

O-346-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2283640
BY CAPITAL SHOPPING CENTRES PLC TO REGISTER A
TRADE MARK IN CLASSES 35, 36, 37, 39 AND 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 91041
BY HARLEQUIN ENTERPRISES LTD**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 2283640
by Capital Shopping Centres Plc to register a trade mark
in Classes 35, 36, 37, 39 and 42**

and

**IN THE MATTER OF Opposition thereto under No. 91041
by Harlequin Enterprises Ltd**

BACKGROUND

1. On 22 October 2001 Capital Shopping Centres Plc applied to register the following trade mark in Classes 35, 36, 37, 39 and 42:



Mark claim/limit:

The applicant claims the colours purple, green, red, yellow and blue as an element of the mark.

2. The specification of services for which registration was sought were as follows:

Class 35:

The bringing together for the benefit of others, of a variety of retail outlets, entertainment, restaurant and other services, enabling customers to conveniently purchase goods and services in a shopping centre or mall; the bringing together for the benefit of others a variety of retailing Internet web-sites enabling customers to conveniently purchase goods and services in a virtual shopping centre or mall; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently purchase those goods and services within a retail store located at a shopping centre or mall; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services within a retail store located at a shopping centre or mall; the bringing together for the

benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services within a department store; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services from a general merchandise Internet web site; provision of information over the Internet about retail opportunities.

Class 36:

Property management; property portfolio management; rental of property; arranging leases for the rental of property; property investment; real estate brokerage, management and appraisal services; rent collection services; insurance services; credit card services; debit card services; issue of tokens of value including gift vouchers; exchanging money; valuations; advice and information relating to property; provision of retail space and space for the provision of services including restaurant, café, cinema, crèche, nursery, health club, beauty salon and banking facilities.

Class 37:

Cleaning, maintenance and construction of buildings; property development; restoration of office and retail premises; building construction supervision; car washing and valeting.

Class 39:

Provision and management of car parking facilities.

Class 42:

Provision of security for retail outlets, shopping centers and malls; provision of beauty salon facilities; provision of exhibition and gallery facilities; construction design; architecture; engineering; land surveying.

3. The application was accepted by the Registrar and published in the Trade Marks Journal.

4. On 29 August 2002 Harlequin Enterprises Ltd filed a Notice of Opposition to the application. The grounds (as amended) are under Section 5(2)(b) of the Act as the mark applied for is similar to the following earlier trade marks owned by the opponent and is to be registered for services which are identical with or similar to the services and goods of the earlier registered marks and there exists a likelihood of confusion on the part of the public:

Trade Mark Registration No.	Mark	Date Registration Effective	Specification Of Goods/Services
European Community No. 833657	HARLEQUIN	25 May 1998	<p>Class 03: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices and all other goods in this class.</p> <p>Class 09: Scientific, nautical, surveying and electric apparatus and instruments not included in other classes, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; fire-extinguishing apparatus and all other goods in this class.</p> <p>Class 14: Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments and all other goods in this class.</p> <p>Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs;</p>

		<p>office supplies; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers' type; printing blocks and all other goods in this class.</p> <p>Class 25: Clothing, footwear, headgear and all other goods in this class.</p> <p>Class 28: Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees and all other goods in this class.</p> <p>Class 35: Advertising; business management; business administration; office functions; advertising and promotional services connected with mail order company services; business management and consultancy with regard to managing mail order companies, including providing commercial (sales) information, franchising and customer information; administrative processing of orders; and all other services in this class.</p> <p>Class 41: Education; providing of training; entertainment; sporting and cultural activities and all other services in this class.</p> <p>Class 42: Medical care; hygienic and beauty care; veterinary and agricultural services; legal services; scientific and industrial research; computer</p>
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			programming.
European Community No. 1538230	EHARLEQUIN. COM	3 March 2000	<p>Class 35: Advertising; business management; business administration; office functions; retail services; mail order services; sales services provided via the Internet; advertising services relating to the operation of a mail order business, Internet sales business, or other sales business; business management and business advisory services relating to the management and administration of a mail order business, Internet sales business, or other sales business, including provision of sales information, business franchising and customer services information; administrative processing of orders; all the aforesaid services provided over the Internet, or through a computer network or other communications network.</p> <p>Class 38: Telecommunications, radio-, television- and internet-broadcasting services; services relating to the Internet; services relating to computer networks; providing access to a remote computer containing electronic publications, games, message boards; bulletin boards, chat rooms, databases, and other information all accessible via computer.</p> <p>Class 41: Education; providing of training; entertainment; sporting and cultural activities; educational and entertainment services including those offered by way of television, radio, film, computer program, the Internet or other communications</p>

