

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2187343
BY SURFNET ONLINE LTD TO REGISTER A
TRADE MARK IN CLASS 9**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
NO 50701 BY TUCOWS COM INC**

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Trade Mark in Class 9**

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**IN THE MATTER OF Opposition Thereto Under
No 50701 by Tucows Com Inc**

BACKGROUND

1. On 28 January 1999 Surfnet Online Ltd applied to register the following trade mark in Class 9 for a specification of "Computer software, all relating to electronic commerce" -



2. The application was subsequently accepted by the Registrar and published in the Trade Marks Journal. On 10 February 2000 Forrester Ketley & Co on behalf of Tucows Com Inc (now Tucows Inc) filed a Notice of Opposition against the application. In summary, the grounds of opposition were:

- (i) Under Section 5(2)(b) of the Act because the trade mark applied for is confusingly similar to the following registered European Community trade mark owned by the opponent and registered for the same goods and/or similar goods and services:-

NUMBER	MARK	REGISTRATIO N	PROPRIETOR	CLASSES	SPECIFICATION
750489	TUCOWS	18 February 1988	Tucows Com Inc	9	Computer software which is related to a global computer network.
				35	Advertising services, namely, selling advertising space on a global computer network.
				42	Computer software information services, namely, information regarding computer software related to a global computer network, offered via a global computer network.

- (ii) Under Section 5(4)(a) of the Act in that the trade mark applied for is liable to be prevented by the law of passing off.
- (iii) Under Section 3(6) of the Act in that the application was made in bad faith because the applicant's have a web site and appearing on that web site is the slogan "The Ultimate E-Commerce Solution No bull!!!" and the opponents infer from this that the applicant is attempting to disparage the opponent's TUCOWS trade mark.

3. The applicants, through their solicitors, Edwards Geldard, filed a counterstatement denying the grounds of opposition, stating that the respective marks differed in material aspects, that the applicants mark had been used since on or around January 1999 without any confusion on the part of the public, that the mark was applied for in good faith with the word cows in the mark being an acronym of CGI Online Worldwide Shopping and that the slogan on the applicant's web site did not relate to the opponent's trade mark but was simply a play on the words appearing in the applicant's mark.

4. Both sides have asked for an award of costs in their favour and the opponents have filed evidence. No hearing was requested.

Opponent's Evidence

5. This consists of a statutory declaration dated 21 November 2000 by Michael Cooperman, the opponent's Chief Financial Officer.
6. Mr Cooperman states that the opponent's registration includes computer software and computer software information services within its specification and adds that the opponent is the domain name registrant in respect of www.tucows.com. He goes on to refer to Exhibit MC3 to his declaration which consists of extracts from his company's web-site dated 17 August 2000 from which Mr Cooperman states, it can be seen that the opponent is a leading distributor of e-business services and applications on the internet offering over 30,000 software titles in libraries located around the world.
7. Mr Cooperman explains that the opponent provides through its website a variety of products including shareware and freeware, and he states that the opponent first used the mark TUCOWS in the UK on 9 July 1995. He adds that purchasers from the UK visit a local provider or "mirror" to download the free software and at Exhibit MC4 to his declaration is a list of "mirrors" in the UK together with a summary of the visits to those "mirrors" for the period January to July 2000. He adds that his company's website received nine million visitors during the first six months of the year 2000, which, I must point out, is after the date of application for the mark in suit ie 28 January 1999, the relevant date for this opposition.
8. Next, Mr Cooperman draws attention to Exhibit MC5 to his declaration which is a list of numerous internet service providers in the UK to whom promotional material has been sent, together with a copy of the material in question which comprises a "card" containing information on the TUCOWS network of sites. It is not clear if this "card" was sent out before the relevant date or not. Mr Cooperman also refers at Exhibit MC6 to his declaration to a copy of an advertisement appearing in the magazine "Colocation Network" of Spring 2000 which, once again, is after the date of application for the mark in suit, the relevant date.
9. Turning to the respective trade marks, Mr Cooperman submits that the dominant feature of applicant's mark is the word COWS and that, as the opponent's mark would be pronounced as "two cows", the dominant feature of the opponent's mark is the word COWS. Referring to extracts from the applicant's website's, copies of which are at Exhibit MC 7 to his declaration, Mr Cooperman points out that the word COWS is used throughout.

