

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 1525090
IN THE NAME OF TURNER NETWORK TELEVISION INC**

AND

**IN THE MATTER OF OPPOSITION No. 43034 THERETO
BY TNT LIMITED**

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**IN THE MATTER OF Application No. 1525090
in the name of Turner Network Television Inc**

and

**IN THE MATTER OF Opposition No. 43034
thereto by TNT Limited**

BACKGROUND

1. On 31 October 1994 Turner Network Television Inc of One CNN Center Atlanta, Georgia, USA applied to register the trade mark shown below, in Class 38 in respect of a specification of services which was eventually amended to "Cable television and broadcasting services, but not including any such services relating to explosive":



2. The application numbered 1525090 was published for opposition purposes on 31 May 1995. On 29 August 1995 TNT Limited of New South Wales, Australia filed notice of opposition to this application. In summary, the grounds of opposition are:

1. Under Section 3(1) in that the mark is devoid of any distinctive character.
2. Under Section 3(4) in that use of the mark is prohibited in the United Kingdom.
3. Under Section 5(2) in that the opponents are the owners of registered trade marks and the applicants' mark is similar and the services are similar to those registered by the opponents.
4. Under Section 5(3) in that the opponents are the owners of registered trade marks which have a reputation in the United Kingdom.
5. Under Section 5(4) in that use of the applicants' mark would be contrary to the law of passing off.

3. The opponents go on to say that registration of the applicants' mark would be likely to prejudice the legitimate conduct by the opponents of their business and that the applicants' trade mark application should be refused in the exercise of the Registrar's discretion. (The 1994 Trade Marks Act does not include such a provision.)
4. On 5 December 1995 the applicants filed a counterstatement denying the above grounds. They also say that the applicants' mark was in use in the United Kingdom on 17 September 1993 and therefore any claim of infringement will rest on whether the complained of use would have been an infringement under the 1938 Trade Marks Act and that under this Act a registration is infringed only by use on services actually specified in the registration. (I take no account of this argument as infringement is not a ground being pursued by the opponent.)
5. Both sides ask for an award of costs in their favour. Both sides have filed evidence and agreed that the matter can be decided from the papers. Both sides also filed written submissions. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

Opponents' Evidence

6. This consists of a statutory declaration by Gerrard Francis Ginty, Director of Administration and Company Secretary of TNT Express (UK) Limited which is responsible for the opponents' operations in the UK.
7. Mr Ginty says the trade mark TNT has been used throughout the world by the opponents in connection with a wide range of services, including the delivery of international time-sensitive freight. It was first used in 1946 and is now established in 200 countries and has a fleet of 300 aircraft and 18,000 vehicles operating from 3,000 locations worldwide, all using the mark TNT.
8. First use in the UK, he says, was in 1978 and use has been continual since that date both on its own and as an element of other marks such as shown in Section A of the Exhibit to the declaration. He says the mark has been used on a range of services including delivery of mail, parcels, freight; security services; despatch and distribution computer services. He goes on to say that TNT Express (UK) Limited is the market leader in the UK for the provision of nationwide door to door time-sensitive delivery services and delivers 60% of national newspapers in the UK, 50% of consumer magazines and 50 million business parcels every year. In the UK they operate a fleet of 3,000 vehicles from over 400 locations, and a map included in Section A of the Exhibit shows that the services are provided throughout the UK.
9. Mr Ginty then refers to a large number of registered and pending trade mark applications by the opponents. However, I consider I can only refer to the registrations itemised in their Statement of Grounds which, I assume, are specified as they present the opponents' best case. They are:

Mark	Number	Class
TNT	1275322	39

TNT	1275326	39
TNT	1275328	39
The Worldwide Transportation Group		
TNT	1416116	38
TNT	1416123	38
TNT The Worldwide Transportation Group	1416326	38

10. Later in this decision it is clear from their submissions that both sides consider 1275322 and 1416116 represent the opponents' strongest case. For ease of reference full details of these registrations are set out below:

No.	Mark	Class	Specification
1275322	TNT	39	Transportation and storage services; all included in Class 39; but not including any such services relating to explosives.
1416166	TNT	38	Collection, transmission and delivery of letters, postcards, documents, mail, correspondence and packets; all included in Class 38; but not including any such services relating to explosives.