			<p>network, or other audio and/or visual media; educational and entertainment services including electronic multi-player or role-playing games, chat rooms, or message boards provided via computer, the Internet, or other telecommunications network; live entertainment; publication services, including electronic publication services; on-line electronic book, magazine and periodical publication services.</p> <p>Class 42: Providing of food and drink; temporary accommodation; medical, hygienic and beauty care; veterinary and agricultural services; legal services; scientific and industrial research; computer programming; computer services; providing information (not included in other classes) provided on-line from a computer database by means of web pages on the Internet, or via computer network, or other communications network; printing services.</p>
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5. On 15 October 2002 the applicant filed a Counterstatement denying the grounds of opposition, stating that the name HARLEQUIN had been in use since the first phase of its shopping centre opened in June 1990.

6. Both sides filed evidence and asked for an award of costs in their favour. The matter came to be heard on 5 October 2004 when the applicant for registration was represented by Ms Cookson of Nabarro Nathanson and the opponent by Mr Hamer of Counsel instructed by R.G.C. Jenkins & Co.

Opponent’s Evidence

7. The opponent’s evidence consists of a witness statement by Timothy George Pendered of R.G.C. Jenkins & Co (the opponent’s professional advisors in these proceedings).

8. Mr Pendered refers to Exhibit TGP1 to his statement which comprises details of the opponent's earlier Community Trade Mark registrations – numbers 833657 and 1538230. He makes no further comment.

Applicant's Evidence

9. This consists of a witness statement by John George Abel dated 4 December 2003. Mr Abel is Managing Director of Capital Shopping Centres Plc, the applicant company.

10. Mr Abel explains that the applicant's principal activity is the development, operation and management of shopping centres. He states that the application relates to THE HARLEQUIN WATFORD stylised, and that the applicant has used various designs of its mark over the years, all of which use HARLEQUIN as the dominant, distinctive element.

11. By way of background Mr Abel provides the following information:

- (i) The applicant was incorporated as a public limited company on 26 January 1994. It is a wholly owned subsidiary of Liberty International Plc which also controls Capital & Counties Plc. Prior to the incorporation of the applicant, the Harlequin shopping centre was owned and operated by Capital & Counties Plc, and subsequently transferred to the applicant upon its incorporation.
- (ii) The Harlequin shopping centre in Watford opened in three phases between Autumn 1990 and Spring 1992. However, the name "THE HARLEQUIN" was chosen at the time of commencement of the development of the shopping centre in 1988. The Harlequin Mark has been used continuously by the applicant since the applicant's incorporation, and prior to that by Capital & Counties Plc since 1988.
- (iii) The Harlequin shopping centre is situated at the heart of Watford's town centre at the intersection of the M1 and M25. Its car parks have a direct link to the M1, giving the centre a shopping catchment of 3.5 million people within 30 minutes drive time.
- (iv) The Harlequin shopping centre comprises 721,000 sq.ft. of retail space with 145 shops and stores, kiosks and restaurants and parking for 2,050 cars.
- (v) The Harlequin shopping centre includes John Lewis, Marks & Spencer, Virgin Megastore, BHS, Boots and a wide range of other leading national retailers, together with specialist and local traders.

12. In support, Mr Abel refers to the following Exhibits to his statement:

- (i) Exhibit JA2 – an information pack dated January 1989 about the HARLEQUIN shopping centre which was distributed to potential tenant’s and the public;
- (ii) Exhibits JA3 – two HARLEQUIN brochures promoting the shopping centre to potential tenants which pre-date the opening of the third phase of the shopping centre in 1992, which were widely distributed to retailers and property agents;
- (iii) Exhibit JA4 – a publication entitled “PROJECT PROFILE” which was commissioned by the Reinforced Concrete Council and first published in 1993. It was sent to architects, colleges and trade press. The name THE HARLEQUIN features prominently throughout the publication and in addition, the photograph of one of the entrances to the shopping centre which appears on the front of the publication shows that the name THE HARLEQUIN features on signage on the shopping centre itself;
- (iv) Exhibit JA5 – a brochure prepared for the floatation of the applicant in 1994 which was sent to potential investors, banks, brokers and the public. It includes information on the Harlequin shopping centre in Watford and shows the name the HARLEQUIN being used on the shopping centre itself.