Applicant's Evidence

10. The applicants filed no evidence and rely on the Counterstatement filed in response to the Notice of Opposition.

DECISION

11. I turn first to the ground of opposition under Section 5(2)(b) which reads as follows:

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

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

12. An earlier right is defined in Section 6, the relevant parts of which state:-

6.-(1)

- (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,

13. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;

- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (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; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (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; *Marca Mode CV v. Adidas AG*, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

14. The reputation of a mark is an element to which importance may be attached in Section 5(2) considerations and in this regard the opponent has filed evidence relating to the use and promotion of their trade mark TUCOWS. However, the majority of the evidence filed in relation to the opponents reputation is in respect of information and events after the relevant date for this opposition ie the date of application of the mark in suit, in particular Exhibits MC 3, MC 4, MC 6 and possibly MC 5. There are no specific details, figures or information relating to the opponent's turnover or market share in the UK, its overall advertising, marketing and promotion strategies and spending or independent evidence concerning its reputation with the public.

15. Although the opponent may have had a real presence in the market place at the relevant date, the evidence filed in this case does not demonstrate a reputation among the relevant public for the mark TUCOWS. While I accept that evidence filed in such cases before the Registrar should be proportionate to the costs involved in what is essentially a lower cost option for dispute resolution, an opponent seeking extended protection for a trade mark because of its reputation and enhanced distinctive character is under an obligation to demonstrate the repute of their mark with the average customer for the relevant goods. In my opinion this requires, at least, the filing of specific and relevant documentation going to the repute of the mark eg income/turnover in the UK market share press cuttings, advertisements, independent trade support or analysis. To conclude, I do not consider that the opponent's have established a reputation in their mark for the purposes of these proceedings. I must therefore compare the mark applied for and the opponent's registration assuming normal and fair use of both marks.

16. The goods specified within the opponent's registration and the application in suit both cover computer software and it seems to me that the purposes and uses of the software set out

in the respective specifications would be identical, or at least include software with identical purposes and uses. Insofar as Class 9 is concerned, I believe the respective specifications cover the same goods. I do not lose sight of the fact that the opponents registration also comprises specifications in Classes 35 and 42 for services which are closely associated with the applicant's goods, but given that the Class 9 specifications are identical, this does not really place the opponent in any stronger position in relation to fair and notional use.

17. In essence the test under Section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned earlier in this decision. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural or conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the category of goods in question and how they are marketed.

18. The opponent's mark comprises the invented word TUCOWS. On the other hand the mark applied for is a composite mark consisting of the device of a stylised bull's or cow's head, (almost skeletal in appearance and with horns prominent) and the words POWERED BY COWS, the word Cows being prominent and slightly stylised. The opponents summarise that the dominant feature of both trade marks is the word COWS as the opponents mark would be pronounced as "TWO COWS" and they contend that the word COWS in the applicant's mark is reinforced by the device element and that the words "POWERED BY" are barely legible.

19. Turning firstly to a visual comparison of the marks I find them quite different. The device element within the applicant's mark is strong and has a considerable impact upon the eye. Furthermore, the words POWERED BY form part of the mark and the words in their totality ie POWERED BY COWS also strike the eye. On the other hand the opponent's mark in visual use would, in my view be seen as a separate and distinct invented word in its own right and not the words TWO COWS conjoined.

