

**Trade Marks Act 1938 (as amended) and
Trade Marks Act 1994**

**IN THE MATTER OF Application Nos. 1360373
and 1360579 by Club Europe Holidays Ltd**

AND

**IN THE MATTER OF Opposition thereto
under Nos. 41936 and 41935 by
British Airways PLC**

5 **Trade Marks Act 1938 (as amended) and
Trade Marks Act 1994**

**IN THE MATTER OF Application Nos. 1360373
and 1360579 by Club Europe Holidays Ltd**

10

AND

**IN THE MATTER OF Opposition thereto
under Nos. 41936 and 41935 by**

15

British Airways PLC

20 Club Europe Holidays Ltd applied on 12 October 1988 under Section 17(1) of the Trade
Marks Act 1938 to register the following trade mark

25



30

in respect of the following services under:

35

Application No. 1360373:

Travel agency services; arranging of travel, tours and of car hire; holiday travel
reservation services; booking agency services for travel; escorting of travellers; all
included in Class 39.

40

under Application No. 1360579

Booking agency services for hotel accommodation; arranging and letting of holiday
accommodation; all included in Class 42.

45

Both applications were the subject of the following disclaimer under the provisions of Section
14 of the Act.

50

Registration of this mark shall give no right to the exclusive use separately, of the
words 'CLUB' and 'EUROPE'.

5 The applications were subsequently advertised before acceptance under the provisions of Section 18(1).

On 31 January 1995, British Airways PLC filed notice of opposition against both applications. The grounds upon which the oppositions are based are, in summary:

10

i under Section 12 because the trade marks the subject of these applications so nearly resemble trade marks registered or applied for in the name of the opponents.

15

ii under Section 11 because of the opponents' use of similar trade marks;

iii under Section 17 because the applicants are not the proprietors of the trade marks the subject of the applications for registration.

20

The opponents ask that the Registrar refuse the applications in the exercise of his discretion and to award costs in their favour.

The applicants filed a counterstatement denying these grounds, asking the Registrar to register the trade marks and award costs in their favour.

25

The registered trade marks the opponents rely upon in support of their opposition are as follows:-

30

<u>Application No.</u>	<u>Class</u>	<u>Mark</u>	<u>Specification</u>
1305290	39	CLUB WORLD	Airline, air transportation services, package tour and package holiday services, all included in Class 39.

35

1483910	42	CLUB WORLD	Booking and reservation services for holidays, tours, hotels, guesthouses, accommodation, air tickets, rail tickets and sea passages; hotel and restaurant services for the provision of food, drink and of accommodation; all included in Class 42.
---------	----	------------	--

40

45

50

5

BRITISH AIRWAYS

CLUB CLASS



10

15 1314542 39

Airline services; air travel services; arranging the transportation of goods and people; excursion, travel agency and booking services; package holiday services; car hire services; all included in Class 39.

20

25 It was agreed at the commencement of the proceedings that these oppositions to the registration of applications Nos. 1360373 and 1360379 should be consolidated and both sides filed evidence in these proceedings accordingly. The matter came to be heard on 27 May 1998 at which time the applicants were represented by Mr Geoffrey Hobbs, of Queens Counsel, instructed by Grant Spencer Caisley & Porteous. The opponents were represented by Mr James Mellor, of Counsel, instructed by RGC Jenkins & Co.

30

OPPONENTS EVIDENCE

35 This comprises a Statutory Declaration dated 12 January 1996 from Mr Paul Henry Jarvis, the Assistant Company Secretary of British Airways PLC. He has been associated with British Airways for twenty-nine years and has held his present position since 1992. All of the information given comes from his own personal knowledge or from the books, records and accounts of British Airways.

40 Mr Jarvis states that British Airways is the largest international passenger airline in the world and the largest airline in the United Kingdom; he provides some facts and figures to support that including the fact that the opponents world-wide revenue over the period 1988 to 1994 exceeded £30,000 million. He goes on to state that the opponents are the proprietors of the trade mark registrations mentioned earlier and that they have filed applications to register the trade mark CLUB EUROPE in Class 39 under Nos. 1305288 and 1582076 and in Class 42 under No. 1483912.

45

Mr Jarvis submits that the trade marks which the applicants are seeking to register are confusingly similar to the trade marks his company has registered or have applied for and that the services covered by the respective specifications are the same or of the same description as the services covered by the opponents' applications and registrations.