11. Mr Ginty provides the following approximate annual turnover figures in respect of the services provided under the mark in the UK:

<u>Year Ending</u>	<u>Turnover</u>
29 June 1990	£265,185,000
29 June 1991	£305,724,000
27 June 1992	£255,515,000
3 July 1993	£242,620,000
2 July 1994	£257,517,000
1 July 1995	£309,488,000

and the following amounts having been spent in promoting their mark:

<u>Year</u>	<u>Amounts</u>
1989/90	£1,430,000
1990/91	£1,422,000
1991/92	£1,850,000
1992/93	£2,135,000

1993/94	£3,550,000
1994/95	£2,470,000

12. Mr Ginty further says that they carry out a number of mail shot campaigns to both current and potential customers and also advertise in key management and transport journals. They also advertise through poster campaigns.

13. Sections B to E of the Exhibit attached to the declaration contains information such as brochures and handbooks detailing their services, entries in Yellow Pages, customer starter packs and details of various mailshots. Section F of the Exhibit shows a copy of UK Quality, the official journal of the British Quality Foundation dated May 1995 which is after the filing date of the applicants' mark. I should mention that numerous exhibits referred to above are also after the relevant date.

Applicants' Evidence

14. This consists of a statutory declaration by Reta J Peery dated 5 December 1996 and a statutory declaration by Linda Jane Harland dated 10 December 1996.

15. Turning to Ms Peery's declaration first, this says that she is Assistant Secretary of Turner Network Television Inc. Ms Peery says that the TNT logo was adopted in 1982 for use in respect of cable and television broadcasting services and entertainment services rendered through the medium of television, namely production of television programs and motion pictures. The mark was derived from the acronym for the company name. Ms Peery goes on to outline substantial use in the USA which is supported by Exhibits 1 to 4.

16. Turning to use in the United Kingdom, Ms Peery says the applicants began offering the services under their mark in Europe, including the UK, on 17 September 1993. Exhibit 5 is a copy of an announcement to their affiliate cable television stations advising on the commencement of business in Europe. Ms Peery goes on to say that they expected to provide access to its services, on the basis of initial agreement with cable systems in the UK, to 150,000 UK subscribers as of September 1993. Exhibit 6 provides an excerpt from a news article on the agreement and expected access to UK cable system subscribers. Ms Peery further says that by the launch date they had entered into agreements to provide access to approximately 398,992 households in the UK. Exhibit 7 provides an excerpt from a news article on the various agreements and the expected access to UK cable system subscribers.

17. Ms Peery goes on to say that by January 1994 the opponents' services, using the trade mark, had become one of the most viewed cable and satellite services in the UK. Exhibit 8 provides an excerpt from a news article on the popularity of the applicants' services. Exhibit 9 provides samples of advertisements placed by the applicants in UK newspapers and periodicals.

18. Ms Peery concludes that because of the advertising and use of the mark UK consumers, whether cable/satellite television customers or not, are familiar with the mark and the applicants' services. Ms Peery goes on to say that the applicants' mark would have been available to UK visitors to the USA as the services are available in many hotels there.

19. Ms Peery then refers to the opponents' mark and provides samples of the opponents' packaging and literature at Exhibit 10, as used in the USA. She says that they co-exist in the USA and on other trade mark Registers such as Canada, Denmark and Germany. Exhibit 11 provides details of the opponents' (or related companies) USA registrations and Exhibit 12 provides details of the applicants' registrations in various countries. Exhibit 13 provides details of registrations/applications in other countries by the opponents or related companies. Exhibit 14 provides details of a trade mark application by the applicants in Canada and Exhibit 15 provides details of the opponents' application/registrations in Canada. Exhibit 16 provides an example of the applicants' home page on the World Wide Web and Exhibit 17 provides an example of the opponents' home page.

