

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 2141692
BY DIALOG ABC LIMITED TO REGISTER
A TRADE MARK IN CLASS 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NUMBER 48919 BY
PUBLICIS LIMITED**

TRADE MARKS ACT 1994

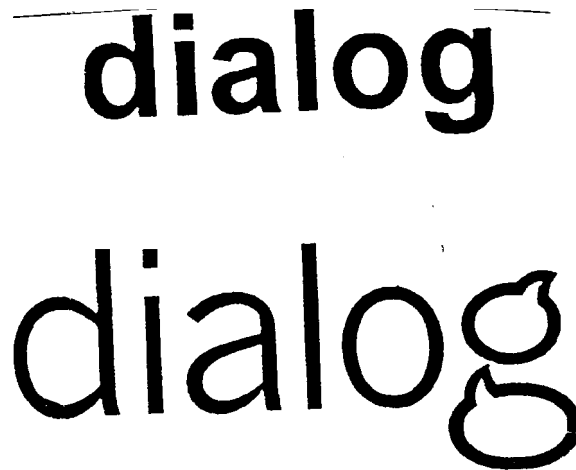
**IN THE MATTER OF Application Number 2141692
by Dialog ABC Limited to register
a Trade Mark in Class 42**

and

**IN THE MATTER OF Opposition thereto under Number 48919
by Publicis Limited**

BACKGROUND

1. On 7 August 1997 Dialog ABC Limited applied to register the following trade marks:



Application for a series of two marks.

in Class 42 for:

"Professional consultancy, advisory, design and creative writing services, all relating to external corporate communications, internal corporate communications, relationship marketing, corporate culture change communications; trade mark and slogan creations and design services."

2. The application was subsequently accepted by the Registrar and published in the Trade Marks Journal. On 20 August 1998 Forrester Ketley & Co on behalf of Publicis Limited filed a Notice of Opposition. In summary the grounds were:-

- (1) Under Section 5(2) of the Act because the mark applied for is confusingly similar to the following UK trade mark registration, owned by the opponent, which is registered for similar services:-

REGISTRATION NO.	MARK	SERVICES	DATE OF REGISTRATION
1429292	Dialogue	Advertising services; public relations services, promotional services and marketing; all relating to advertising; all included in Class 35.	25 June 1990

- (2) Under Section 5(3) of the Act because the mark applied for is similar to trade mark registration number 1429292, owned by the applicant, and if the services of the mark applied for are deemed not similar (which is not admitted), then by virtue of the opponent's reputation in their mark, use of the mark applied for would take unfair advantage of or be detrimental to the distinctive character or the repute of the opponent's earlier trade mark.
- (3) Under Section 5(4)(a) of the Act because the opponents place considerable value on their mark and use of the mark applied for in relation to the services for which protection is being sought, is liable to be prevented by virtue of the law of passing off.

3. On 25 September 1998 the applicants, through their agents, filed a counterstatement denying the grounds of opposition. Both sides asked for an award of costs in their favour and have filed evidence. The matter came to be heard on 27 April 2001 when the applicant for registration was represented by Mrs Cookson of Nabaro Nathanson and the opponent by Mr Edenborough of Counsel, instructed by Forrester Ketley & Co.

Opponent's Evidence

4 This consists of three statutory declarations, one each from James Christopher Bardsley Whitworth, David Edward Bicketon Haigh and Chris McDowall, the first two are dated 18 August 1999 and Mr McDowall's is dated 19 August 1999.

5. Mr Whitworth is the Group Finance Director of the Publicis Group, a position he has held since 1991. He states his company is a leading advertising, marketing and public relations agency and that a public relations company was set up by his company under the name Publicis Dialogue Limited in 1986, as a subsidiary of Publicis Limited. Publicis Dialogue Limited traded under the DIALOGUE name, providing public relations services and related advertising and marketing services. Mr Whitworth refers to Exhibit JCBW1 to his declaration, which comprises a copy of a document produced in June 1990 in response to a questionnaire from the American Soybean Association, and invoices relating to the purchase of advertising. He states this shows the nature of the Publicis Dialogue business. Mr Whitworth adds that business continued under the DIALOGUE name until 1995 when, following a management buy-out, Publicis Dialogue was closed and the business was continued under the name of DIALOGUE AGENCY by Dialogue Agency Limited. The Dialogue agency continues to

trade, using the DIALOGUE trade mark with the consent of the Publicis Group. Thus, says Mr Whitworth, the Dialogue Agency Limited has used DIALOGUE as a trade mark in respect of public relations services and related advertising and marketing services since February 1995.