13. Mr Abel goes on to state that since 1992, the applicant and its predecessor have generated substantial turnover from their use of the HARLEQUIN mark. He adds that detailed figures of rental income cannot be disclosed since they are the subject of commercial confidentiality, but the following figures are provided to show the annual open market value of the applicant’s interest in the HARLEQUIN shopping centre for the years 1994 to 1998:

1994	165,000,000
1995	183,000,000
1996	221,000,000
1997	281,000,000
1998	321,000,000

14. Mr Abel states that the substantial increase in the open market value of the HARLEQUIN shopping centre from year to year indicates that there is a high demand for rental space at the centre and that the rental turnover under the HARLEQUIN mark is substantial.

15. Turning to advertising and promotional activities under the mark, Mr Abel draws attention to Exhibit JA6 to his statement which is an example of a HARLEQUIN Christmas promotional brochure for 1996 which, he states, was distributed to all households within the shopping centre’s catchment area. Mr Abel states that between 1992 and 1998, the applicant spent significant sums advertising its services and the

shopping centre under the HARLEQUIN mark. He refers to Exhibit JA7 to his statement, a breakdown of the marketing and promotional costs incurred by the applicant for the years 1995 to 1997. Mr Abel provides the following figures for the annual marketing spend of the applicant under the HARLEQUIN mark for the years 1995 to 1998:

YEAR	£
1995/96	350,000
1996/97	400,000
1997/98	450,000

16. Next, Mr Abel refers to press articles in newspapers and trade magazines in which the HARLEQUIN mark has featured. He draws attention to Exhibit JA8 to his statement which contains a selection of extracts from articles which associate the HARLEQUIN mark with a shopping centre in Watford.

17. Under the heading Honest Concurrent Use, Mr Abel concludes his statement by asserting that the applicant has made extensive use of the HARLEQUIN mark in connection with the services listed in the application for many years, and that the applicant is unaware of any instances of confusion at any time between the applicant's and opponent's trade marks.

18. This completes my summary of the evidence filed in this case. I now turn to the decision:

DECISION

Section 5(2)(b)

19. Section 5(2) of the Act 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.”

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

“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.”

21. 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] E.T.M.R. 1, *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.

22. 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*;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, 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.*;
- (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*;
- (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*;
- (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*;
- (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*;
- (g) account should be taken of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it was registered; *Lloyd*;
- (h) 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*;

- (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.*

23. In his skeleton argument and at the hearing, Mr Hamer made it clear that the opponent was only pursuing the opposition in respect of the following services:

- (i) **Class 35**

The bringing together for the benefit of others, of a variety of retail outlets, entertainment, restaurant and other services, enabling customers to conveniently purchase goods and services in a shopping centre or mall; the bringing together for the benefit of others a variety of retailing Internet web-sites enabling customers to conveniently purchase goods and services in a virtual shopping centre or mall; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently purchase those goods and services within a retail store located at a shopping centre or mall; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services within a retail store located at a shopping centre or mall; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services within a department store; the bringing together for the benefit of others, of a variety of goods and services, enabling customers to conveniently view and purchase those goods and services from a general merchandise Internet web site; provision of information over the Internet about retail opportunities.

N.B. This represents the entirety of the applicant's specification in Class 35.

- (ii) **Class 36**

Credit card services; debit card services; issue of tokens of value including gift vouchers; provision of retail space and space for the provision of services including restaurant, café, cinema, crèche, nursery, health club, beauty salon and banking facilities.

- (iii) **Class 39**

Provision and management of car parking facilities.

N.B. This represents the entirety of the applicant's specification in Class 39.

(iv) **Class 42**

Provision of beauty salon facilities.

24. Accordingly, the services within Class 37 of the application are no longer being opposed.

25. In essence, the test under Section 5(2) (b) is whether there are similarities in marks and goods or services which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion, I am guided by the judgments of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the degree of similarity in the services, and/or goods, the category of services and/or goods in question and how they are marketed. I must compare the mark applied for and the opponent's registrations on the basis of any use made of the respective marks and also on the basis of their inherent characteristics, assuming normal and fair use of the marks on the relevant services and/or goods covered within the width of their respective specifications.

26. The evidence filed by the applicant shows use since 1989 of various marks which incorporate the word "harlequin". In the counterstatement, the applicant states that the mark applied for was only introduced shortly before the application was made. None of the exhibits filed show the mark in use which is the subject of the application. The various "harlequin" marks have not been used across the width of the specifications claimed: the evidence attests to the bringing together of a variety of retail outlets and the provision of retail space. Accordingly, the use shown on this limited range of services is not use of the mark applied for, although the marks all incorporate the word "harlequin".