20. Ms Peery concludes that the two parties have co-existed on the Internet, available worldwide, without confusion on the part of consumers and that there is no danger of consumer confusion due to the visual differences in the marks and the different nature of the services.

21. I turn now, to Ms Harland's declaration which says that she is a partner in the firm Reddie and Grose, the applicants' trade mark agents. Ms Harland explained that Abelman Frayne and Schwab, their instructing law firm in New York, were experiencing difficulties in obtaining examples of advertising material in the UK. Ms Harland said that she was able to obtain UK magazines. Copies of pages from 'Cable Guide' and 'Satellite Times' were faxed to New York to form Exhibit 9 to Ms Peery's declaration. The magazines form Exhibit LJH1 to Ms Harland's declaration. (I note they are after the filing date.)

22. Ms Harland goes on to say that she was then able to contact a Mr Rupert Lewin Smith of the legal department of Turner Broadcasting System Limited, a subsidiary of the applicants. Mr Smith was able to provide a bundle of materials illustrating the way in which the applicants' mark is used in the UK, including advertisements and editorial articles. The materials, together with a copy of Mr Smith's covering letter to Ms Harland are attached as an exhibit to Ms Harland's declaration. This is because, Ms Harland explains, the material was received too late to forward for inclusion in Ms Peery's declaration but is included as part of Ms Harland's declaration with the applicants' agreement. Although not specified, I take it to be Exhibit LJH2. (I note, again, that many of the exhibits are dated after the relevant date.)

23. That concludes my summary of the evidence.

Opponents' Written Submissions

24. These submissions, dated 1 December 2001, are provided by Mr Michael Edenborough of Counsel. Mr Edenborough explains that the opposition is part of a world-wide conflict between the parties on the use of the initials in relation to various goods and services. Mr Edenborough goes on to say:

"The TM7 and Statement of Grounds relies upon sections 3(1), 3(4), 5(2), 5(3) and 5(4) of the Trade Marks Act 1994 (the "TMA 1994") and the exercise of the registrar's discretion. The Statement of Grounds was drafted in the early days of the TMA 1994, and so naturally it reflected the thinking current at that time. In the

interim, practice under the TMA 1994 has developed such that it is now clear that an opposition based upon section 3(1)(b) for such a mark as forms the subject matter of this application has little chance of succeeding (*vide*, for example, the *BABY DRY* decision of the ECJ). Similarly, it is now clear that an objection based upon section 3(4) is not the appropriate way in which to attack an application when the basis is an opponent's alleged earlier rights. Moreover, it is now clear that the registrar has no residual discretion in order to refuse an otherwise acceptable application.

Accordingly, even though the instructing attorneys of the Opponent do not formally withdraw the grounds based upon sections 3(1) and 3(4) and the registrar's discretion, because they do not have instructions so to do, they do not intend to press those grounds in these submissions."

25. Mr Edenborough then refers to registrations 1275322 and 1416116 (see paragraph 10 of this decision) as representing the opponents' best case. He acknowledges that the applications listed at paragraph 8 of Mr Ginty's statement are too late to qualify as earlier marks and other registrations listed at paragraph 7 of Mr Ginty's statement either cover goods or services that are more removed from those in issue or contain other words or are device marks being, arguably, less similar to the mark in question. Mr Edenborough goes on to say:

"To the extent that the services of the Opponent's registered marks are held to be similar to those for which the Applicant seeks registration for its Mark, it is submitted that the marks in question are clearly so similar that they are almost identical, and hence there must exist a likelihood of confusion. Accordingly, section 5(2) is made out.

However, to the extent that the services are held to be dissimilar, then it is submitted that the Applicant's Mark would take unfair advantage of, or be detrimental to the distinctive character or repute of the Opponent's marks. In particular, the registration of the Applicant's Mark would be detrimental to the distinctive character of the Opponent's marks, because it would dilute the uniqueness of the Opponent's marks. Such damage would be irreversible. Accordingly, the section 5(3) ground is made out. It is submitted that the section 5(4)(a) ground in essence duplicates the sections 5(2) and 5(3) grounds and so does not take the matter further."