6. Mr Whitworth explains that it has been difficult to trace details relating to use of the trade mark DIALOGUE by Publicis Dialogue Limited as much of the relevant information was not retained following the management buy-out in early 1995, but he provides turnover figures for Publicis Dialogue Limited for the years 1992 to 1995 as follows:-

<u>Year</u>	<u>Turnover</u>
1992	£ 2,428,130
1993	£ 1,745,059
1994	£ 980,938
1995	£ 217,681

7. Mr Whitworth states that the accounts for Publicis Dialogue Limited contain figures relating to "entertaining", "presentation costs" and "publicity", all of which could, he believes, be regarded as costs incurred in relation to the promotion of services provided under the Publicis Dialogue name. He sets out the following figures:-

<u>Year</u>	<u>Entertaining/Presentation costs/Publicity</u>
1992	£ 44,133
1993	£ 27,515
1994	£ 51,306

8. Mr Whitworth continues by stating that the appendix to Exhibit JCBW1 demonstrates the range of clients for whom Publicis Dialogue Limited worked and that the DIALOGUE name therefore received widespread exposure within the public relations, advertising and marketing field. Next, Mr Whitworth refers to the management buy-out (mentioned earlier in his declaration) and draws attention to Exhibit JCBW2 to his declaration which consists of a copy of a letter and a press release relating to the transfer of the business under the DIALOGUE name from Publicis Dialogue Limited to The Dialogue Agency Limited. He adds that the DIALOGUE name continues to be used by The Dialogue Agency Limited.

9 Mr Whitworth goes on to say that in June 1998, his company launched a global direct marketing network under the name Publis Dialog and Exhibit JCBW3 to his declaration contains a copy of an article, giving details relating to Publicis Dialog, which appeared in the 4 May 1998 edition of Precision Marketing.

10. Mr Whitworth is concerned by the mark in suit because it covers services which overlap with those of interest to his company. Publicis Dialog provides marketing and sales promotion services and he notes that the services covered by the applicant's mark include "relationship marketing", which is a form of marketing which he says is in direct conflict. Furthermore, Mr Whitworth states that the activities of an agency such as Publicis Dialog would include

activities such as creative writing services, trade mark and slogan creation and design services, and thus, as part of an advertising or marketing campaign, it would not be uncommon to be asked to create a trade mark or slogan or to produce brochures or the like which would involve creative writing services. Mr Whitworth is firmly of the view that the services covered by the mark in suit are similar to those covered by the opponent's registration 1429292 and that there is a genuine risk of confusion.

11. The next statutory declaration filed on behalf of the opponents is by David Edward Bicketon Haigh. Mr Haigh is a Director of The Dialog Agency Limited, a position he has held since the company commenced trading under the name DIALOGUE AGENCY in February 1995. His company is an independent public relations consultancy providing PR services and related advertising, marketing and ancillary services.

12. Mr Haigh explains that, following a management buy-out in January 1995, his company carried on the public relations consultancy business previously undertaken by Publicis Dialogue Limited, that Publicis Limited is the registered owner of UK trade mark registration number 1429292 and that his company has been using that mark in relation to public relations services, marketing services and ancillary, related services since February 1995 with the consent of Publicis Limited. He adds that his company's services under the heading public relations consultancy, include media and market research, consumer and media relations, copy-writing, events and exhibitions management and production of collateral materials. Mr Haigh refers to Exhibit DEBH1 to his declaration which consists of a collection of documents relating to his company, explaining the nature of its business, together with a letter and press release relating to the transfer of the business under the DIALOGUE name from Publicis Dialogue Limited to his company and brochures produced by his company for its clients, where the name of the agency appears on the back of the brochures. He then provides his company's recent turnover figures, as follows:-

<u>Year (to 31st March)</u>	<u>Turnover</u>
1995	£ 49,000
1996	£ 398,000
1997	£ 620,000
1998	£ 578,000
1999	£ 702,000

13. Mr Haigh goes on to say that his company does not really engage in the active promotion of the services which it provides under the DIALOGUE name but does incur costs in subscribing to the Public Relations Consultants Association (a trade association) and consequently has an entry in that Association's Year Book. At Exhibit DEBH2 to his declaration, is a copy of his company's member profile as held on the records of the Public Relations Consultants Association and a copy of the information his company provided to the Association indicating the "PR disciplines and services" provided by his company which show it provides services such as internal and external communications, design services and writing (corporate brochures/speeches) services. Mr Haigh states that the DIALOGUE name is used in relation to all of the activities undertaken by his company and is, in effect, promoted whenever the company does business or seeks to attract potential new clients. He draws

attention to Exhibit DEBH1 and the copy of an article which appeared in the March 1998 edition of Director Magazine which contained a reference to the DIALOGUE AGENCY.

