

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION No. 92539

**IN THE NAME OF MAISON ELOGA HORLOGHERIE ET BIJOUTERIE SARL
TO TRADE MARK APPLICATION No. 2353263**

IN THE NAME OF FARDEEN FEROZKHAN SOOKUN

DECISION

Application No. 2353263

1. On 14 January 2004 Mr. Fardeen Ferozkhan Sookun (**'the Applicant'**) applied to register the denomination **EXPOSURE** as a trade mark for use in relation to the followings goods in Class 14:

Alarm clocks, atomic clocks, cases for clocks, cases for watches, chains, chronographs, chronometers, clock cases, clocks and watches [electrical], clockworks, dials, diamonds, key rings, links, medals, rings, stopwatches, straps for wrist watches, sundials, tie clips, tie pins, watch bands, watch cases, watch chains, watch crystals, watch glasses, watch straps, watches, wrist watches.

Opposition No. 92539

2. The application for registration was opposed by Maison Eloga Horlogerie et Bijouterie SARL (**'the Opponent'**). In its Grounds of Opposition filed on 4 June 2004 the Opponent raised objections to registration under Sections 3(6), 5(1) and 56 of the Trade Marks Act 1994.

3. The objection under Section 3(6) was put forward on the following basis:

The opponent launched a range of jewellery watches under the name EXPOSURE in January 2001: first use of the EXPOSURE name was in the UAE, and there has been regular and consistent use of the EXPOSURE name since then in the UAE, Lebanon, Bahrain, Saudi Arabia, Jordan, Kuwait, Oman and Qatar. In its evidence, the opponent will substantiate that use.

In Europe, launch of the opponent's EXPOSURE trade mark was in 2003, when the name was used to sponsor the Cannes Festival in May 2003. In its evidence, the opponent will substantiate this, and give details of the celebrity figures associated with the EXPOSURE brand.

The opponent's EXPOSURE goods have been advertised in magazines circulating in the U.K., including "Al-Hadeel magazine" which has an office and distribution in the U.K.; and on 1 December 2003 the opponent subscribed to advertise in "British Airways Impressions Magazine".

The opponent owns registration for its EXPOSURE trade mark which predate the date of application for the opposed mark, including International Registration 774922, and a list of those registrations will be provided with the opponent's evidence.

It is submitted that the application is made in bad faith in that the applicant will have known of the opponent's prestigious EXPOSURE jewellery watches, and has filed a U.K. application for an identical trade mark, in respect of identical

goods. It is submitted that the applicant has no bona fide business in the U.K. in respect of those goods, and it is noted that no. 2353263 is the only U.K. trade mark in the name of the applicant. The opponent will substantiate all of these points in its evidence.

4. The objection under Section 5(1) was put forward on the basis that the Opponent was the proprietor of an identical '*earlier trade mark*' entitled to protection in accordance with the provisions of Section 6(1)(c) of the Act for the following goods identical to those covered by the opposed application for registration:

precious metals and their alloys and products made from these materials, or coated with such materials; jewels and jewellery; precious stones; horological and chronometric instruments and their parts and fittings.

5. Section 6(1) of the Act defines the expression '*earlier trade mark*' so as to include:

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority, claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

Section 56 of the Act further provides as follows:

(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -

(a) is a national of a Convention country, or

- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

- (2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

- (3) ...

In support of its objection under these provisions the Opponent further stated:

We refer to the information given with regard to the ground of opposition under Section 3(6). That information is also relevant to the claim under Section 56. The opponent is a national of Switzerland, which is a Convention country, and is entitled to protection under the Paris Convention of its well known trade mark EXPOSURE in that the mark applied for is identical to its mark, and applied for in relation to identical goods, and use of the mark applied for is likely to cause confusion.

That statement was made at the end of the Form TM7, in the part headed '*Other grounds for opposition*'. Within that part of the Form it is possible for an opponent to identify '*Section 56. Protection of well-known trade marks*' as a basis of opposition. However, Section 56 does not appear to me to provide any basis for opposition independently of the

provisions of Sections 5(1) to 5(4) of the Act: see FIANNA FAIL and FINE GAEL Trade Marks (BL O-043-08, 15 February 2008, at paragraphs 26 to 29). By allowing it to be identified as an independent basis of opposition in the Form TM7, the Registry seems to have opened the door to an objection invoking the existence of a likelihood of confusion in connection with the use of an '*identical or similar*' mark for '*identical or similar*' goods or services without reference to Sections 5(1) to 5(4) of the Act.

