

O-179-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2267048
BY BRITISH TELECOMMUNICATIONS public limited company
TO REGISTER THE TRADE MARK:**

INTELLACT

IN CLASSES 9, 35, 36, 38, 39, 41, 42

AND

**THE OPPOSITION THERETO
UNDER No 80515
BY INTEL CORPORATION
BASED UPON THE EARLIER TRADE MARK:**

INTEL

AND OTHERS

TRADE MARKS ACT 1994

**In the matter of application no 2267048
by British Telecommunications public limited company
to register a trade mark in classes 9, 35, 36, 38, 39, 41 and 42
and the opposition thereto under no 80515
by Intel Corporation**

BACKGROUND

1) On 10 April 2001 British Telecommunications public limited company (referred to afterwards as BT) applied to register the trade mark **INTELLACT** (the trade mark). The application was published in the "Trade Marks Journal" for opposition purposes on 3 October 2001 with the following specification:

telecommunications goods; data communications goods; computer software recorded on tapes, discs and cards; compact discs; CD Roms; apparatus and instruments for recording, transmission, reception, processing, retrieval, reproduction, display and print-out of sound, images and/or data; computer hardware and firmware; digital communications apparatus and instruments; magnetic data carriers; data terminals; electronic publications provided on-line from databases or the Internet; computer software and telecommunications apparatus (including modems) to enable connection to databases and the Internet; computer software to enable searching of data; encoded cards; smart cards

business advisory, consultancy, research and information services; compilation, provision, storage and retrieval of business and commercial information; marketing, promotional and advertising services; all provided on-line from a computer database or the Internet; database, on-line and Internet information, advisory and consultancy services; interactive database services; data processing and database services; compilation and transcription of data; database management services; electronic database services; interactive database information services; compilation of advertisements for use as web pages on the Internet

information services relating to finance and insurance, provided on-line from a computer database or the Internet; home banking; Internet banking; financial and credit services relating to the financing of telecommunications hardware, software and services

telecommunication of information (including web pages), computer programs and any other data; electronic mail services; providing user access to the Internet; providing telecommunications connections to the Internet or databases; telecommunication access services; broadcast services

information services relating to travel, transport, and packaging and storage of goods provided on-line from a computer database or the Internet

information, advisory and consultancy services relating to education, training, entertainment, sport, recreation, news and publishing provided on-line from a computer database or the Internet; publishing services; electronic games services provided by means of the Internet; publication of books, directories, guides, maps, magazines, manuals and printed matter; providing on-line electronic publications; publication of electronic books and journals on-line; education, training, instruction and study services; provision of information through

Internet portals; news programme services

compilation, storage, analysis, retrieval and provision of information; computer rental; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; information (only information under Class 42) provided on-line from a computer database or from the Internet; creating and maintaining web sites; hosting the web sites of others; installation and maintenance of computer software; leasing access time to a computer database; computer programming; updating and design of computer software; provision of information through Internet portals; information and advisory services, all relating to the aforesaid services

The above goods and services are in classes 9, 35, 36, 38, 39, 41 and 42 respectively of the International Classification of Goods and Services.

2) On 20 December 2000 Intel Corporation (referred to afterwards as Intel) filed a notice of opposition to this application.

3) Intel states that it is the owner of the following United Kingdom trade mark registrations:

no 765398 in class 9 for INTEL
no 962981 in class 9 for INTEL
no 962982 in class 9 for INTEL and device
no 969190 in class 9 for INTEL
no 1036718 in class 9 for INTELLEC
no 1142466 in class 9 for INTEL
no 1411048 in class 9 for INTEL
no 1437993 in class 9 for INTEL (stylised)
no 1466900 in class 9 for INTEL INSIDE (stylised)
no 1526872 in class 9 for INTEL I960
no 2023123 in class 9 for INTEL PROSHARE and device
no 2026599 in class 9 for INTEL LANDESK TECHNOLOGY and device
no 2108574 in classes 9, 16 and 38 for INTEL
no 2108759 in classes 9, 16 and 38 for INTEL INSIDE
no 2108755 in classes 9, 16 and 38 for INTEL INSIDE (stylised)
no 2128296 in classes 9, 16 and 38 for INTEL CONNECTION ADVISOR
no 2155367 in class 9 for INTEL TEAMSTATION
no 2155527 in class 9 for INTEL ANYPOINT
no 2180074 in classes 9, 38 and 42 for INTEL INBUSINESS
no 2188853 in classes 9, 38, 41 and 42 for INTEL WEBOUTFITTER
no 2197843 in class 9 for INTEL SPEEDSTEP
no 2200613 in classes 9, 16, 38 and 42 for INTEL INSIDE PENTIUM !!! (stylised)
no 2204440 in classes 9 and 16 for INTEL THE COMPUTER INSIDE
no 2212252 in class 9 for INTEL NETSTRUCTURE
no 2235732 in class 9 for INTEL NETBURST
no 2240680 in class 9 for INTEL XSCALE
no 2249106 in class 9 for INTEL CHATPAD
no 2258236 in class 9 for INTEL POCKET CONCERT
no 2266462 in class 9 for INTEL GIGABLADE
no 2274033 in classes 9 and 42 for INTEL NETMERGE
no 1273666 in class 38 for INTELPOST

no 2227062 in classes 38 and 42 for INTEL
no 2260298 in class 38 for INTEL
no 2227036 in classes 41 and 42 for INTEL NETSTRUCTURE
no 2159016 in class 42 for INTEL