14. Mr Haigh is concerned by the application in suit because he views it as covering services which overlap with those provided by the opponent whose services include services such as design and creative writing services, trade mark and slogan creation and design services. He believes that any public relations agency would provide advertising and marketing services of some sort, and as part of those services it would not be unusual to be requested to create a trade mark or slogan for a particular campaign or to produce brochures and literature which would involve creative writing or design services. In relation to confusion between the marks, Mr Haigh recalls that in 1996 his company received a package from a designer or printer which was intended for Dialog Limited. He recalls contacting Dialog Limited and arranging for the package to be redirected to them. It was then Mr Haigh realised that there was another company using the name DIALOG but it was thought that Dialog Limited only operated in the field of corporate identity design and was a small company. Mr Haigh concludes that any use by the applicant of the mark applied for, in relation to the services for which protection is sought, will give rise to confusion.

15. The opponent's final declaration is by Chris McDowall who is the Director General of the Public Relations Consultants Association, a position he has held since June 1996. He says that, in this capacity, he has become aware of trading practice in the field of public relations.

16. Mr McDowall explains that the records of the Public Relations Consultants Association indicate that a public relations consultancy was first established under the DIALOGUE name in 1986 as part of the Publicis Group and was re-named The Dialogue Agency in February 1995 following a management buy-out. The Dialogue Agency is a member of the Public Relations Consultants Association.

17. Mr McDowall is aware of the application in suit and the opposition thereto. He adds that in his experience, public relations consultants would normally provide at least some of the services covered within the specification of the mark applied for (No. 2141692) as part of their general PR advertising and marketing services. He says it would be quite normal for a PR consultancy to be asked to create trade marks and slogans or to produce literature that would involve providing creative writing services and design services. Mr McDowall is of the opinion that the services covered by the application in suit are similar services to those covered by the opponent's registration number 1429292, insofar as a public relations consultancy would normally provide both sets of services. He concludes that if he were to see or hear the mark DIALOG being used in relation to the services covered by application number 2141692, he would be confused in view of his knowledge of the mark DIALOGUE used in relation to public relations consultancy services.

Applicant's Evidence

18. This consists of a witness statement by David Albert Lock dated 16 May 2000.

19. Mr Lock is a Director of Dialog ABC Ltd which is the assignee of Dialogue Ltd, of whom he was a director. He explains that a liquidator of Dialog Ltd was appointed on

1 February 2000 and its business has been carried on by Dialog ABC Ltd since then. Mr Lock adds that the information contained within his statement is taken from his own knowledge, records of the company and from a personal telephone conversation he had with Mr David Haigh of The Dialogue Agency Limited on 21 September 1999. Mr Lock's contemporaneous notes of this conversation are at Exhibit DAL1 to his statement.

20. Mr Lock states that he was told by Mr Haigh that there was once an organisation in France called "Idee in Dialogue" which was a PR company belonging to Publicis Ltd and that subsequently Mr Haigh became managing director of a PR company in the UK which became known as Publicis Dialogue, who registered the trade mark DIALOG in the UK in 1990. He says, Mr Haigh informed him that the business was in "Marketing Services, Advertising, Design, Direct Marketing, PR and Events". Mr Lock states that these activities cover huge general categories but the applicant's business specialism is design. As design is applied to marketing, the latter is contained within the application, but it is in the context of corporate communications, not PR.

21. Mr Lock goes on to state that the opponent's membership of The Public Relations Consultants Association (PRCA) implies to him that the primary thrust of both Publicis Dialogue and The Dialogue Agency Limited was public relations. He adds that the PRCA web site (pages from which are at Exhibit DAL2) shows the income band of The Dialogue Agency Limited as £250 - 300,000 which, he states, is very much at the lower end. In Mr Lock's view PR is very different from Design and he believes that any work done by the opponents in marketing communications must have been done on a tiny scale. He contends that there is a significant difference between activities done in support of a PR exercise and activities undertaken for themselves or in their own right, for example while a PR company might create the ephemeral brand for a particular promotion, a specialist (not PR company) would be employed to change corporate identity. Mr Lock explains that the strength of his company is in developing messages which inspire both the people within corporate organisation and its clients. Exhibit DAL3 of his statement comprises two brochures relating to the business of his company at the time of application.