50

5 Mr Jarvis explains that the opponents have used trade marks consisting of the word CLUB in relation to airline and related services on an extensive scale for a considerable period of time. In 1978 British Airways began to offer an enhanced class of service to its long haul intercontinental business travellers under the mark CLUB. In 1981 the CLUB service was extended to European services. Subsequently, the trade mark SUPER CLUB was used to
 10 designate this enhanced class of service on long haul flights. Thus between 1978 and 1987 the mark CLUB was used on all business class boarding passes, in-flight materials such as napkins, bag tags and headrest covers, and extensively in advertising of the opponents business class services. Over £12 million was spent on advertising and promoting these services.

15 Mr Jarvis goes on to state that to build upon the goodwill generated by the use and promotion of the trade mark CLUB, the opponents decided in 1987 to refer to its European business class services as CLUB EUROPE and its long haul business class service as CLUB WORLD. The launch of these services in 1988 was accompanied by enormous promotional activity, which was to establish CLUB EUROPE and CLUB WORLD as designating a very high
 20 quality service. Advertisements showing services offered under the trade marks CLUB EUROPE and CLUB WORLD are exhibited at PJ3 and between 1988 and 1990 over £17 million was spent on advertising these services, of which over £5 million was spent in the United Kingdom.

25 The extent of the opponents' use of the trade marks CLUB, CLUB WORLD, SUPER CLUB and CLUB EUROPE since 1978 is evidenced says Mr Jarvis by the revenue figures for tickets sold under the trade marks which are:

<u>Year</u>	<u>SUPER CLUB</u>	<u>CLUB</u>	<u>CLUB WORLD</u>	<u>CLUB EUROPE</u>
30 1980/81	£602 million			
1981/82	£268 million			
1983/84	£97 million	£392 million		
1984/85	£290 million	£312 million		
35 1985/86	£324 million	£333 million		
1986/87	£363 million	£365 million		
1987/88			£513 million	£406 million
1988/89			£632 million	£433 million
1989/90			£708 million	£453 million
40 1990/91				
1991/92				£599 million
1992/93				£594 million

45 In addition, Mr Jarvis states that since 1978, the trade marks CLUB, SUPER CLUB, CLUB EUROPE and CLUB WORLD have been used prominently at check-in desks at every major airport in the world, including all the major United Kingdom airports. Any one of the opponents' passengers who has flown business class since 1978 will therefore be familiar with these trade marks. In that connection Mr Jarvis exhibits at PJ4 a selection of material showing how the trade marks are or have been used on boarding cards, labels, advertising material, etc.
 50 He therefore submits that, as a result of the extensive use of the trade marks CLUB, CLUB EUROPE, SUPER CLUB and CLUB WORLD, any member of the public encountering the applicants' trade marks will assume that the services offered under it are in some way connected with British Airways.

5 **APPLICANTS EVIDENCE**

This consists of a Statutory Declaration by Mr Ian Murray Johnson, the Managing Director of Club Europe Holidays Limited. He has been associated with the Company since it commenced business in April 1980 and has held his present office since that time.

10

Mr Johnson explains that the applicants' principal activity since its formation has been that of a tour operator. Such tours cover a range of leisure, recreational and educational activities. They also provide related services such as the reservation and letting of accommodation, the arrangement of travel requirements, flights, car hire and the like. It is now one of the leading specialists in schools travel arrangements, general group travel and concert tours. In 1995 it was given an Air Travel Organisers' Licence by the Civil Aviation Authority, enabling it to operate flight-based travel packages world-wide. Since 1985, says Mr Johnson, the applicants have been members of the Association of British Travel Agents ("ABTA") and since 1992 a member of the School and Group Travel Association ("SAGTA"). SAGTA is a group of school travel operators, all financially bonded and adhering to a strict conduct code including safety guidelines developed in conjunction with the Royal Society for the Prevention of Accidents.

15

20

25

Mr Johnson states that the name CLUB EUROPE was chosen with some thought. EUROPE suggested itself because at the time the opponents had a project to market European holidays in Australia. CLUB seemed appropriate because the target market consisted mainly of the 18-30 age group to whom the companionable and friendly connotations of the word seemed likely to appeal. Thus the trade mark CLUB EUROPE was first used by his Company in April 1980 on letterheads and brochures produced at that time and the trade mark has been continuously used since that date. Examples of material showing use of the trade mark is exhibited at CEH1. In addition, as stated earlier, his Company provides travel-related services such as the provision of reservation and letting of accommodation, the arrangement of travel requirements, and copies of invoices and other documents relating to these services are exhibited at CEH2.