26. Mr Edenborough elaborates on a comparison of the marks and goods. I will consider this more fully later in this decision. Mr Edenborough also criticises certain aspects of the applicants' evidence and compares the short use by the applicants of their mark in the UK (1994) with the lengthy use of the opponents' mark (1978).

27. Mr Edenborough concludes by saying that the opponents' marks "enjoy a unique position in the UK market place with no other undertaking using the same or similar marks at all, save for the proposed registration by the applicant of its mark." It is also submitted that "registration of a very similar mark would destroy the uniqueness of the opponent's marks and remove the clear water that has hitherto existed between it and the rest of the market place. That, inevitably, would be detrimental to the distinctive character of the opponent's marks."

Applicants' Written Submissions

28. These submissions, dated 29 November 2001, are provided by Mr Christopher Morcom QC, who points out that Registrar's discretion as a basis for refusal "has ceased to exist since the 1994 Act came into force". Section 3 objections are also addressed but, as indicated earlier, these are not being pursued and I will not, therefore, set out the arguments made.

29. Turning to the objections under Section 5, Mr Morcom suggests that 1275322 and 1416116 represent the opponents' best case (as with Mr Edenborough), being the initials "TNT" per se and should be considered both for Sections 5(2) and 5(3) purposes. It is also argued that objection under Section 5(4) is a narrower objection in that it is necessarily based on the actual use of the initials "TNT" by the opponent which is largely in a logo form such as registered under Nos 1275326 and 1416123.

30. Mr Morcom then refers to the evidence filed by each party and argues that in spite of co-existence in other countries, the USA in particular, and the UK there has been no evidence of actual confusion. Detailed submissions regarding Section 5 are provided and will be considered later in this decision.

31. This concludes my summary of evidence and written submissions.

DECISION

32. As argued by the applicants and conceded by the opponents' Counsel, under the 1994 Trade Marks Act the Registrar has no discretion to refuse an otherwise acceptable application and I will, therefore, make no further reference to this ground. Section 3 grounds have also not been substantiated and as Mr Edenborough has conceded that they do not intend to press those grounds in their submissions I also dismiss these grounds. Therefore, the only remaining grounds are under Section 5(2), 5(3) and 5(4) of the Act.

Section 5(2)

33. Turning first to Section 5(2) of the Act, I believe it is not a matter of dispute between the parties that the marks and services at issue are not identical.

34. With regard to the lack of identity between the specifications, I am reinforced in that view by the comments in the *Avenet Incorporated v Isoact Limited case* [1998] FSR 16 in which Jacob J said:

"In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

and also Jacob J's earlier comments in the *TREAT case*, *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 at page 289 lines 7-10:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

35. With this in mind, I consider it is fair to say that the applicants’ “Cable television and broadcasting services” would not include the opponents’ services of “collection, transmission and delivery of letters, postcards, documents, mail, correspondence and packets,” or “Transportation and storage services.”

36. I also bear in mind the comments of Mr Geoffrey Hobbs QC sitting as the Appointed Person in *Raleigh International* [2001] RPC 202 where he said:

“Similarities between marks cannot eliminate differences between goods or services; and similarities between goods or services cannot eliminate differences between marks. So the purpose of the assessment under Section 5(2) must be to determine the net effect of the given similarities and differences”.

37. Therefore the matter falls to be considered under Section 5(2)(b) of the Act which reads as follows:

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

(a)

(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.”

38. The term “earlier trade mark” is itself defined in Section 6 as follows:

“6.-(1) In this Act an "earlier trade mark" means -

(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,”

39. I take into account the guidance provided by the European Court of Justice (ECJ) 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 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*, page 224;
- (b) 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 B.V.*, page 84, 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*, page 224;
- (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*, page 224;
- (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*, page 132, 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*, page 224;
- (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*, page 224;
- (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*, page 133, paragraph 29.

