.”*

30 With these considerations in mind I turn to assess the evidence filed on the behalf of the parties in the present proceedings as set out earlier in this decision.

35 The opponents have shown that they have acquired goodwill under their various marks (all with the common denominator RALEIGH) by the relevant date. The goodwill is in their business as a bicycle manufacturer. I am not persuaded that at the relevant date, 13 September 1995, the opponents had any reputation or goodwill under the mark in goods that the Registrar would classify in classes 16, 21, or 26.

40 Earlier in this decision I found that the use of the applicants’ mark on clothing for cyclists in Class 25 would cause confusion. Such use would be a misrepresentation and damage can be inferred in these circumstances. Therefore the opposition under Section 5(4) for such goods in Class 25 succeeds.

45 The opponents contend that their mark has such reputation that anyone who saw the use of the mark RALEIGH on goods in Classes 16, 21, & 26 would assume that they came from the opponents. However, apart from this assertion there is no evidence of such goodwill or reputation.

The opponents’ sales figures are said to relate to their “total turnover in the UK”. There is no breakdown for individual goods. Although the opponents claim to have a variety of items

manufactured under license there is no evidence of such activity prior to the relevant date.

5 I am not persuaded that use of the applicant's mark on the goods in Classes 16 or 21 would lead to a likelihood of deception or confusion. With regard to the goods in Class 26, if the badges were to relate to cycling then I believe that the opponent's reputation as a manufacturer of bicycles would be likely to cause the public to believe that the goods were associated with the opponent.

10 The opposition under section 5(4) therefore succeeds in Class 26 in so far as badges related to cycling are concerned.

The application will be allowed to proceed to registration if, within one month of the end of the appeal period for this decision, the applicant's file a TM21 amending their registration as follows:

15 Class 25 "Articles of clothing excluding clothing for cyclists."

Class 26 "Badges; cloth badges; button badges; excluding badges related to cycling."

20 If the applicants do not file a TM21 restricting the specification as set out above the application will be refused in its entirety.

The opposition having been partly successful the opponents are entitled to a contribution towards their costs. I order the applicants to pay the opponents the sum of £435.

25 Dated this 30 day of December 1999

30 George W Salthouse
For the Registrar
The Comptroller General