Intel also states that it is the owner of the following Community trade mark registrations:

no 464 in classes 9, 16, 38 and 42 for INTEL (stylised)
no 513 in classes 9, 16, 38 and 42 for INTEL
no 539 in classes 9, 16, 38 and 42 for INTEL INSIDE (stylised)
no 632752 in classes 9 and 42 for INTEL ANSWEREXPRESS
no 658575 in classes 9, 14, 16, 18, 21, 25 and 28 for INTEL INSIDE
no 672931 in class 9 for INTEL CREATE & SHARE
no 710251 in class 9 for INTEL STRATAFLASH
no 967992 in classes 9, 38 and 42 for INTEL INBUSINESS
no 1035864 in class 9 for INTEL
no 1035898 in classes 9 and 42 for INTEL IMAGING (stylised)
no 1078641 in classes 9, 37, 41 and 42 for INTEL WEBOUTFITTER
no 1209865 in classes 9 and 28 for INTEL PLAY
no 1209873 in classes 9 and 28 for INTEL PLAY (stylised)
no 1216225 in classes 9, 16 and 42 for INTEL INSIDE PENTIUM !!!
no 1241520 in classes 9 and 16 for INTEL INSIDE XEON
no 1242585 in class 9 for INTEL XEON
no 1360825 in class 9 for INTEL NETSTRUCTURE
no 1574516 in classes 9, 38 and 42 for INTEL
no 1775022 in classes 9 and 38 for INTEL XSCALE
no 1877299 in classes 9 and 16 for INTEL DOT.STATION
no 841718 in class 36 for INTEL
no 1559574 in classes 41 and 42 for INTEL NETSTRUCTURE
no 845123 in class 42 for INTEL

Intel states that it is also the owner of the following Community trade mark applications:

no 2130938 in classes 1-8, 10-13, 15, 17, 19, 20, 22-24, 26, 27, 29-35, 37 and 39-41 for INTEL
no 632166 in classes 9 and 28 for INTEL
no 882688 in classes 9, 16 and 42 for WITH INTEL OPTIMIZERS and device
no 1928029 in classes 9 and 38 for INTEL CHATPAD
no 2041812 in class 9 for INTEL POCKET CONCERT
no 2154862 in class 9 for INTEL GIGABLADE
no 658617 in classes 14, 16, 18, 21 and 25 for INTEL

Since the filing of the opposition application numbers 1908029 and 2041812 have been withdrawn. All of the other applications, with the exception of no 632166, have proceeded to registration.

Intel states that all the above registrations and the application were all filed before or the date of the filing of BT's application or have a priority date earlier than the date of the filing of the application.

4) Intel states that it began using the INTEL trade mark in 1968. It states that INTEL is used worldwide as the trade name and house mark of Intel and has been used as such since 1968. It states that virtually all Intel's products and services bear the INTEL name and all product packaging bears the dropped e Intel logo, the latter having been used since 1968.

5) Intel states that originally it was a semiconductor company focussed on the design and manufacture of memory chips. However, since 1978 Intel has sold microprocessors to computer manufacturers (OEMs), appliance manufacturers for embedded applications, and through retail channels as a branded product. Intel states that since the 1970s it has manufactured and sold computer systems to aid in the development of software. Since the early 1980s Intel has manufactured and sold PC motherboards for private labelling by other PC sellers. The INTEL brand is used in association with a variety of other computer related products. These include microcontrollers (since 1976), software/operating systems/computers (1978), flash memory (1990), networking peripherals (1982), chipsets (1990), motherboards (1985), workstations and servers (1984), imaging/graphics and digital imaging (1991), communications (1986) and Internet and e-commerce technologies (1994 and 1997 respectively). In this regard, Intel has filed many applications for trade marks including the term INTEL. # Intel states that this only adds to the argument that the INTEL trade mark and the format "INTEL _____" in general (which includes the trade marks in the format of "INTEL + one word", "INTEL + two words" and "INTEL in a compound word") are popular, well-known and associated exclusively with Intel. Intel states that it has established a family of trade marks.

6) Intel states that it began using "INTEL _____" trade marks in 1991 with the INTEL INSIDE trade mark and logo. It states that the launch of the INTEL INSIDE programme was very high profile and that this trade mark has always been marketed to the ultimate consumers of PCs. Intel states that since then it has used and registered other "INTEL _____" trade marks such as INTEL PROSHARE (1995), INTEL LANDESK (1995), INTEL TEAMSTATION (1997), INTEL CREATE & SHARE (1997), INTEL STRATAFLASH (1997), INTEL ANYPOINT (1997), INTEL OPTIMIZERS (1998), INTEL INBUSINESS (1998), INTEL IMAGING (logo) (1999), INTEL WEBOUTFITTER (1999) and INTEL PLAY (1999). Intel states that because of this extensive family of "INTEL _____" trade marks, the relevant consumer is even more likely to assume that any party's INTEL based trade mark, or one similar such as INTELLACT, is yet another of its products or services.