30

35

Mr Johnson goes on to provide details of the annual gross turnover figures of the applicants for the period from commencement of business in April 1980, together with the number of passengers carried and the amount spent each year on promotional activities:

40

	Turnover £	Passengers Carried	Promotion
1980/81	105,801	480	7,801
1981/82	46,522	245	3,986
1982/83	199,208	860	6,996
45 1983/84	314,321	1160	7,824
1984/85	349,206	1660	18,821
1985/86	318,346	1500	12,343
1986/87	698,731	2360	17,389
1987/88	1,028,688	3270	25,067
50 1988/89	1,215,228	4736	45,220
1989/90	1,220,381	5280	57,123

5	1990/91	1,937,681	7422	73,236
	1991/92	2,134,088	8075	98,944
	1992/93	2,536,816	8850	93,972
	1993/94	2,807,960	10583	98,982
	1994/95	2,991,375	12218	90,743
10	1995/96	3,750,000 (estimate)	14276	110,000 (estimate)

15 A major part of the promotional activities referred to above is the printing and dissemination of brochures. In 1996 his Company produced five separate brochures, exhibited at CEH4, totalling 70,000 copies and costing approximately £95,000. The quantities produced of each brochure were as follows:

	Travel Club Europe	25,000
	Concert Tours for Schools	15,000
	European Concert Tours	15,000
20	Skiing for Schools	7,500
	Skiing for Schools [Earlybird]	<u>7,500</u>
	TOTAL	70,000

25 The majority of these brochures are sent out through a mailing house that uses market research techniques to target appropriate addressees. Contact is maintained with the mailing house to ensure that they do not send brochures to those people to whom the applicant sends direct. In addition, however, the applicant, says Mr Johnson, promotes its services by means of advertisements in the press and various trade publications notably the following:

30	Travel Trade Gazette	Church Quarterly
	Educational Skier	Catholic Times
	Classical Music	The Universe
	The Singer	British Music Year Book
	Music Teacher	The British Education Year Book
35	Brass Band World	Sainsburys Choir of the Year Brochure
	The Bandsman	Music for Youth (the Scool Prom)
	Winds	
	The Choir & Organ Magazine	
40	Choir Schools Today	

45 Specimens of this advertising and trade press material is exhibited at CEH3 and CEH4. Mr Johnson goes on to state that the applicants' services are provided to customers throughout the United Kingdom and that all promotional material is mailed to middle and secondary schools and to music societies throughout the United Kingdom. Lists of schools and groups which have used the opponents services and which receive this promotional material are provided at CEH6 and CEH7.

50 Mr Johnson believes that as a result of their use throughout the United Kingdom, the trade mark CLUB EUROPE, when used in relation to tour operator services, indicates to the trade and to the public the services of his company. He further states that steps have been taken by the applicants to protect their rights in the CLUB EUROPE trade marks. In 1985/86 a travel

5 company based in Tilbury, Essex commenced use of the term CLUB EUROPE but, following representations from the applicants' solicitors, ceased use. The relevant correspondence is exhibited at CEH8.

10 Mr Johnson further states that when the British Airways PLC started to use the term CLUB EUROPE in 1988 in relation to its services his company's solicitors wrote to them to draw their attention to his company's rights. British Airways PLC's solicitors responded on 25 January 1989 stating that "there is no serious risk that people who have dealt with your client will think that our clients, or their business class "CLUB EUROPE" flights, are associated with your clients". Copies of the relevant correspondence are exhibited at CEH9.