20. On the consideration of aural use of the mark, the applicants case depends on the proposition that not only will their mark be pronounced as TWO COWS, with the COWS element being "picked out" from their mark, but that the applicant's mark will be orally described as a COWS mark and that the substantial device element within the applicant's mark and the additional words POWERED BY, will be insufficient to indicate a different trade origin. In oral use I consider it arguable as to whether the opponent's mark would be pronounced as "TWO COWS" or as "TUC OWS" ("TUC rhyming with "luck") but, on balance, I think it likely that a good number of persons would pronounce the mark as "TWO COWS". However, this is not conclusive and it does not follow that aural confusion will occur. No good reason has been provided as to why the opponent's mark would be described aurally as a COWS (per se) mark. Furthermore, although the device element in the applicant's mark is unlikely to be a factor in normal aural use as "words speak louder than devices", the words in the applicant's mark are POWERED BY COWS which in totality has a somewhat surreal impact and in my opinion this totality could be used in oral descriptions of the applicant's mark. It is possible that some people encountering the applicant's mark may think

it is aurally reminiscent of the opponent's mark but in my view it does not follow that a likelihood of confusion exists.

21. In relation to aural use I would add that, while there is no evidence on point, it seems to me that computer software is likely to be selected by the eye, rather than by placing orders by word of mouth as, notwithstanding that telephones and catalogue orders may play a significant role, the initial selection is likely to be made by the eye and any subsequent orders placed primarily be reference to catalogue number. Additionally, the customer for computer software, advertising services or computer software information services is likely to be careful and discriminating as the product and services are normally purchased with care and consideration.

22. Conceptually, I believe that the respective marks are different. In my view, the opponent's mark consists of an invented word and I do not consider it would be perceived by most people as an alternate spelling of the dictionary words TWO COWS. The applicant's mark is composite in its nature but its totality or indeed separate elements have no real conceptual identity. I believe the words POWERED BY COWS to have a surreal impact and it seems to me that this totality could well have a strong impact within the memory and be retained by customers.

23. On a global appreciation I believe the overall differences between the marks makes the possibility of confusion sufficiently remote that it cannot be regarded as a likelihood. The opposition under Section 5(2)(b) fails.

24. Next, I consider the ground of opposition under Section 5(4)(a), 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 -

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
- (b) 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."

25. 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:

"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’.

“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 *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

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

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

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that 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.”

26. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been “acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed”, the relevant date is therefore the dates of the application for the mark in suit.

27. Earlier in this decision I found that the opponent had not demonstrated reputation or goodwill in the UK at the relevant date on the basis of the evidence before me. Furthermore, I have also found that the application in suit and the opponent’s registration were not confusable. Accordingly, the opposition under Section 5(4) of the Act must fail.

28. Finally the bad faith ground. Section 3(6) of the Act states:-

“A trade mark shall not be registered if or to the extent that the application is made in bad faith”.

29. In *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J considered the meaning of “bad faith” in Section 3(6) of the Act and stated (at page 379):

“I shall not attempt to find bad faith in this context plainly includes dishonesty, and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour as 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 in order to amount to bad faith is best left to be a judged 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”.

30. In a recent unreported decision of the Appointed Person. In the matter of Application No 2031741 by Eicher Limited - Royal Enfield Motor Units to register a mark in Class 12 and In the matter of Opposition thereto under No 45356 by David Matthew Scott Holder T/A Velocette Motorcycle Company and In the matter of Application No 9188 by David Matthew Scott Holder T/A Velocette Motorcycle Company for a declaration of invalidity in respect of Trade Mark No 1514064 in the name of Eicher Limited - Royal Enfield Motor Units, paragraph 31, Simon Thorley QC in relation to Section 3(6) stated that:-

"An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not lightly be made (see Lord Denning M.R. in Associated Leisure v. Associated Newspapers (1970) 2 QB 450 at 456) and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see Davy v Garrett (1878) 7 Ch. D. 473 at 489). In my judgment precisely the same considerations apply to an allegation of lack of bad faith made under Section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference."

31. While bad faith can be exercised when there is no actual dishonesty as such, have the applicant's standards fallen short of the standards of acceptable commercial behaviour? It seems to me that the opponent's case consists of mere assertion and opinion which the applicant's have rebutted. Bad faith requires proof and lays a significant burden upon the opponent's to provide such before a finding can be given. The opposition under Section 3(6) fails.

32. The applicants are entitled to a contribution towards their costs and I therefore order the opponents to pay them the sum of £300. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 30 Day of October 2001

**J MacGILLIVRAY
For the Registrar
the Comptroller-General**