Comparison of Marks

40. It is clear that identical marks are not involved. Nevertheless, there are strong similarities since the applicants' mark is clearly a "TNT" mark. The stylisation does little to change this

fact and in oral use is unlikely to be a factor in referring to the mark. I find, therefore, that the marks are visually similar and aurally identical in respect of the distinctive and dominant element. Conceptually, they are also identical being the same three letters which may be recognised by the public as, coincidentally, the abbreviation for a well known explosive. It seems to me that the matter I need to consider, in particular, is whether similar services apply.

Comparison of Services

41. The CANON case, (see above) refers to factors which determine the similarity of goods as set out in the TREAT case by Jacob J. (paragraph 23 of the judgement) which are:

- (a) The uses of the respective goods or services;
- (b) The users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The 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 in competition with each other; that enquiry 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 the services in the same or different sectors.

42. Taking each of these points in turn I now go on to consider whether the goods/services are similar.

Uses (Point a)

43. The applicants' specification is for "cable television and broadcasting services" I consider these services are clearly defined and are in the nature of broadcasting cable television (specifically) or "broadcasting" at large. In the context of the services I consider that the everyday meaning of "broadcasting" is clearly in relation to radio or television transmissions and not eg the transmission of postcards, mail etc described in the opponents' specification of registration No 1416116, which would be in the nature of physical transmission or possibly electronic transmissions such as telexes or telegrams. I find the uses are, therefore different.

The Users (Point b)

44. Although the opponents' services seem to mainly appeal to businesses while the applicants' services appeal to the general public, it seems to me that in both cases the service at issue could be required by the general public. However, in my view, this is too broad a test.

The applicants' services would be used by those seeking entertainment while the opponents' services are for use in a business environment or as a means of communication by the general public. As such I do not believe the users are likely to be similar.

Physical Nature (Point c)

45. The applicants' services are in the nature of radio or television broadcasts while the opponents' services are mainly physical transfer of items from one place to another. In so far as electronic transmissions such as telexes or telegrams are concerned they are not in the nature of "broadcasts". I find the nature is, therefore, different. I am, of course, aware that these days television can be used to transmit messages, including e.g. e-mails. These seem secondary to the main purpose of television and, in any event, I have no evidence before me that such services were available at the relevant date.

Trade Channels (Point d)

46. It is clear that the customer could be the same if considered at the broadest level (See Point b above), but they are not likely to be sought or used at the same time. Furthermore, I am not aware of any radio or TV broadcasters who would provide the services offered by the opponent (to others) or vice versa. In the absence of any evidence to the contrary I see no reason for customers to seek the services of both the applicants and opponents from a common source and therefore find the trade channels are different.

Supermarket Shelves (Point e)

47. This does not seem applicable. However, insofar as services may be provided from an outlet such as a shopping centre they seem unlikely to be sold side-by-side. Again, I have no evidence on that point and must rely on my own knowledge. Therefore, again I find no similarity in this area between the services at issue.

In Competition (Point f)

48. For the reasons given above it seems to me that the two parties are unlikely to be in competition with each other. A TV or radio broadcaster does not provide transportation or storage of goods **for others** as part of their service and as a broadcaster does not provide a service of sending telexes or telegrams, not to mention the other services in the opponents' specifications, I do not consider the services are in competition with one another, being in very different sectors of the service industry.

49. I conclude, therefore, that the applicants' and opponents' services are not similar as little, if any, similarity appears to exist on any of the above counts. Furthermore, I consider the dissimilarity is such that, even taking account of the evidence filed by the opponents and the enhanced reputation which would result, confusion is unlikely to arise.