15 Also, says Mr Johnson, the opponents were not concerned about possible confusion in 1993 when British Airways PLC collaborated with the applicant in a joint venture, together with a travel agent, Owenoak Castle Tours. This venture was to provide concert tour arrangements in Europe for orchestras from throughout the United States. The applicants were to handle the tour arrangements in Europe, Owenoak organised the marketing and selling of the tours in 20 the USA and the opponents were to provide the air transport. Each company contributed one third of the overall cost. The tours were extensively promoted in the USA and some 5000 brochures were distributed to directors of choral societies but in 1994 the project was wound up because of lack of demand. Throughout the lifetime of the joint venture project it was 25 referred to as "Club Europe Concert Tours". To Mr Johnson's knowledge British Airways PLC never expressed any concern at this state of affairs and he exhibits at CEH10 a selection of correspondence regarding the joint venture between Messrs Andy Cook (Group Travel Executive of the applicants' Club Europe Concert Tours division) and Mike Jayne, Vice President of British Airways' Leisure and Specialist Sales Division together with promotional 30 leaflets relating to the joint venture.

Finally, Mr Johnson states that over the sixteen years of the applicants existence it has had thousands of business meetings and enquiries from and discussions with members of the public. In all this time, there has been no confusion between the applicants and the opponents 35 trade marks other than that which he would consider to be de minimus. This he says has taken the form, between 1988 and 1990, of the receipt of two promotional forms and one letter from British Airways customers, the misdirecting by the Post Office of a letter addressed to "British Airways, Club Europe, London", the receipt of no more than half a dozen telephone calls requesting information about British Airways' services and, recently, a comment by the 40 secretary of a tourist office in the small Italian town of Brentonico that she had not known that Club Europe had its own check-in facilities at the airport.

OPPONENTS EVIDENCE IN REPLY

45 This comprises a further Statutory Declaration from Mr Paul Henry Jarvis dated 28 April 1997. He says that he has read the declaration of Mr Ian Murray Johnson from which he concludes that the applicants run a fairly small and very specialised business. The travel services which they offer appear to be confined to the areas of school travel and concert tours and the turnover and passenger figures are fairly low, as are the advertising expenditure 50 figures. Also, Mr Jarvis points to the fact that Mr Johnson acknowledges that confusion has occurred in the market place and as to the origin of the services provided under their Club

5 Europe trade mark. Thus, he submits that the applicants acknowledge that confusion is a very real possibility.

10 In response to Mr Johnson's statement about the correspondence which flowed between the applicants' solicitors and the opponents' solicitors in 1989 regarding the opponent's use of the trade mark CLUB EUROPE, Mr Jarvis submits that the mere fact that the opponents' solicitors took the view that British Airways PLC's use of the trade mark CLUB EUROPE was not likely to cause confusion amongst the applicants' customers, does not mean that customers of the opponents or members of the public will not assume that a tour operator offering a service under the CLUB EUROPE Logo trade mark of the applicant are in some way connected with the opponent. Finally, as far as the joint venture, referred to by Mr Johnson in his declaration is concerned, Mr Jarvis states that he has no knowledge of this.

That concludes my review of the evidence filed in these proceedings.

20 The thrust of the submissions made to me by Mr Mellor at the Hearing on the opponents' behalf was that the applicants were seeking to register trade marks in respect of services which they did not provide and therefore in which they had no reputation. Under the trade mark the subject of the applications (which I will call CLUB EUROPE (plus device)) the applicants had and were providing travel agency services and booking agency services insofar as they related to tours for schools or concert tours. The opponents accepted that the applicants were entitled to register the trade marks but only in respect of the limited range of services they provide. To allow the trade marks to be registered for specifications for a broader range of services than the evidence justified would inevitably, in Mr Mellor's view, cause confusion and deception as a result of the earlier British Airways registrations.

30 With the evidence and Mr Mellor's submission in mind I turn to the grounds of opposition which are founded in Section 11, 12 and 17(1) of the Act. I deal first of all with Section 17(1) which reads as follows:

35 **17.(1)** Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the register.

40 In respect of the issue of proprietorship of a trade mark, Mr Hobbs asked that I take account of the comments of Morritt L J in the AL BASSAM Trade Marks [1995] RPC 511, where he states as follows:

45 "Accordingly it is necessary to start with the common law principles applicable to questions of the ownership of unregistered marks. These are not in doubt and may be shortly stated. First the owner of a mark which had been used in conjunction with goods was he who first used it. Thus in *Nicholson & Sons Ltd.'s Application* (1931) 48 RPC 227 at page 253 Lawrence L J said

50 "The cases to which I have referred (and there are others to the like effect) show that it was firmly established at the time when the Act of 1875 was passed that a trader acquired a right of property in a distinctive mark merely by

5 using it upon or in connection with his goods irrespective of the length of such
user and of the extent of his trade and that such right of property would be
protected by an injunction restraining any other person from using the mark”.