7) Intel states that the INTEL trade mark is both "well-known" and "famous" and that the INTEL name and brand is one of the most valuable and respected names and trade marks in the world.

8) Intel states that its trade marks, identified in paragraph 3 above, are similar to INTELLACT. Intel states that some of the goods and services specified are identical with or similar to those in relation to those encompassed by its earlier trade marks and application. Intel states that INTELLACT is very similar to INTEL both visually and phonetically. Intel states that INTELLACT is also very similar to its trade mark INTELLEC. Intel states that the class 9 goods of the application are similar or identical to the class 9 goods of its earlier trade marks. Intel states that the specification for INTELLEC includes *computers and microprocessors* which it states are clearly similar to *computer hardware* and *digital communications apparatus and instruments* which goods are in class 9 of the application; Intel states that these goods are also similar to certain of the class 38 and 42 services of the application. Intel states that several of the INTEL registrations cover similar or identical

goods to those in class 9 of the application. Intel states that the class 35 services of the application are similar if not identical to those covered by Community trade mark registration no 2130938 of the trade mark INTEL. The class 36 services of the application are similar if not identical to the class 36 services covered by Community trade mark registration no 841718. Intel states that the class 38, 41 and 42 services of the application are similar if not identical to the class 38, 41 and 42 services covered by United Kingdom registration no 2260298 for INTEL in class 38, Community trade mark registration no 1078641 for INTEL WEBOUTFITTER in class 41 and United Kingdom trade mark registration no 2159016/Community trade mark registration no 845123 both for INTEL in class 42. Intel states that the class 39 services of the application are similar to those covered by Community trade mark registration no 2130938 for INTEL. Intel states that these are only illustrative examples. Intel states that registration of the application should be refused under the provisions of section 5(2)(b) of the Trade Marks Act 1994 (the Act).

9) Intel states that in the alternative registration of the application should be refused under section 5(3) of the Act as the trade mark applied for is similar to its trade marks identified in paragraph 3 above being earlier trade marks with a reputation in the United Kingdom and that use of BT's trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade marks. Intel states that if it is considered that the goods and services of its earlier trade marks are not similar then section 5(3) should apply.

10) Intel states that registration of the application should be refused under section 5(4)(a) of the Act, in particular in relation to the law of passing-off, due to its common law rights in the trade marks listed in paragraph 3.

11) Intel requests that registration of the application should be refused either partially or in its entirety as the registrar sees fit and seeks an award of costs.

12) BT filed a counterstatement. BT admits all of the claims of Intel up to the # sign in paragraph 5 above. BT also admits that Intel has established a family of trade marks which begin with the word INTEL. However, it denies that Intel's reputation and goodwill extend to trade marks where INTEL is part of a compound word where the first letter of the suffix is an L such as in INTELLACT. BT admits Intel's claims in paragraph 6 above with the exception of the last sentence. BT denies that its trade mark is similar to any of the trade marks incorporating the trade mark INTEL relied upon by Intel.

13) BT states that the second letter L in its trade mark changes significantly its look, nature, inferential meaning and "feel". It states that it brings clearly and firmly to mind the group of common English words associated with the word intelligence such as intellectual and intellect. BT states that its trade mark does not bring to mind any reference to, any connection with or any confusion with the trade mark INTEL, despite, and because of, the huge reputation of Intel in that trade mark. BT admits that there are goods and services covered by Intel's trade marks which are identical or similar to those of its application. BT denies that any of Intel's trade marks are similar to its trade mark. BT states that even if one or more of Intel's trade marks are similar to its trade mark it denies that there is a likelihood of confusion. Consequently, BT denies that its application should be refused under the provisions of section 5(2)(b) of the Act.

14) BT admits that there are goods and services covered by Intel's trade marks that are not

similar to the goods and services of its application. It denies that any of Intel's trade marks are similar to its trade mark and denies that INTELLEC has any significant reputation in the United Kingdom. BT states that if there are one or more of Intel's trade marks which are similar to its trade mark and has/have a reputation in the United Kingdom or the European Community, as appropriate, its trade mark would not take unfair advantage of, or be detrimental to, the distinctive character and repute of any such trade mark(s). Consequently, BT denies that its application should be refused under the provisions of section 5(3) of the Act.

15) BT admits that Intel has a substantial reputation and goodwill and has common law rights in the trade mark INTEL but denies that Intel has any significant reputation and goodwill or any common law rights in the trade mark INTELLEC and denies that use of its trade mark would be liable to be prevented by the law of passing-off. Consequently, it denies that its application should be refused under the provisions of section 5(4)(a) of the Act.

16) BT states that registration of its application should be granted and seeks an award of costs.

17) The case was heard on 18 June 2003. Intel was represented by Mr Mellor of counsel, instructed by Frank B Dehn & Co. BT was represented by Mr Chapple of counsel, instructed by BT Group Legal Services.

EVIDENCE

Main evidence of Intel

18) This consists of a witness statement by Benoit Philippe. Mr Philippe is an attorney at Intel Corporation (UK) Ltd, he is responsible for Intel's trade marks in Europe, the Middle East and Africa.