22. Next, Mr Lock states that he was told by Mr Haigh that DIALOGUE was only ever used as part of The Dialogue Agency Limited name and was not used on its own and that Publicis Limited have no responsibility for the quality control of services from his company since the buy-out in 1995. In Mr Lock's view it is difficult to argue that any use made by the opponent since the buy-out can benefit them, since they did not control such use and indeed have reactivated a subsidiary under a competing name, namely PUBLICIS DIALOG. Mr Lock states that, in any event the opponent's use of their mark has been on a modest scale, even in relation to PR.

Opponent's Evidence in Reply

23. This consists of a witness statement by Steven John Wake dated 22 August 2000. Mr Wake is a partner in the firm Forrester Ketley & Co who are representing the opponents to the application in suit.

24. In response to Mr Lock's statement, Mr Wake says that the attempts to draw a distinction between public relations (PR) services and design services are entirely irrelevant, in that the services which should be compared under Section 5(2) of the are those covered by the application and those covered by registration number 1429292. He adds that, insofar as the Section 5(3) and Section 5(4) grounds are concerned, the relevant services for comparison are those for which the opponent's mark has been used and those covered by the application in suit and he notes that Mr Lock has acknowledged that Mr Haigh informed him that the opponent's services encompassed marketing, advertising, design, direct marketing, PR, marketing communications, corporate identities, graphics, small corporate reports, promotions and direct mail.

25. Next, Mr Wake states that Mr Lock has acknowledged that "design is applied to marketing" and thus recognises that marketing services involves the provision of design services. He continues, by contradicting Mr Lock's comments about membership of The Public Relations Consultants Association and says membership cannot automatically be taken to mean that the company's primary activities are in the field of PR and insofar as the entry for The Dialogue Agency Limited identifies an income band of £250,000 - £300,000, Mr Wake points out that the Declaration by David Haigh in these proceedings, dated 18 August 1999, sets out the company's turnover for the years between 1995 and 1999. Mr Lock's assertion that there is a significant difference between activities done to support a PR exercise and activities undertaken for themselves is denied and Mr Wake states that the activities are still the same activities whether they are taken to support PR activities or for themselves.

26. This concludes my summary of the evidence filed in this case. I now turn to the decision.

DECISION

27. Firstly, I will consider the ground of opposition under Section 5(2)(b) which reads as follows:

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

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

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

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

6.-(1)

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the

trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

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

It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*, paragraph 41;

- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

30. In essence the test under Section 5(2)(b) is whether there are similarities in the marks and goods or in this case the services, which would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the category of services in question and how they are marketed.

31. At the hearing, it was common ground that the marks are similar. Mr Edenborough submitted that they are very similar indeed and in aural use identical. In my view, Mr Edenborough is manifestly correct on this point. The applicant's marks comprise the word DIALOG (first mark in the series) and the same word with a stylised final letter (second mark in the series), the word DIALOG being the American English spelling of the British English dictionary word DIALOGUE. The opponent's mark consists of the dictionary word DIALOGUE. Visually the marks are very close and in aural use I believe they would prove impossible to distinguish. Furthermore, the marks are virtually identical conceptually in that they consist respectively of the American spelling or a mere misspelling of a dictionary word and the dictionary word itself. In my view the stylisation of the final letter of the applicants second mark does not have any significant impact upon aural use or the conceptuality of the mark.

32. The opponents claim reputation in their mark and the reputation of a mark is an element to which importance may be attached in Section 5(2) considerations. While the opponent has demonstrated use of the mark, in particular in the form "The Dialogue Agency" since 1995, turnover has been relatively low and for the year ending 31 March 1997, the last full year before the relevant date for these proceedings (7 August 1997), it amounted to £620,000. Furthermore, there is no evidence that the mark has been actively promoted and no evidence of the level of awareness of the mark amongst the relevant public or the trade. The opponents have not shown that they possess a reputation for the purpose of these proceedings in that the mark has not been shown to be known to a significant proportion of the relevant class of persons. I must compare the mark applied for and the opponent's registration on a fair and notional basis.