10 Second the right to the used mark as an indication of the origin of the goods
could not be assigned separately from the goodwill of the business in which it
had been used for that would have been to assign the right to commit a fraud
on the public. cf. *Pinto v. Badman* (1891)8 RPC 181, 194. Third, in the case
of an unused mark the person with the best right to use it was the designer or
inventor. cf. *Hudson’s Trade Marks* (1886) 3 RPC 155 at pages 160 and 163.

15 The trademark legislation has included and still includes provisions
dealing with what might be regarded as use for the purpose of acquiring a
trademark. See for example ss 75 Patents, Designs and Trade Marks Act 1883
and section 31 Trade Marks Act 1938. Moreover all the trademark legislation
20 from 1875 to 1938 has contained a greater or lesser prohibition on the
assignment of the mark separately from the associated goodwill. See for
example section 2 Trade Marks Registration Act 1875 and section 22 Trade
Marks Act 1938. Likewise all of them have contained provisions requiring the
rights of rival claims to be determined by the court. See for example section 5
25 Trade Marks Registration Act 1875 and section 12(3) Trade Marks Act 1938.

30 In my view it is plain that the proprietor is he who satisfies the
principles of the common law to which I have referred. Accordingly in the case
of a used mark; as in this case, the owner or proprietor is he who first used it in
relation to goods for the purpose indicated in the definition of trade mark
contained in section 68 which I have already quoted. Ownership of the mark is
a different concept to deceptiveness of the mark, the principles applicable to
the two concepts are different and I do not see how one can determine whether
35 there is likely to be confusion without first deciding who is the proprietor. I
reject the submission that the opening words of section 17(2) refer only to
sections 9 to 16. They must also refer to section 3 and if they comprehend a
section in that part of the Act I see no reason to exclude section 1(1).
Moreover, section 17(2) deals with acceptance of the application; the hearing
and decision on whether to permit registration referred to in section 18(5) is a
40 later stage following advertisement. Accordingly I reject the submission for
Courtaulds that the proprietor of the mark is he whose use of it will not cause
deception or confusion etc. In my view proprietorship may raise different
issues to that of deception within section 11, though, no doubt, it is true that
they will often overlap.”.

45 Taking these comments into account I am satisfied, first of all, on the basis of the unchallenged
evidence, that the applicants have used the trade marks CLUB EUROPE and device since
April 1980. Therefore they can justifiably claim to be the proprietors of the trade marks
insofar as they indicate a connection between themselves and the services they provide. The

5 question to be determined therefore is what are the services they provide. It is necessary to answer this question because it is clear from the comments of Morrill L J that a claim to proprietorship of a trade mark which has been used can extend only to the services in respect of which that use applies.

10 In that connection there were submissions from both Mr Hobbs and Mr Mellor at the Hearing in relation to the evidence filed by the applicants on the scope of the services on which the trade marks have been used. Mr Hobbs urged me to leave the specifications of both applications as they are on the grounds that the Registrar does not normally introduce into a specification artificial limitations in respect of the trading activity of an applicant, doing so
15 only when a situation arises in which another party claims the “right to impose tramlines, corsets and restrictions” at which time the Registrar had to consider whether the person seeking to impose the limitation has a right to do so. Mr Mellor in a detailed examination of the applicants’ evidence sought to demonstrate to me that the applicants had not and did not provide the range of booking and travel agency services which the specifications in the
20 applications suggest. For example, a number of the exhibits provided on behalf of the applicant by Mr Johnson at CEH2 were invoices in connection with bookings or travel arrangements purported to be made by the applicant for customers. In fact on detailed examination he showed that these arrangements and bookings were made for the staff employed by the applicants. In the circumstances, they could not seek to claim that their
25 travel and booking agency services were provided for the public at large. They provided, in Mr Mellor’s view, services to the niche market of schools, educational establishments and concert tours.