50. Following on from the previously mentioned CANON case, the Court of Justice returned to the question of likelihood of confusion for the purposes of Article 4(1)(b) of First Council Directive 89/104 of December 21, 1988, - equivalent to Section 5(2)(b) of the UK's Trade

Marks Act 1994 - in a further reference from Germany. The Court amplified upon the reasoning in the SABEL case, *Sabel BV v Puma AG* (1998 RPC 199) in the following passage:

"17. A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between the goods and services."

and at paragraph 22:

"22. It is, however, important to stress that, for the purposes of applying Article 4(1)(b), even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods or services covered. In contrast to Article 4(4)(a), which expressly refers to the situation in which the goods or services are not similar, Article 4(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar."

(See paragraph 20 of the VIAGRA case, *Pfizer Ltd and Pfizer Incorporated v Eurofood Link (United Kingdom) Ltd*, 2000 ETMR 896).

51. As I find that the applicants' services are not similar to those of the opponent I consider the opposition fails under Section 5(2)(b) of the Act.

Section 5(3)

52. I now go on to consider the objection under Section 5(3) of the Act which reads as follows:

"5.-(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

53. Section 5(3) requires consideration of:

- (i) whether the trade mark opposed is identical with or similar to the earlier trade mark;
- (ii) whether the trade mark opposed is sought to be registered for goods or services

which are not similar to those for which the earlier trade mark is protected;

- (iii) whether, and to what extent, the earlier trade mark has a reputation in the United Kingdom;
- (iv) whether the use of the later mark is “without due cause”;
- (v) whether the use of the later trade mark:
 - (a) takes unfair advantage of; and/or
 - (b) is detrimental to;

the distinctive character or the repute of the earlier mark.

54. Earlier in this decision I accepted that the respective marks are similar and that the respective specifications consist of services which are dissimilar. Therefore, points (i) and (ii) above are met.

55. Guidance in relation to reputation under Section 5(3) has been set out in *General Motors Corporation v Yplon SA*, [2000] RPC 572, in paragraphs 23 to 27. Paragraph 26, in particular, indicates the standard that must be reached:

“23. Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, that national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation “in the Member State”. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation “throughout” the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

56. The reputation of the earlier mark - point (iii) above - is, in my view, established by the evidence filed and which is summarised earlier in this decision. The evidence is not without criticism. While the length of use and turnover is substantial, there is no third party corroboration. However, I believe it is fair to say that, given the number of vehicles on the road and the number of deliveries which take place, the opponents’ “TNT” mark - usually in logo form - will be (and indeed is) a familiar sight on UK roads.

57. I also take the view that the nature of the industry is such that the opponents are a significant player amongst relatively few competitors in their field. Therefore, I am prepared to overlook the faults in the evidence and concede that the opponents’ mark has a substantial UK reputation for the services covered by their registrations. I also note that most of the use is in logo form. Nevertheless, the mark is overwhelmingly a “TNT” mark and is likely to be referred to as such in everyday use. The opponents have therefore met the first requirements listed above from the *Yplon* case. However, that decision goes on to say:

“30. If, at the end of its examination, the national court decides that the condition as to the existence of a reputation is fulfilled, as regards both the public concerned and the territory in question, it must then go on to examine the second condition laid down in Article 5(2) of the Directive, which is that the earlier trade mark must be detrimentally affected without due cause. Here it should be observed that the stronger the earlier mark’s distinctive character and reputation the easier it will be to accept that detriment has been caused to it.”

58. Furthermore, the question of whether use of the later mark is “without due cause”, point (iv) above, only arises if the opponents are otherwise successful but the applicants place reliance on the saving effect of these words. The critical issue is therefore whether any of the above consequences of point (v) above are made out.

59. It is clear from a number of reported cases that Section 5(3) is not intended to have the sweeping effect of preventing the use of any sign that is the same or similar to, a registered trade mark with a reputation. In *Oasis Stores Ltd’s Trade Mark Application* [1998] RPC 631, the Hearing Officer said:

“It appears to me that where an earlier trade mark enjoys a reputation, and another trader proposes to use the same or similar mark on dissimilar goods or services with the result that the reputation of the earlier mark is likely to be damaged or tarnished in some significant way, the registration of the later mark is liable to be prohibited under Section 5(3) of the Act. By ‘damaged or tarnished’ I mean affected in such a way so that the value added to the goods sold under the earlier trade mark because of its repute is, or is likely to be, reduced on a scale that is more than de minimis.