19) Mr Philippe begins his evidence by giving a background to Intel. His main points are as follows:

- Intel was founded in 1968 to build semiconductor memory products. At the end of 1971 Intel's Dynamic Random Access Memory (DRAM) was the world's largest selling semiconductor device.
- Intel created the world's first manufacturable microprocessors, the 4004. In 1979 IBM decided to build its first personal computer (PC) using Intel's microprocessors.
- Intel's products are currently used in a wide variety of industries and within virtually all computerised applications including computers, mainframes, desktops, laptops, handheld devices and cellular telephones.
- Intel's business has expanded to include software/operating systems/compilers in 1978, networking peripherals in 1982, workstations and servers in 1984, motherboards in 1985, flash memory and chip sets in 1990, imaging/graphics and digital imaging products and services in 1991.
- Intel has expanded its business to include branded consumer products such as PC accessories, publications, software, clothing items and accessories, luggage and travelling gear, toys, musical devices, scientific instruments, video cameras, writing implements and watches.

- Intel has expanded the services it offers to include educational services, training services, web design and computer consulting services and financial services and a broad range of computer, Internet, communication and e-commerce related services.

Mr Philippe states that Intel began using INTEL in the United Kingdom in 1971 both as a corporate name and as a trade mark.

Mr Philippe states that the trade mark INTEL INSIDE is famous in its own right and has been extensively used by OEMs their products and in advertising campaigns.

20) Mr Philippe lists various trade marks which are registered as United Kingdom or Community trade marks or are applications for registrations. He describes them as forming a family of INTEL trade marks. They all include the word INTEL. The list includes all the trade marks referred to in Intel's statement of grounds and also Community Trade Mark application no 1899368 for the trade mark INTELADAPT.

21) Mr Philippe states that because microprocessors are ubiquitous Intel's goods play a rôle in almost every walk of life. Mr Philippe states that mobile telephones include Intel's flash memory cards. Intel "powered" computers, which feature the INTEL INSIDE trade mark, are found in homes, schools, government agencies and across the whole spectrum of business. Mr Philippe states that Intel's microcontrollers can be found in aircraft engines, electric motors and televisions. He exhibits at BP3 pages downloaded from the Internet on 14 February 2001 relating to "Digital Entertainment Initiative". This relates to Intel products being used in various entertainment areas such as digital television, sports broadcasting on broadband and interactive game broadcasts and computer games.

22) Mr Philippe states that the INTEL trade mark is used on goods such as toys, watches, luggage and clothing. He exhibits at BP4 various catalogues from for "the Uniquely Intel shop". The catalogues show a variety of goods such as pens, calculators, watches, clocks, t-shirts and ties which bear various Intel trade marks. All the prices are in dollars, although details are given for international orders. In the earlier catalogues the order form is headed "Promotional Merchandise Program". In the later catalogues two prices are given for the various items; one an employee price, the other retail value.

23) Mr Philippe states that Intel has also been involved in financial services. He exhibits various pages downloaded from the Internet at BP5. It would appear that Intel's financial services are available to commercial customers for the purchase, leasing or rental of computer and office equipment. Mr Philippe states that Intel's consumers include all types of individuals and all kinds of businesses.

24) Mr Philippe states that Intel microprocessors are embedded in numerous products sold and advertised in the United Kingdom. He states that Intel processors are all branded with the INTEL name and/or the "dropped e" logo. The INTEL trade mark, he states, is used in the United Kingdom by means of point of sale display and on personal computers and servers containing Intel microprocessors. Mr Philippe states that the INTEL trade mark and logo are used on the majority of third party advertising campaigns and all of Intel's advertising and publicity materials. He states that Intel's microprocessors are marked with the INTEL trade mark. He exhibits at BP6 materials showing the use of INTEL. This includes a copy of the "Intel Product Guide" for summer/autumn 1999. There are a variety of products in this guide which are divided into five categories: high bandwidth networking products, remote

WAN/access products, “Inbusiness” products, desktop and server management solutions and business video conferencing products. The products include both hardware and software.

25) Mr Philippe states that the INTEL INSIDE trade mark is placed prominently on the outside of many millions of PCs by original equipment manufacturers (OEMs). He states that over 40,000 OEMs and resellers worldwide are licensed to use the INTEL INSIDE trade mark in connection with their products and services. Mr Philippe states that retailers use the INTEL trade mark to identify the source of the microprocessor installed in their computer products. He exhibits at BP7 material showing use of Intel trade marks by third parties.

26) Mr Philippe states that many retailers are members of the INTEL INSIDE program. He states that these retailers use INTEL INSIDE trade marks in a variety of ways to promote the “qualifying” products which they sell. He states that these retailers sell in traditional shops and also are “e-tailers” or on-line retailers. Mr Philippe states that Dixons, PC World, Tempo, John Lewis Partnership and Comet are examples of such retailers.