The fact is that the applicants for registration have claimed a broad specifications of services in
30 their applications for registration. These claims have now been challenged by the opponents who believes that the applicants have not used the trade marks on all of the services listed in the specifications. In the circumstances there is placed upon the applicants an onus to show use of their trade mark on the full range of services claimed (or an intention so to use). The evidence the applicants have filed in this case does not, in my view, discharge that onus. The
35 wide specification is not supported by evidence of use of the trade marks on travel agency services and booking agency services at large. The invoices exhibited by Mr Johnson at CEH2 are not evidence of the provision of such services at large, and all of the promotional material is focussed on the provision of these services only in respect of specialist groups - schools and concert tours. The applicant can not therefore, in my view, claim to be the proprietor of the
40 CLUB EUROPE (and device) trade mark for all of the services covered by the specifications and to the extent that the applicants can not claim so to be then the opposition under Section 17(1) succeeds.

45 I go on to consider the grounds of opposition under Section 11 and 12 of the Act. These sections read as follows:

11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be
50 contrary to law or morality, or any scandalous design.

5 **12.** (1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of-

- 10 (a) the same goods,
- (b) the same description of goods, or
- 15 (c) services or a description of services which are associated with those goods or goods of that description.

(2) In case of honest concurrent use, or of other special circumstances which in the opinion of the Court or the Registrar make it proper so to do, the Court or the Registrar may permit the registration by more than one proprietor, in respect of-

- 20 (a) the same goods,
- (b) the same description of goods, or
- 25 (c) goods and services or descriptions of goods and services which are associated with each other,

30 of marks that are identical or nearly resemble each other, subject to such conditions and limitations, if any, as the Court or the Registrar, as the case may be. Many think it right to impose.

The reference in Section 12(1) to a near resemblance is clarified by Section 68(2B) of the Act which states that references in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.

35 Insofar as the opponents' trade marks are concerned I consider that only the two registrations of the terms CLUB WORLD, Registrations Nos. 1305288 and 1483910 need be considered. The third registration No. 1314542 is sufficiently different from the other two and is unlikely to add any weight to the opponents case. The opponents applications for the term CLUB

40 EUROPE post date the applications for registration in suit and are not accompanied by a claim to prior user.

45 The established tests for objections under these provisions are set down in Smith Hayden & Co.'s application (Volume 1946 63 RPC 101) adapted, in the case of Section 11, by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand, these tests may be expressed as follows:

(Under Section 11). Having regard to the user of the trade mark CLUB WORLD is the tribunal satisfied that the trade marks applied for, CLUB EUROPE (and device), if

5 used in a normal and fair manner in connection with any services covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

10 (Under Section 12). Assuming user by the opponents of their trade marks consisting of, or incorporating, the words CLUB WORLD in a normal and fair manner for any of the services covered by the registrations of those marks, is the tribunal satisfied that there will be no reasonable likelihood of deception among a number of persons if the applicants use their trade mark CLUB EUROPE (and device) normally and fairly in respect of any services covered by their proposed registration.

15 Mr Hobbs first of all argued that the word CLUB in relation to the services provided by the opponent was both laudatory and generic and I was referred to the CLUB trade mark case 1994 RPC 527. Taking that into account, in his view, the trade mark CLUB EUROPE did not conflict with the trade mark CLUB WORLD when due weight is given to the fact that the word CLUB is both laudatory and generic. Insofar as Section 11 is concerned Mr Hobbs
20 contended that as his client has first user of the trade mark CLUB EUROPE then the objection under that section fell away. Finally he contended that, notwithstanding the above, that as the senior user his clients could not be stopped under Section 12(1) of the Act because Section 7 states that they have vested rights which entitle them to proceed to registration under Section
25 12(2).

For convenience the respective trade marks are shown below:

30 Applicants

Opponents



CLUB WORLD

40 In determining whether these trade marks are confusingly similar I take account of one of the standard judicial tests for the comparison of marks and take note of the decision of Parker J in Painotist Co. Ltd. 23 RPC 77 where he said:

45 “You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further
50 consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all

5 those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case”.

10 First of all, I consider whether the respective services covered by the applications and the registrations are the same or of the same description. In my view in respect of the applicants Class 39 application and the opponents registration in the same class, Travel Agency Services and arranging travel are at least services of the same description as package tour and package holiday services. In relation to the respective Class 42 application and registrations the same services, of booking and reservation of holidays and tours, are included in both. Therefore I hold that the services covered by the applications are the same or of the same description as the opponents registration.