6. In a Defence and Counter Statement filed on 9 November 2004 the Applicant joined issue with the Opponent on its Grounds of Opposition. He stated as follows:

The name EXPOSURE was chosen by me when I decided that my watches "would need good exposure". So when I typed the name EXPOSURE in the trade mark database and done a search, I found out that the name was not registered. My wife gave the go ahead. To be on the safe side of things I took the advice of the trade mark office and had a "search and advisory service" which gave me the all clear. I then applied to get the mark registered.

My opponent claims all this was done in bad faith because I knew about the mark EXPOSURE already which is not the case.

My opponent says I should have known about it because they had sponsored The Cannes Film Festival in 2003. First of all when you watch TV you are not told who sponsors the events but you only get to see clips of the stars. Secondly, I have spoken to The Cannes Film Festival in Paris and they say that they have never been sponsored by the opposition and have never heard of the EXPOSURE name. This means two things. First, the people in Paris have never heard of EXPOSURE which proves that the name is not well known and secondly, someone one is not telling the truth.

My opponent says that they advertised in a few magazines in the UK and only have mentioned one which is "Al-Hadeel magazine". I have never heard of such a magazine in my life

and even if I wanted to get one I would not know where to go to buy it. This magazine I presume is aimed at the Arabs in the UK and I have no connections to these people. I am from Mauritius and the only common thing I have with the Arabs is my religion.

I started selling watches in Wembley market a few years ago but most of the watches were of bad quality. I wanted to import watches from Hong Kong but most manufacturers had a minimum order of 300 pieces and with that you could have your own name and logo. I thought if I was going to import then it would be best to have my own name and that's why I decided to register the name EXPOSURE.

The name was registered in good faith.

7. Both sides filed evidence maintaining their position against the position adopted by the other. In paragraph 28 of his witness statement dated 19 April 2005 the Opponents Managing Director, Mr. Atef Salah Nsouli, stated:

I believe that, owing to the publicity invested in my company's EXPOSURE branded watches, taking into account the exclusive range of my company's EXPOSURE watches, and bearing in mind the reputation of Swiss watches - from which inspiration for watch design is drawn by designers all over the world - the applicant was aware that EXPOSURE was my company's jewellery watch brand at the time of filing of application no. 2353263, and did not file the application in good faith.

That was as far as the Opponent's evidence went in relation to the allegation of bad faith under Section 3(6). For his part, the Applicant deposed as follows in his witness statement in answer dated 1 September 2005:

9. In late November and early December 2003 my family and friends helped me to choose a name that would be suitable for a watch but most of the names we came up with

just did not sound right or were already registered. Eventually we settled on the name EXPOSURE and agreed that was best as exposure is to do with timing.

10. On the 9th December 2003 I emailed the patent office and paid for a SEARCH & ADVICE SERVICE.

11. An examination report carried out by the patent office approved my mark for registration and I applied.

...

18. At time of filing application No. 2353263, I was unaware of the opposition's existence and the application was made in good faith.

8. The Opponent did not apply to cross-examine the Applicant on his witness statement and the parties were content to have the opposition determined without recourse to a hearing, on the basis of the papers on file.

The Hearing Officer's Decision

9. The opposition was rejected in its entirety for the reasons given by Mr. George Salthouse on behalf of the Registrar of Trade Marks in a written decision issued under reference BL O-305-06 on 24 October 2006. The Opponent was ordered to pay the Applicant £1,800 as a contribution towards his costs of the proceedings in the Registry.

10. In relation to the objection under Section 3(6), the Hearing Officer held that the Opponent's accusations of bad faith could not be supported on the basis of the evidence before him. Having carefully considered the evidence relating to the Opponent's claim for protection of the denomination **EXPOSURE** as a well known trade mark, he found that it

did not establish that the trade mark had become well known in the United Kingdom. In that connection he observed:

... the opponent could not find a single reference to its products in any British newspaper or magazine. Instead it relies upon sales of French and Middle Eastern newspapers and magazines in the UK for its reputation. However, no circulation figures for these publications are provided and I take judicial note of the fact that the vast majority of Britons are mono-lingual and thus would not read such publications.