In *British Sugar Plc v James Robertson & Sons Ltd* (TREAT) [1996] RPC 281 at 295 Jacob J gave the following dictum on the scope of Section 10(3) of the Act (which, as I have already noted contains the same wording as Section 5(3)). He stated:

“I only note that it might cater for the case where the goods were vastly different but the marks the same or similar and the proprietor could show that the repute of his mark was likely to be affected. The sort of circumstances of the Dutch *Claeryn/Klarein* (mark for gin infringed by identical sounding mark for detergent, damage to the gin mark image), may fall within this kind of infringement, even though they do not fall within Section 10(2) because there is no likelihood of confusion as to trade origin.”

It appears implicit from this statement that the sort of detriment that was being countenanced was damage that was likely to cause detriment to the reputation of the earlier trade mark in some material fashion. In the above instance one can imagine that use of a similar mark for detergent carried with it a likelihood that the reputation of the earlier trade mark for gin was likely to suffer. No one likes to be reminded of a detergent when drinking their favourite tippie. In time the reputation of the earlier mark may have suffered to the extent that it no longer added the same degree of value to the goods as it did before.”

60. I can find no evidence filed that demonstrates that the opponents’ reputation would be damaged in any way by or as a result of the applicants’ use of their mark. The only argument offered appears to be that registration “would dilute the uniqueness of the opponent’s marks”. This would appear to relate to the final point “(v)” above. Would the use of the later trade mark take unfair advantage of the opponents’ mark or be detrimental to its distinctive character or repute? I do not consider that the case has been made out, bearing in mind that the marks at issue are essentially 3 letter marks which, in themselves, are not inherently highly distinctive. The high distinctive character of the opponents’ mark must, therefore, inevitably be tied more closely to the field of activity in which they have used their mark and acquired a reputation. Since I have found that the respective fields of activity are far apart and appear to have no commercial connection, consumers will be less likely to make any connection between the applicants’ mark and that of the opponents.

61. The Act uses the words “or be detrimental to” the distinctive character. It is not enough, therefore, that there exists a risk of detriment. I do not consider that the opponents have shown how the use of the applicants’ mark would, in practice, have a material affect on the distinctive character or repute of the opponents’ mark in a commercial context. The fact that two businesses would have registrations for “TNT” instead of one does not, in itself, appear to be a reason for finding that registration of the applicants’ mark in a different field of commercial activity would be “detrimental” to the opponents.

62. There is no evidence before me to demonstrate that people, on seeing the applicant’s mark will think of the opponents. I am prepared to accept that the applicants’ mark may remind some people of the opponents’ mark, as well as being the name of a well-known explosive. As the Hearing Officer said in the previously mentioned Oasis Stores Ltd application, at page 649, lines 3 to 5:

“I do not consider that simply being reminded of a similar trade mark with a reputation for dissimilar goods necessarily amounts to taking unfair advantage of the repute of the mark.”

63. The applicants have explained the genesis of their mark and I see no reason to question their motives or the likely reaction of the general public on encountering the applicants’ mark in use on unrelated services.

64. I conclude that the applicants’ trade mark is not detrimental to and does not take unfair advantage of the distinctive character or repute of the opponents’ mark.

65. The opposition therefore fails under Section 5(3).

Section 5(4)(a)

66. Turning to Section 5(4)(a), in the opponents’ written submissions they concede that “the Section 5(4)(a) ground in essence duplicates the Section 5(2) and 5(3) grounds and so does not take the matter further”. The opponents’ use of their mark is in the forms registered and within the scope of the specification of their registrations. As such I can see no basis for their succeeding under Section 5(4)(a) when they have failed under Section 5(2)(b).

COSTS

67. The opposition having failed, the applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £635. 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.

Dated this 06 day of March 2003

**R A Jones
For the Registrar
the Comptroller-General**