20 I go on therefore to consider whether the trade marks themselves are the same or similar. In that respect, notwithstanding the fact that disclaimers may be attached to particular elements within trade marks it is necessary to compare the trade marks as a whole when the question of the likelihood of confusing similarity of marks is considered, GRANADA Trade Mark [1979] RPC 303. I therefore compare and consider the trade marks as set out earlier in this decision. In doing so I note that it is well established that the first syllable of a word is important for the purpose of distinction (see TRIPCASTROID 42 RPC 264) and I consider that similar considerations apply where trade marks consist of more than one element. In this case both trade marks have identical first elements the word CLUB and I go on therefore to compare the second elements of each trade mark, the word EUROPE and the word WORLD. In doing so, in accordance with the test laid down by Parker J, I must consider all of the circumstances surrounding the trade marks including the services on which they are used.

In this case we have the travel agency services and booking agency services the applicants have applied for and the package tour and package holiday and airline services for which the opponents trade marks are registered. In my view the words WORLD and EUROPE are directly associated with all the services provided by both parties. Travel agency services, booking agency services and airline services are all provided on a “World” and “Europe” wide basis and in this context the word WORLD is interchangeable with the word EUROPE. Therefore, taking into account the common features of the respective trade marks (the word CLUB) coupled with the fact that each also contain words which are interchangeable and which would be commonly used by providers of all airline services and hotel and travel agency services I think that the respective trade marks CLUB WORLD and CLUB EUROPE are sufficiently similar to cause confusion in the minds of the public which could lead to confusion in the services. The device element in the applicants’ trade marks is not likely, in my view to impress itself on the minds of the public as the primary element or indeed one of equal significance as the words.

In reaching this view I am reinforced by Kerlys Law of Trade Marks and Trade Names which at 17-08 page 439 states:

50

5 (a) The 'Idea of the Mark' is to be regarded

Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted.

The trade marks CLUB WORLD and CLUB EUROPE convey the same idea and therefore the opposition based upon Section 12(1) succeeds. In relation to Section 11, however, to the extent that the applicants have used their trade marks on a range of services well before the opponents commenced use of their trade marks, the opposition should fail. However, I have already held that the services on which the applicants have shown use of their trade marks is narrower than the specifications of services applied for and in respect of which they can claim proprietorship of the trade marks. Therefore, to the extent that the applicants' use extends beyond the use as demonstrated by their evidence at the relevant date and encroaches upon the opponents' territory then it appears to me that the opponents should succeed under Section 11.

It seems to me, in view of my findings above and the opponents' opening submissions at the hearing that they acknowledged the applicants' claim to a registration of their trade marks, that a restriction in the applicants' specifications to the services on which they have shown use of their trade marks, and in respect of which there is unlikely to be confusion of the public in respect of the origin of the services, will justify the acceptance of these applications. Therefore, taking the best view I can of the matter, and in the exercise of the Registrar's discretion provided by Section 17(2) I consider that these applications for registration can be accepted provided that the specifications of these two applications are restricted as follows;

all the aforesaid services being provided in relation to tours for schools, other educational establishments or concert tours.

In the event that I am wrong in allowing these applications to proceed for the limited range of services for the reasons stated, I consider that the applicants are entitled to registration under the provisions of Section 12(2). In reaching that view I take account of the judgement of Mr Justice Falconer in CHELSEA MAN 1989 RPC 111 where he confirmed that Section 12(2) can be utilised to overcome a finding as to possible confusion under Sections 11 and 12(1) of the Act. I do not need therefore to consider Mr Hobbs' point about the relationship between Section 12(2) and Section 7 in any detail. The applicants also meet all of the judicial tests laid down by Lord Tomlin in PIRIE'S APPLICATION 50 RPC 147 for the consideration of matters under Section 12(2). I consider that the applicants honestly coined their trade mark; that they and the opponents have been operating in their respective fields of business for some time without material indication that confusion has occurred and that neither side will be prejudiced as a result of the registration of these two trade marks. Therefore, for the specifications of services provided by the applicant, and therefore limited as set out above, I consider that the applications can proceed to registration under the provisions of Section 12(2).

5 The effect of this decision is that these applications are refused in respect of the specifications of services applied for for the reasons set out above but accepted for specifications limited as set out earlier in this decision. If no appeal is lodged the applications will proceed to registration accordingly.

10 In view of my findings, no award as to costs will be made; each side must bear its own costs.

Dated this 17 day of August 1998

15

20 **M KNIGHT
FOR THE REGISTRAR
THE COMPTROLLER GENERAL**

25