He stated his conclusion with regard to the relative grounds of objection to registration in the following terms:

The opponent has not shown that its mark is well-known and so cannot seek protection under Section 56 of the Act. The grounds of opposition under Section 5(1) and 56 fail to get off the ground.

This necessarily excluded the possibility of there being any objection to registration on relative grounds under Section 5(1) to 5(3) in combination with Section 6(1)(c) of the Act or under Section 5(4) in combination with Section 56 of the Act.

The Appeal

11. The Opponent gave notice of appeal to an Appointed Person under Section 76 of the Act contending, in substance, that its evidence showed the grounds of objection were sufficiently well-founded to justify refusal of the opposed application for registration. The Grounds of Appeal glossed over the different bases of protection afforded by Sections 5(1) to 5(4), 5(1)(c) and 56 of the Act: see paragraph 5 above. It was simply alleged that

the Opponent ‘owned an earlier trade mark at the relevant date under the provisions of Section 56 of the Trade Marks Act’.

Decision on Appeal

12. It is well-established that the hearing officer’s decision in a case such as the present should be upheld in the absence of manifest error or serious procedural irregularity.

13. The question whether the contested decision is erroneous must be approached in accordance with the guidance provided by the Court of Appeal in Du Pont Trade Mark [2003] EWCA Civ 1368, [2004] FSR 14 at paragraph 94 per May LJ:

As the terms of r.52.11(1) made clear, subject to exceptions, every appeal is limited to a review of the decision of the lower court. A review here is not to be equated with judicial review. It is closely akin to, although not conceptually identical with, the scope of an appeal to the Court of Appeal under the former Rules of the Supreme Court. The review will engage the merits of the appeal. It will accord appropriate respect to the decision of the lower court. Appropriate respect will be tempered by the nature of the lower court and its decision making process. There will also be a spectrum of appropriate respect depending on the nature of the decision of the lower court which is challenged. At one end of the spectrum will be decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum will be multi-factorial decisions often dependent on inferences and an analysis of documentary material. Rule 52.11(4) expressly empowers the court to draw inferences. As Mr. Arnold correctly submitted, the varying standard of review is discussed in paras [17]-[30] of the judgment of Robert Walker L.J. in *REEF Trade Mark*.

14. It is also important to focus on the substance rather than the draftsmanship of the hearing officer's reasoning and conclusions, as emphasised by the Court of Appeal in Ladney and Hendry's International Application [1998] RPC 319 at p.330, lines 20 et seq where Peter Gibson LJ said:

...This court hears numerous appeals originating from decisions of tribunals of fact, not infrequently where the tribunal of fact is not a person with legal qualifications. Even when the tribunal has a legally qualified chairman, such as is the case with an industrial tribunal, this court has repeatedly said that when giving their decisions such tribunals are not required to create elaborate products of refined legal draftsmanship, and those decisions should not be subjected to detailed legalistic analysis or gone through with a fine-tooth comb. The decisions must be read in a common-sense manner and looked at in the round. Of course the parties are entitled to know from the decision the tribunal's basic factual conclusions and the reasons which have led to the tribunal to its conclusions on those basic facts. But this court and other appellate courts read such decisions with a degree of benevolence which may not be accorded to the decisions of qualified judges. I see no reason why a different approach should be adopted in relation to appeals from hearing officers. ...

15. This serves to alleviate the concerns identified by Robert Walker LJ in REEF Trade Mark [2002] EWCA Civ. 763, [2003] RPC 5 (CA) at paragraph 29:

The appellate court should not treat a judgment or written decision as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed. The duty to give reasons must not be turned into an intolerable burden: see the recent judgment of this court in *English v. Emery Reimbold & Strick Ltd* (and two other appeals heard with it) [2002] EWCA Civ. 605, April 30, 2002, para. 19:

“...the judgment must enable the appellate court to understand why the judge reached his decision. This does not mean that every factor which weighed with the judge in his appraisal of the evidence has to be identified and explained. But the issues the resolution of which were vital to the judge’s conclusion should be identified and the manner in which he resolved them explained. It is not possible to provide a template for this process. It need not involve a lengthy judgment. It does require the judge to identify and record those matters which were critical to his decision.”