27. The opponent, in its statement of case, has claimed use since 1971 of the marks HARLEQUIN and EHARLEQUIN.COM in relation to the goods and services covered by these Community registrations, 833657 and 1538230. However, no evidence has been submitted to demonstrate use of the opponent's earlier registrations. The opponent simply relies upon the existence of these earlier registrations, and its case rests upon notional, fair use of these marks.

Similarity of goods and services

28. Turning to a comparison of the respective goods and services, I have to decide whether the services covered in Classes 35, 36, 39 and 42 of the application are the same or similar to the goods and services covered by the opponent's earlier registrations.

29. In determining whether the services covered by the application are similar to the goods and services covered by the opponent's marks, I have considered the guidelines formulated by Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 (pages 296 and 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 services;
- (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 particular 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.”

30. Whilst I acknowledge that in view of the *CANON-MGM* judgment 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.

Class 35

31. The Class 35 specification of Community registration 1538230, *EHARLEQUIN.COM*, covers retail services; mail order services; Internet sales and administrative and advertising services relating to mail order and Internet sales. The application in Class 35 uses wording to the effect that it has cover for retail services, at a physical location and claims cover for retail services at a virtual location, ie. via the Internet. The services are identical.

32. The Class 35 specification of Community registration 833657, *HARLEQUIN*, lists a number of specific services, but the crux of the matter here is that the specification concludes with the catch-all “and all other services in this class”. At the Hearing, Ms

Cookson maintained that class headings do not automatically cover all goods and services in a class. However, while it is true that the first four services specified in the Class 35 specification of 833657 do represent the WIPO class heading, the effect of “all other services in this class” must be construed as giving protection for everything which falls in Class 35 that is not covered by the four broad terms “advertising; business management; business administration; office functions”. Once specific terms which constitute a WIPO class heading are entered on a trade mark application form in the UK, they cease to be a class heading as such and become a statement of goods and services. To ensure cover for everything else in the class, an applicant would have to add the catch-all wording, which is exactly what the opponent had done in this case.

33. It follows that there must be identity of services in Class 35.

Class 36

34. The opponent’s registrations do not cover Class 36 and it did not particularise which of the services covered by the application it considered to be in conflict. The most specific analysis of the point was made in Mr Hamer’s skeleton argument where he says that “credit and debit card services, the issue of tokens of value, provision of retail space and space for the provision of services” all “either relate directly to the services for which CTM 833657 is registered or would be expected to be part of the normal provision of such services”. There is substance in this e.g. store cards and retail outlets, franchising within retail establishments and the provision of services within retail space. I find that these services are similar to retail services (CTM 1538230) and retail and related services, for which CTM 833657 has cover. The use and users of the services are in the nature of purchasing and purchasers; they are complementary and closely related services.

35. It follows that “credit card services; debit card services; issue of tokens of value including gift vouchers” and also the “provision of retail space and space for the provision of services including restaurant, café, cinema, crèche, nursery, health club, beauty salon and banking facilities” are similar to the services encompassed within the opponent’s Class 35 specifications.

Class 39

36. The opponent’s contention is that the provision and management of car parking facilities are in conflict with their registrations in Class 35, specifically retailing. I think that there may be some alliance involved when a business operates a shopping mall or “out of town” retail services and there is necessity to arrange for car-parking for customers to be able to access the mall, shopping centre or shop conveniently. The function of a shopping centre or retail outlet is to provide retail services to its customers. While car parking is not the core business, it is often a necessary and important aspect of the business as in modern trading conditions the public expect “out of town” shops or shopping centres to provide parking facilities. Indeed, the nature and type of the car

parking facility can help determine the customers choice of where to shop. There is accordingly some degree of similarity in the services.

Class 42

37. Both of the opponent's registrations cover Class 42, specifically "beauty care", and the application claims "provision of beauty salon facilities". The construction of the respective wordings are different. A semantic assessment may find that "beauty care" is the practice of administering beauty care services, whilst "provision of beauty salon facilities" suggests something more remote. At a practical level, I consider the services to be identical but even if I am wrong on this point, I believe the respective services to be very similar.

38. Furthermore, the opponent's CTM registration 833657 also has cover in Class 3 for, *inter alia*, "soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices and all other goods in this class". I think it is not unreasonable that a beauty-care business may brand and offer for sale the products it uses and I therefore find that there is similarity of goods and services.