27) Mr Philippe states that the INTEL trade mark is used in relation to goods and services in classes 9 and 42 of the International Classification of Goods and Services. He states that INTEL is displayed throughout Intel’s website and is used in association with specific computer software and Internet services. Mr Philippe states that the latest version of Microsoft’s Windows operating system is now sold with a reference to Intel’s PENTIUM 4 processor and that advertisements for the software carry the INTEL INSIDE PENTIUM 4 logo. Mr Philippe states that Intel is now selling its own software under the INTEL brand. He makes specific reference to The Intel ® VTune™ Performance Analyzer, the Intel ® C ++ Compiler 6.0, the Intel® Fortran Compiler, the Intel ® Performance Libraries, and the Intel ® LANdesk ® Management Suite. Mr Philippe gives no indication as to when use of the INTEL trade mark upon these goods started. Exhibit BP8, exhibited in support of this part of the statement, consists of pages downloaded from the intel.com website on 11 and 12 July 2002 and an undated guide to Intel ® C ++ Compiler 6.0 for Windows. Although undated the guide claims copyright from 2001-2002 and so presumably emanates from after the relevant date. There is nothing to tie these exhibits down to use on or before the relevant date and/or use within the United Kingdom. All the software would appear to have the purpose of improving the performance of Intel’s processors and/or software applications which are being run through Intel’s processors. They would appear to be aimed at the computer professional rather than the average consumer.

28) Mr Philippe states that Intel provides a wide range of hardware and software products and services relating to telecommunications. He states that these include boards and servers which are used to create business applications for call centres, telemarketing and operator services. Mr Philippe states that Intel products are used to converge voice and data technologies which provide communication solutions for telecommunication companies and service providers. These, he states, range from voice, fax and conferencing technology to telephone systems. Mr Philippe exhibits at BP9 pages downloaded from intel.com on 12 July 2002. These pages clearly show that Intel has developed products specifically for telephony and telecommunications. However, this material is not clearly tied to the relevant date or to use in the United Kingdom.

29) Mr Philippe exhibits at BP10 an example of the use made by BT of Intel products in the sphere of communication facilities. In November 2000 BT chose Compaq Computer Corporation to be the preferred supplier of servers using Intel products. Also included in the

exhibit is material about the Universal Asymmetric Digital Subscriber Line (ADSL) Working Group which includes BT, Microsoft, Compaq and Intel.

30) Mr Philippe states that the Intel website provides complete product information detailing technical specifications for Intel's products. He states that the entire Intel website, including top level and country level domain names and business divisions, has an average of 45,000,000 hits per week; intel.co.uk has as an average of 20,927 hits per week. Mr Philippe states that Intel Developer Services is a web-based resource which was introduced on 5 June 2000. Exhibited at BP12 are pages downloaded from the Internet on 11 and 12 July 2002. These indicate that the site gives information about Intel products and gives assistance through FAQ pages. Mr Philippe states that Intel Solution Services has been available through its website since 27 June 2000. Mr Philippe exhibits at BP13 printouts from the website downloaded on 10 and 11 July 2002. One page states:

“Intel ® Solution Services offers a myriad of consulting services to help independent software vendors (ISVs) and IT/IS developers take advantage of the latest technology advances to help improve solution performance and business productivity.”

31) Mr Philippe exhibits at BP14 further printouts from Intel's website, downloaded on 11 July 2002. These pages relate to information about Intel products.

32) Mr Philippe exhibits at PB15 and PB16 further website pages, again downloaded on 11 July 2002 and again giving information about Intel products.

33) Mr Philippe states that Intel's approximate annual turnover in goods and services in the United Kingdom from 1990-2000 was at least the following (figures in United States dollars):

1990	138 million
1990	166 million
1991	257 million
1992	508 million
1993	629 million
1994	928 million
1995	1,309 million
1996	1,585 million
1997	1,428 million
1998	1,425 million
2000	1,398 million

34) Mr Philippe exhibits copies of Intel's annual reports for the years from 1994 to 2001.

35) Mr Philippe states that Intel has invested heavily in marketing and advertising. He states that the amounts spent by Intel in advertising and promotion in the United Kingdom in United States dollars were not less than:

1995	12 million
1996	11 million
1997	8 million
1998	11.9 million
1999	16.1 million

36) Mr Philippe exhibits a large amount of advertising material at BP18. From the telephone numbers in the advertisements it would appear that virtually all of it emanates from the USA. The only clear United Kingdom usage comes from “Computing” and “The Independent” magazine.

37) The material exhibited at BP19 consists of two CD-ROMS and a video cassette. The first CD-ROM contains advertisements for the United Kingdom, as well as other countries, for the Intel Pentium III processor. There is no indication of the date the advertisements were shown, or where they were shown. The second CD-ROM contains two advertisements for the Intel Pentium IV processor. The advertisements are labelled US and the .com address is given rather than the .co.uk address of the first CD-ROM advertisements. It would appear that these were United States advertisements. The video-cassette contains two advertisements which appear to have been recorded directly from Channel 4 television broadcasts. They are both for Intel’s Pentium III processor. There is no indication of the date when the advertisements were broadcast or how often.

38) Mr Philippe states that Intel works with PC makers, software developers and PC users to understand their future needs and wishes and then implements new procedures and ideas. He exhibits at BP20 press articles and press releases about research and development projects. For the most part this material is about new Intel products.