16. The present appeal is clearly unsustainable on a proper application of these principles.

17. A finding to the effect that the opposed application for registration was made in bad faith was said to have been warranted on the balance of probabilities. This gives no weight to the rebuttable presumption of innocence relating to the filing of the application for registration and it gives no weight to the uncontroverted averments and evidence of the Applicant with regard to innocent adoption and honest use of the mark in suit. Over and above that, it proceeds upon the mistaken assumption that this tribunal can simply decide the matter de novo and substitute its own decision for that of the Hearing Officer.

18. The short answer to the appeal under Section 3(6) is that the Hearing Officer was fully entitled to reach the conclusion that he did on the basis of the evidence and materials before him.

19. I should at this point note that the Hearing Officer considered and rejected an objection on behalf of the Opponent to the effect that the opposed application for

registration should be found to have been filed in bad faith on the basis that the Applicant had falsely declared for the purposes of Section 32(3) of the Trade Marks Act 1994 that the mark in issue was being used by him or with his consent in relation to all goods of the kind specified in his application or that he had a bona fide intention that it should be so used. This was not a properly pleaded objection. It appears to have been raised in the written observations put forward on behalf of the Opponent for consideration by the Hearing Officer in connection with his determination of the opposition on the basis of the papers on file. The Hearing Officer was entitled to disregard it on the basis that the Applicant had been given no proper notice of it and no proper opportunity to respond to it. However, he dismissed it on the more general basis that:

In the instant case the applicant was defending himself from attack by a watch manufacturer. Limiting his comments to his intentions regarding watches seems reasonable. The applicant does not have to file a business plan outlining how it intends to put the mark into use on different products. It is perfectly reasonable for a trader to register a mark and initially use it on a single product with the intention of expanding in the future. The fact that many businesses do not use their marks on the full range of goods and services shown in their application does not mean that the application was filed in bad faith, merely that, for whatever reason the applicant has chosen not to expand into a given area.

This might have been regarded as an insufficient explanation for rejecting an objection that had been fairly and properly raised under Section 3(6) in combination with Section 32(3) of the Act. However, I am not prepared to say that it was insufficient to justify the rejection of an objection that had not been fairly and properly raised under those Sections of the Act.

20. The objection under Section 5(1) of the Act was rejected on the basis that the Opponent had not established its claim for protection of the denomination **EXPOSURE** as an ‘*earlier trade mark*’ under Section 6(1)(c) of the Act. In his decision in Le Mans Trade Mark (BL O-012-05, 8 November 2005, at paragraphs 55 to 61) Mr. Richard Arnold QC identified the many variables that need to be weighed and assessed when deciding whether a denomination is entitled to protection as a well known trade mark. It is clear from the analysis he provides that this is from beginning to end a question of fact and degree. The ECJ has confirmed that spatially a trade mark must be well known throughout the United Kingdom or in a substantial part of it in order to qualify for protection as an ‘*earlier trade mark*’ within the scope of Section 6(1)(c) of the Act: Case C-328/06 Alfredo Nieto Nuno v. Leonci Monlleo Franquet (22 November 2007). The evidence adduced by the Opponent was not sufficient for that purpose. The short answer to the appeal under Section 5(1) in combination with Section 6(1)(c) is that the Hearing Officer was fully entitled to reach the conclusion that he did on the basis of the evidence and materials before him.

21. That is sufficient, as I have already noted, to exclude the possibility of there being any objection to registration on relative grounds under Sections 5(1) to 5(3) in combination with Section 6(1)(c) of the Act or Section 5(4) in combination with Section 56 of the Act.

22. These are my reasons for stating at the conclusion of the hearing before me that the appeal would be dismissed. My order directing the Opponent to pay £800 to the Applicant as a contribution towards his costs of the unsuccessful appeal within 21 days

after the date of that hearing is hereby confirmed. For the avoidance of doubt, I confirm that the sum of £800 was to be paid to the Applicant in addition to the sum of £1,800 awarded to him by the Hearing Officer in respect of the proceedings in the Registry.

Geoffrey Hobbs QC

9 April 2008

The Applicant represented himself.

Mr. Martin Krause of Haseltine Lake appeared on behalf of the Opponent.

The Registrar was not represented.