Comparison of marks

39. I now go on to compare the mark in suit with the opponent's earlier marks. The application is for the mark "THE HARLEQUIN WATFORD", incorporating a figurative element, and the applicant claims the colours purple, green, red, yellow and blue as an element of the mark. The opponent's earlier registrations are for the marks HARLEQUIN and EHARLEQUIN.COM. There are two points which I should mention before I make my assessment of the level of distinctive character involved in each mark. The first is that the applicant's witness statement, in referring to the various different "harlequin" marks which had been in use since 1989, attempted to draw some homogeneity between them by claiming that all the marks used HARLEQUIN as the "dominant and distinctive element". The second point is that at the hearing, Ms Cookson compared "harlequin", which she maintained is the name of a well known fictional character, with an invented word: whereas an invented word used as a trade mark would only lead one to think of the individual undertaking to which that word was reserved, a word such as harlequin has connotations other than those relating to trade marks. However, this does not mean that it is lacking in distinctive character without the addition of distinctive matter to support it. "Harlequin" means, as Collins English Dictionary (2000) puts it, "a stock comic character", "a clown or buffoon", "varied in colour or decoration". In relation to the goods and services at issue here, the word "harlequin" appears to me to have a high degree of distinctive character; higher in relation to some goods than others, and high in relation to all the services claimed. It follows that its penumbra of protection should be wide, given that it is well able to fulfill the essential function of a trade mark; that is to guarantee that the goods and services emanate from a single undertaking responsible for their quality.

40. EHARLEQUIN is represented as a domain name (the “.com” element), leading one to interpret the initial E letter as denoting electronic or internet, with the dominant “harlequin” element clearly discernable. This mark has a similarly high degree of distinctive character (as HARLEQUIN solus).

41. The guiding authorities make it clear that I must compare the marks as a whole and by reference to overall impression. However, as recognised in *Sabel BV v Puma AG* (mentioned earlier in this decision) in my comparison, reference will inevitably be made to the distinctiveness and dominance of individual elements. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how the marks would be perceived by customers in the normal course and circumstances of trade. I must bear this in mind when making the comparisons.

42. I turn to a visual comparison of the respective marks. The application consists of the words THE HARLEQUIN WATFORD. It contains a figurative element in the form of an enlarged letter “Q”, within which there is a series of diamond shapes. The colours purple, green, red, yellow and blue are claimed as an element of the mark. The opponent’s earlier CTM registration 833657 consists solely of HARLEQUIN and their earlier CTM registration 1538230 consists of EHARLEQUIN.COM. All three marks share the word HARLEQUIN, which I have found to be distinctive to a high degree. CTM 833657 is comprised solely of the word and HARLEQUIN is readily discernable in CTM 1538230. As for the application, the overwhelming element is the word HARLEQUIN. “The” and “Watford” are small in comparison. The figurative element does not detract from the impression that, visually, the application is a “harlequin” mark. My conclusion is that there is considerable visual similarity between the application and CTM 833657, and similarity to a lesser extent, but nevertheless similarity, between the application and CTM 1538230.

43. Comparing the marks aurally, there is an obvious difference in that the application consists of three words. Notwithstanding this, an aural rendition of the application still reveals “harlequin” to be the dominant and distinctive component within the applicant’s mark. It is the only element in CTM 833657 and, as regards CTM 1538230, it is, in my view, more discernable as the dominant element aurally than it is visually. I have no doubt that this is because the ear of the modern consumer is tuned to the presence of “E” as a precursor and “.com” as a suffix in domain names and will give these elements the appropriate amount of attention, in effect promoting HARLEQUIN as the trade mark element.

44. This brings me to a consideration of conceptual similarity. THE HARLEQUIN WATFORD presents itself, in the context of the services claimed, as an enterprise called “The Harlequin”, located at or serving Watford. The concept of the mark is HARLEQUIN, as defined above. The whole of CTM 833657 is comprised of HARLEQUIN. CTM 1538230 indicates an internet-enabled HARLEQUIN trade mark, ie. goods and services obtained via the internet, but with HARLEQUIN as the distinctive and dominant element in the totality.

Honest Concurrent Use

45. The applicant has claimed use of the mark since 1989. I have already given my conclusions about the relevance of the evidence filed in support of this claim. In case I am found to be wrong on this point, I must now give consideration to its place in the proceedings before me.