33. At the hearing Mrs Cookson argued that the opponent's mark consists of a dictionary word which is meaningful in relation to the services covered within its specification and therefore is weak on a prima facie basis and only deserving of a narrow scope of protection. While I do not consider the mark to allude directly to a characteristic of the services, I do not believe it to be a highly original or particularly distinctive mark deserving of a wide penumbra of protection.

34. I now go on to take into account the services covered by the specifications of the respective marks. In determining whether the services covered by the application are similar to the services covered by the opponent's trade mark I have considered the guidelines

formulated by Jacob J. in *British Sugar Plc v James Robertson & Sons Ltd* (1996) RPC 281 (Pages 296, 297) as set out below:

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

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors."

35. Whilst I acknowledge that in view of the *CANON - MGM* judgement by the European Court of Justice (3-39/97) The *TREAT* case may no longer be wholly relied upon, the ECJ said the factors identified by the UK government in its submissions (which are listed in *TREAT*) are still relevant in respect of a comparison of goods and/or services.

36. The mark in suit has a specification of:

Class 42: "Professional consultancy, advisory, design and creative writing services, all relating to external corporate communications, internal corporate communications, relationship marketing, corporate culture change communications; trade mark and slogan creation and design services."

37. Whereas the opponents' mark has a specification of:

Class 35: "Advertising services; public relations services, promotional services and marketing; all relating to advertising; all included in Class 35."

38. The opponent has filed independent expert evidence on the similarity of the respective services from Mr C McDowall, the Director General of the Public Relations Consultants Association, which summarised earlier in this decision and while this evidence is by no means conclusive, I will take Mr McDowall's comments into account.

39. The opponent's specification covers advertising services and public relations, promotional services and marketing services all relating to advertising. This is the business of promoting goods or services for sale and creating, maintaining or promoting goodwill on behalf of, or for the benefit of, others. The applicant's specification is widely framed and indicates that they are in the business of corporate communications, internal and external, the external communications including relationship marketing, corporate culture change and creating trade marks and slogans. This, albeit less directly, also involves promotional activities and creating, maintaining or promoting goodwill on behalf of or for the benefit of others. In my view, the nature and uses of the respective services are similar.

40. Furthermore, it seems to me that the services overlap in that those who provide advertising services and associated public relations and marketing services may well also provide services in relation to trade mark and slogan creation, corporate culture change, relationship marketing and general external communication services, often for the same customer. In my opinion, the users of the respective services and the channels through which they reach the market are likely to be the same. Accordingly I find that the specification of the application in suit and the specification of the opponent's earlier registration cover similar services.

41. At the hearing, Mrs Cookson (correctly in my view) pointed out that the services at issue are likely to be selected after a high degree of consideration and most likely by well informed and knowledgeable persons. However, it does not follow that confusion would not occur in that, given the close proximity of the respective services and the close similarity of the marks.

42. On a global appreciation, taking into account all the relevant factors, I come to the following conclusions in relation to the Section 5(2)(b) ground:

- (i) The respective marks are visually very similar, aurally identical and conceptually very close, if not identical.
- (ii) The respective specification of services are similar. The nature and uses of the services are similar and the channels through which they reach the market and the users are likely to be identical.
- (iii) While the customers for the services are likely to be relatively discerning and sophisticated, there remains a likelihood of confusion given the close similarity of both the marks and specifications of the application in suit and the opponent's earlier registration, particularly as such businesses are likely to offer both sets of services.

43. The opposition under Section 5(2)(b) is successful.

44. As I have found for the opponent's under Section 5(2) of the Act, I have no need to consider the grounds of opposition raised under Section 5(3) and Section 5(4).

45. The opponents are entitled to a contribution towards their costs and in this regard Mrs Cookson submitted at the hearing that as the applicant was content to have a decision taken on the papers, the expenses of the hearing should not be borne by the applicant, whatever the

outcome. I reject this argument. The opponents have a right to be heard and in the event their submissions were successful. I would only add that there was no requirement for the applicants to attend the hearing and argue their case through oral submissions.

46. I order the applicants to pay the opponents the sum of £650, this sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of the case if any appeal against this decision is unsuccessful.

Dated this 31 day of July 2001

J MACGILLIVRAY
For the Registrar
the Comptroller-General