39) Mr Philippe comments on the reputation of the trade mark INTEL in the United Kingdom and elsewhere. He exhibits a variety of press articles about INTEL trade mark goods at BP21. At BP22 Mr Philippe exhibits various material relating to the fame of the INTEL trade mark.

40) Mr Philippe states that Intel polices and protects the integrity of the INTEL trade mark. He states that Intel has issued guidelines to licensees in respect of the INTEL trade mark. He exhibits at BP23 a copy of “inside” volume 1 issue 1 of March 1992 and three copies of “The Inside Story”, from 1994, 1995 and 1996. All of these publications give information to INTEL INSIDE licensees about the INTEL INSIDE program.

41) The rest of Mr Philippe’s witness statement can best be described as representing submissions rather than evidence of fact and so I will say no more about it.

Evidence of BT

42) This consists of a witness statement by Miles Richard Beckingham. Mr Beckingham is a trade mark attorney in the intellectual property department of BT.

43) Part of Mr Beckingham’s statement consists of submissions rather than evidence of fact. I will only deal with those parts of his statement that can be characterised as evidence of fact.

44) Mr Beckingham states that INTELLACT is the name of BT’s internal market news and intelligence service which is available via the BT corporate intranet. He states that it was first “conceived” when BT’s library services’ website was combined with BT’s market research website in 1995. Mr Beckingham states that INTELLACT was derived from the strap line “intelligence into action”. He exhibits at MRB1 copies of pages from the INTELLACT website. These pages were downloaded on 14 October 2002. INTELLACT is shown in use in two forms. In both of these forms the act is in different script to the intell part eg. *intellact*.

INTELLACT is described as giving news and market research. The pages exhibited show that a variety of data sources can be accessed through the service.

45) Mr Beckingham states that in late 2000 BT embarked upon investigations to determine whether or not INTELLACT could be used for the external marketing of the BT service. He undertook various searches and concluded that the sign could be used externally. He states that subsequent to this a United Kingdom and a Community trade mark application were made for the trade mark INTELLACT. Mr Beckingham states that the Community trade mark application was the subject of an objection from the owner of a prior Benelux registration for the trade mark INTELLACT. He exhibits at MRB3 copies of a letter from the Benelux agents of the owner. This includes a copy of the Benelux registration certificate, this shows the trade mark to be in a stylised script with both the I and the A being in upper case, the rest of the trade mark being in lower case. Mr Beckingham states that negotiations are continuing with the owner. He states that there is no indication that Intel have taken any steps against the Benelux owner.

46) Mr Beckingham exhibits a copy of a page from “Collins English Dictionary” (third edition) for words beginning with the prefix intel. The main entries are as follows: intellect, intellection, intellectual, intellectualism, intellectualise, intellectual property, intelligence, intelligence quotient, intelligencer, intelligence test, intelligent, intelligent card, intelligent knowledge-based system, intelligentsia, intelligent terminal, intelligible, and Intelsat.

47) Mr Beckingham states that an online search via netnames.co.uk conducted on 9 October 2002 revealed registrations of the domain names intellact.com, intellact.nl and intellact.pl. Mr Beckingham states that a search of the Companies House database on 9 October 2002 revealed twenty-eight currently or recently dissolved companies which have the separate word element intel in their corporate titles. He states none of these companies are registered at the same Swansea address as Intel. Mr Beckingham states that the database shows three companies with intell in their corporate titles and three with intella. A search of all the companies with the element intel as a stem or prefix to their corporate titles revealed altogether some 700 companies. He states that the majority of these comprise or include the words intelligent, intelligence or intellect. He exhibits a copy of the search at MRB5. The printout simply lists the names of companies. It does not give their addresses, the nature of their businesses or if they are active or dormant. The only indication of status is for those companies which have been dissolved.

48) Mr Beckingham states that a search for United Kingdom, Community and international trade marks via the online search tool on the website at saegis.com was conducted on 10 October 2002. He exhibits the results as follows:

- (a) MRB6 – international trade marks
- (b) MRB7 – United Kingdom trade marks
- (c) MRB8 – Community trade marks

He states that in excess of 400 trade marks were revealed by each of the United Kingdom and Community trade mark searches. The searches show the class numbers but not the goods or services. The application/registration numbers of the trade marks is not given, nor is their status. A large number of the trade marks include intel as part of a dictionary word, eg intelligent, or commence intelli.

49) Mr Beckingham states that an Internet search using the search engine lycos.co.uk was conducted on 11 October 2002. He states that this revealed over 200 references when the term INTELLACT was used. He exhibits the result of the search at MRB9. The search criteria were for the whole world rather than the United Kingdom. This is reflected in the number of hits which are in foreign languages. A good number of them emanate from the same source, intellect.pl. The hits cover matters from an agro-industrial company in Uruguay which specialises in seeds and cereals to animal health to shop-fitting. Some of the hits are repeated and in a good number the term INTELLACT does not appear. So it is not known if it was relevant or even present for the reader, it could have been a metatag attached to the website.

50) The rest of Mr Beckingham's statement is simply submission and a critique of the evidence of Intel and as indicated at the beginning I will say no more about it.

Intel's evidence in reply

51) This consists of a further witness statement by Mr Philippe.