46. Honest concurrent use can only be concurrent if there has been use of both parties' marks in relation to the goods or services for which they are respectively registered and have applied for. In this action, the opponent has not demonstrated any use of their earlier registrations. I cannot, therefore, conclude that there has been any concurrent trade. In any event, "the mere fact that there has been honest concurrent use is not a defence, which in itself will save an application, but it is one of the "relevant" factors which should be taken into account in determining whether there is a likelihood of confusion" (*CODAS Trade Mark* [2000] RPC 14, paragraph 25).

47. Ms Cookson, at the hearing, maintained that there had been no instances of confusion known to the applicant. This, in itself, is inconclusive; the applicant occupies a certain "niche" in the retail market, which may be different to the opponent's current or planned area of trading activity. However, in the absence of evidence which shows how the opponent's marks are used, it is impossible to draw any concrete conclusion. It must be borne in mind that the opponent is entitled to use its marks notionally and fairly across the width of the specifications for which its earlier marks are registered. It would be inequitable to speculate on how the opponent may or may not conduct its business within the ambit for which it has protection.

Relevant Public

48. Before reaching a conclusion on the likelihood of confusion, it is imperative that I consider the relevant public for the goods and services at issue. It is settled case law that the average consumer is reasonably well informed and reasonably circumspect. Ms Cookson opined that the average consumer for the applicant's services would have a "shopping mindset", but I consider this to be too narrow a take. The average consumer of the goods and services of both parties ranges, in my view, from the shopper to suppliers and retail developers.

Global Appreciation

49. In drawing together the threads of the above analysis, I must bear in mind not only the points of similarity, visually, aurally and conceptually, between the marks, but also the relative weight which each bears in this global appreciation. By this, I mean the manner in which the average consumer encounters the marks; e.g. whether the visual impact on the average consumer is likely to be greater, similar or less than it is aurally or conceptually.

50. I have reached the conclusion that the weight to be attached to the visual and aural experiences of the average consumer in relation to all the marks are both significant. Retail services are a highly visual operation, but they are also prominent aurally: radio and television advertising and word of mouth references are commonplace. I have found that the common element, “Harlequin” is highly distinctive for the goods and services at issue and that, conceptually, the marks are very similar. It is established case law that a conceptual similarity becomes elevated in importance if the concept is distinctive.

51. I have no doubt that the word HARLEQUIN (CTM 833657) is closely similar to the mark in suit. With regard to CTM 1538230 in particular, I am guided by the following comments of the European Court of Justice in *Canon*:

“Accordingly, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings, constitutes a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive (see SABEL, paragraphs 16 to 18).”

52. I consider that there is a real likelihood that the relevant public will believe that similar goods and services offered under the opponent’s HARLEQUIN mark and the opponent’s EHARLEQUIN.COM mark (the electronic trading arm of the applicant) are offered by economically linked undertakings.

53. Finally, I bear in mind the words of Geoffrey Hobbs Q.C., sitting as the Appointed Person in *Miguel Torres SA v. Vina Torreblanca SL*(BL O/207/02):

“When (as contemplated by Section 5(2)(b) of the Act) the marks in issue are not identical, they need to be *distinctively similar* in order to be capable of inducing such a belief in the mind of the average consumer for the goods concerned.”

54. It is my view that the marks are distinctively similar. The applicant’s claim to honest concurrent use has not displaced my finding and on a global appreciation the opponent has succeeded in its opposition in relation to:

- (i) the whole of the Class 35 specification;
- (ii) the opposed part of the Class 36 specification; (see paragraph 35 of this decision)
- (iii) the whole of Class 39 specification and;
- (iv) “provision of beauty salon facilities” in Class 42.

Outcome

55. Accordingly, the application may progress to registration if, within twenty-eight days of the expiry of the appeal period, the applicant files a Form TM21 restricting its

specifications to those services for which the opposition has proved unsuccessful and to those goods and services which were eventually not opposed. If the applicant fails to file a Form TM21 restricting the specifications (as above), the application will be refused in its entirety.

Costs

56. At the hearing, Ms Cookson submitted that the opponent had failed sufficiently to particularise the goods and services which it felt were in conflict with the application and that this should go in the applicant's favour during an assessment of any costs award. I bear this in mind, whilst noting that the applicant was silent about the Registrar's offer to be heard on this matter earlier in the proceedings. The opponent did eventually reduce the scope of the grounds to be considered. Ultimately, there was no lengthy evidence or skeleton argument for the applicant to consider and in fact, the applicant did not deal with the position on similarity of services in any great detail within its evidence. Given that the opponent has been successful, I order the applicant to pay the opponent the sum of £1,500. 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 23rd day of November 2004

**JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General**