52) Parts of Mr Philippe's statement can best be characterised as representing submissions and a critique of BT's evidence rather than evidence of fact. I will say no more about those parts of his statement which are not evidence of fact.

53) Mr Philippe comments on the pervasiveness of computer chips in different products. He exhibits various documents in relation to this issue. Included in this material is a copy of a report from the School of Architecture of The Queen's University of Belfast published in January 2000. Included in this report is the statement that roughly 80% of the total stock of microprocessors in use is in devices other than computers. It mentions their presence in such goods as cars, washing machines, buildings, telephones, fax machines and office equipment.

54) Mr Philippe states that Intel has a large number of online newsletters. He exhibits at BP29 what he describes as a full list of newspapers free to subscribers. The list has some sixteen entries including titles such as Intel Business Computing, Intel Developer Update, Intel Tech Wire, Intel Business Intelligence Newsletter and Server News and Information. The pages copied were downloaded on 13 January 2003. At BP30 he exhibits an online and what would appear to be a hard copy of "Intel Technology Journal" for November 2002 which is entitled Interoperable Home Infrastructure. Included in the exhibit is a list of past journals that goes back to 1997. The volume that is exhibited deals with the topic at large rather than with a specific spin towards Intel. Also included in the exhibit are pages downloaded that relate to three Intel Technology Journals from 2002. These cover the topics of network processors, semiconductor technology and manufacturing and hyper-threading technology. Exhibited at BP31 are examples of Intel press releases from September 2002 to January 2003. This is a list of titles rather than the actual release in full. The releases seem to relate directly to Intel's business and products rather than matters at large. The pages downloaded in exhibits BP29, 30 and 31 come from intel.com rather than Intel's United Kingdom website.

55) In an article dated 15 November 1999 from anchordesk.co.uk entitled "Do you want chips with that", exhibited at BP32, the following is highlighted by Mr Philippe:

"The massive and surprising success of Intel's brand awareness campaign- the Intel Inside badge plus surrounding swoosh, the immensely irritating bong attached to every PC ad on TV, et al ad nauseam – has brought the company many benefits

For one, there's the vague feeling that any machine without an Intel chip doesn't have a proper processor, but might instead have some shoddy knock-off that would fail any microelectronic MOT. And for another, there's the sneaky way in which the same campaign can be extended to cover other developments, so that Intel gets its brand associated with the Internet. Inventing the 'Streaming Internet Instructions' for the Pentium III, for instance, or implying that you need the same chip to get into the net rather than just get onto it."

Mr Philippe also includes in the same exhibit a 1998 article entitled "Six Strategic Challenges" by Rosabeth Moss Kanter. He specifically refers to the following passage:

"Intel changed an industry paradigm in information technology by branding a component. It sold computer chips like potato chips, hiring the same ad agencies that peddle snack foods and soft drinks to make Intel processors more important to consumers than the name of the overall computer ("Intel Inside")."

Also included in this exhibit are articles which make analogical reference to "Intel Inside" and a piece entitled "Intel Inside Program Anatomy of a Brand Campaign".

56) Finally Mr Philippe exhibits a copy of a decision of the Opposition Division of the Office for Harmonization in the Internal Market (OHIM) which found that there was a likelihood of confusion in respect of the trade mark INTEL and the trade mark INTELYNX, Intel being the successful opponent.

DECISION

57) At the beginning of the hearing Mr Mellor advised me that he had been in discussion with Mr Chapple. They had agreed that the case effectively depended on whether INTEL and INTELLACT are similar. All grounds will stand and fall upon this issue. They did not consider that it was necessary to undertake a detailed comparison of the various goods and services to come to a decision. If I was content with this approach they would make their submissions upon this basis. I advised that I was happy to adopt this approach. Consequently, my decision will be confined to the comparison of INTEL to INTELLACT. The counterstatement of BT conceded that Intel enjoyed a reputation in its trade mark and Mr Chapple described INTEL as being a "well known household name".

58) In considering the issues before me I consider that I need to bear in mind the various stipulations of the European Court of Justice in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723. These cases all relate to section 5(2)(b) issues, however, in doing so they deal with various aspects of how trade marks are to be compared and the effect of reputation and/or inherent distinctiveness.

59) Mr Chapple made a detailed comparison of the two trade marks. He submitted that the lynch pin of the differences between them is the double L in BT's trade mark. He also submitted that the ACT element is aurally striking. Mr Mellor put forward the case that effectively Mr Chapple was conducting a comparison with an unused trade mark as it was not taking into account the massive reputation of Intel in its trade mark.

60) I have carefully considered Mr Chapple's analysis of the differences between the trade marks. However, there is a danger of over-analysis. Consumers to indulge in the dissection and analysis of trade marks; that is a pastime that is left to trade mark practitioners. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG* [1998] RPC 199 at page 224). The visual, aural and conceptual similarities of the trade 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* page 224). I take into account the matter must be judged through the eyes of the average consumer of the goods/services in question (*Sabel BV v Puma AG* page 224) 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 Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 at page 84, paragraph 27).

61) INTEL to me, and there is no evidence to the contrary, is an invented word. In Mr Chapple's skeleton argument he put this position forward. However, at the hearing he stated that it was used to mean intelligence, in the context of information that has been obtained. He advised that it had been used by broadcasters in the most recent war against Iraq. There is no evidence to this point. I also need to consider the matter at the date of application for the trade mark. If INTEL has become a word in use it might not have been at the date. Owing to its overwhelming reputation, which is conceded by BT, I consider that INTEL has one overwhelming conceptual association; that of the trade mark of Intel. For the sake of completeness whilst considering the reputation of INTEL I will consider the inherent distinctiveness of INTEL. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgement of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49). INTEL is an invented word. It does not make any clear allusion to the computer related goods and services upon which it has been refused. I can see nothing which indicates that it is anything other than a highly distinctive trade mark. According to *Sabel* and *Canon* the distinctiveness of a trade mark and its reputation have to be taken into account. INTELLACT is also an invented word. BT tell me that it is a "concatenation" of the words "intelligence in action". No doubt that is its derivation, however, it does not have that conceptual message for me. I consider that the two words are invented words, with no conceptual similarity. However, there is also no conceptual dissimilarity to put additional distance between the trade marks.

62) I have to consider the distinctive and dominant components of the trade marks. The distinctive and dominant component of INTEL is the trade mark as a whole. In INTELLACT the distinctive and dominant component of the trade mark is, in my view, the INTEL element, owing to the enormous reputation of INTEL for computer related goods and services. I note the extra L and I note the ACT element, however, INTEL is such a famous mark that the INTEL element jumps out and grabs the attention. I believe that this is the element which would strike the average consumer for the goods and services of BT's trade mark.

Intelligence and circumspection are not going to discount the effect of Intel's reputation. In aural use there is no change in the stress pattern of INTEL when part of INTELLACT, the stress still falls on the TEL/TELL element. That stress pattern emphasises and identifies the INTEL element of the trade mark as the dominant element. The second L is unlikely to be pronounced. Visually it is the INTEL element, at the beginning of the trade mark, that grabs the attention.

63) There are dissimilarities between the trade marks clearly. However, owing to the enormous reputation of the trade mark I consider that the average consumer will identify the INTEL element of BT's trade mark. The reputation and fame of INTEL is too great to have, in my view, any other effect in relation to goods and services that are linked to new technology. BT's trade mark captures the essence of Intel's trade mark. I have no doubt that the average consumer in seeing BT's trade mark will consider that any goods or services sold under it are from Intel or an economically linked concern.

64) BT have made comments about Intel trying to monopolise the "prefix" INTEL. I have no evidence that this is the case. I am also not sure that INTEL can be described as a prefix. Even if Intel had dastardly plans to hijack parts of the English language this would not affect my decision. I have to consider the case on its own merits; looking at an application which is linked to new technology and related services and is for a trade mark that I consider similar to INTEL.

65) As I have decided that INTEL and INTELLACT are similar, on the basis that the hearing was held, I find that BT's application should be refused in its entirety.

Costs

66) As Intel has been successful it is entitled to a contribution towards its costs. Mr Chapple submitted that I should take into account that much of what Intel had submitted was unnecessary owing to the admissions of BT in its counterstatement. BT did admit that Intel had a reputation and a goodwill. I put the point at the hearing that although BT had admitted these matters Intel would still need to put in evidence to show the nature and extent of its reputation. Mr Chapple responded that Intel could have written to ask BT what it considered was the exact extent of its reputation. I cannot see that this would have been necessarily very fruitful. To tie down the extent of the reputation in terms that are mutually acceptable would be very difficult. It could have ended up with lengthy correspondence that might not have gone anywhere. I also do not see that it was beholden upon Intel to delve further into the counterstatement in relation to this matter. The extent and effect of a reputation are matters that can only really be ascertained from the evidence. It would strike me as a very high risk strategy for Intel not to put in evidence to show the extent of its reputation and goodwill, the latter could have had a profound effect on the passing-off issue. The evidence did a good job in showing the diversification into elements such as software, toys, cameras and financing. Something that would be difficult to tie down in an admission from BT. Certain of the evidence was not relevant to the case as it related to the United States. However, most of this was in the form of advertisements and would not take long to peruse. Both sides were guilty of putting in submissions as part of their evidence. So I do not think Intel should be penalised for this common failing in evidence before the registrar. Intel is in an invidious position owing to the fame of its trade mark. Its evidence could seem pointless owing to that fame but any case could fail if the fame was not proved and such fame would have to be put within parameters. From the evidence, the goodwill it enjoys is wider than the area of business for

which it can be considered famous. Owing to this issue of costs I have left my summary of the evidence of Intel in the decision although, as a result of the agreement between counsel at the hearing, it is not strictly relevant. I do not find anything greatly untoward or unnecessary in the evidence of Intel. It established its fame for the core of its business and also established the areas into which it has expanded. Consequently, I have decided that no deduction should be made from the costs that I award to Intel.

67) I order British Telecommunications public limited company to pay Intel Corporation the sum of £2,475. This sum is 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.

68) I wish to put on record my gratitude to counsel and those instructing them for adopting what I consider a very sensible and Woolfian approach at the hearing.

Dated this 26th day of June 2003

**David Landau
For the Registrar
the Comptroller-General**