

O/166/06

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2373159
BY COBRA DIRECTIONAL DRILLING LTD
TO REGISTER THE TRADE MARK:**



IN CLASS 37

AND

**THE OPPOSITION THERETO
UNDER NO 93194
BY
ATLAS COPCO AB**

Trade Marks Act 1994

**In the matter of application no 2373159
by Cobra Directional Drilling Ltd
to register the trade mark:**



**in class 37
and the opposition thereto
under no 93194
by Atlas Copco AB**

BACKGROUND

1) On 16 September 2004 Cobra Directional Drilling Ltd, which I will refer to as CDD, applied to register the above trade mark (the trade mark). The application was published for opposition purposes in the "Trade Marks Journal" on 12 November 2004 with the following specification:

drilling, installing and servicing pipes and cables for gas, water, electricity telecommunications and fibre optics.

The above services are in class 37 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 11 February 2005 Atlas Copco AB, which I will refer to as Atlas, filed a notice of opposition. Atlas is the owner of United Kingdom trade mark registration no 959440 for the trade mark **COBRA**. It is registered for the following goods:

portable machines incorporating air compressors for drilling, digging, rock and concrete breaking, grinding, polishing, pile and sheet driving, drill sharpening, vibrating, tamping, spraying and pumping, and parts and fittings included in Class 7 for such machines.

The application for registration of the trade mark was made on 11 May 1970. As the trade mark had been registered for more than five years at the date of publication of the application, Atlas made a statement of use. It stated that the trade mark had been used for:

portable machines incorporating air compressors for drilling, digging, rock and concrete breaking, grinding, polishing, pile and sheet driving, drill sharpening, vibrating, tamping, and parts and fittings included in Class 7 for such machines.

Atlas is the owner of Community trade mark application no 3466851 for the trade mark **COBRA**, the specification of this application currently reads:

portable, petrol-driven and internal combustion engine-operated tools and machines for drilling; earth excavation, stone and concrete splitting, asphalt and concrete breaking, driving of posts, pipes and fences, packing, tamping and compacting of earth, ballast, ties and sleepers, ballast packing, palisades; rammers; back fill tamping machines; and parts and fittings included in class 7 for all the aforementioned goods.

The application was filed on 29 October 2003.

Atlas claims that the respective trade marks are similar and that *drilling* services are similar to the goods of its registration and application. Consequently, there is a likelihood of confusion and the application should be refused in respect of drilling under section 5(2)(b) of the Trade Marks Act 1994 (the Act).

3) Atlas claims that it has a reputation in relation to registered trade mark no 959440 and the trade mark of Community application no 3466851 in respect of *breakers, motor breakers and drills*. It states that its trade mark is well-known in the construction industry and CDD will inevitably derive some advantage or benefit from the use of the COBRA name in relation to drilling. Consequently, registration of the trade mark in respect of drilling would be contrary to section 5(3) of the Act.

4) Atlas claims that it has used the trade mark COBRA since the 1950s in respect of *portable machines incorporating air compressors for drilling, digging, rock and concrete breaking, grinding, polishing, pile and sheet driving, drill sharpening, vibrating, tamping, and parts and fittings included in Class 7 for such machines*. Consequently, it claims that registration of the trade mark would be contrary to section 5(4)(a) of the Act.

5) Atlas seeks refusal of the application and an award of costs.

6) CDD filed a counterstatement. It accepts the statement of use made by Atlas. It claims that it is using the name Cobra to designate a company whilst Atlas is using it for a piece of handheld equipment. CDD claims that there are at least one hundred firms that use the name Cobra. CDD states that directional drilling is a recognised term that can never be confused with generic drilling using rotational drills, pneumatic drills etc. It claims that a Google search for directional drilling produced over 118,000 hits. CDD claims that a directional drill weighs many tons and requires purpose-built transportation and operational equipment. It is not portable and bears no resemblance to Atlas's hand held drills; photographs of a directional drilling system and a Cobra Combi are attached. CDD claims that there is no similarity of services. It states that directional drilling is specifically intended to avoid digging up the ground, it is sometimes known as trenchless technology. CDD claims that Atlas's Cobra pneumatic/gas drill is designed to break up the ground and dig holes or trenches. CDD states that passing-off is virtually impossible and would be commercially suicidal, any directional driller thought to be using an Atlas Copco Cobra would never be offered a contract. The Patent Office conducted its own search specifically to find possible conflicts and failed to do so. CDD states that it is, therefore, unlikely to create confusion in the minds of the utility companies for whom CDD works. CDD seeks rejection of the opposition and an award of costs.

7) Only Atlas filed evidence.

8) The sides were advised that they had a right to a hearing and that if neither side requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing. Atlas filed written submissions. Consequently, this decision is made from the evidence and written submissions before me.

EVIDENCE

9) This consists of a witness statement dated 7 December 2005 by Stellan Rosenquist, who is the product line manager of Atlas Copco Construction Tools AD. Mr Rosenquist states that Atlas Copco Construction Tools AD is a division of Atlas. Mr Rosenquist has held his current position since 2001.

10) Mr Rosenquist states that Atlas has used the trade mark Cobra since the 1950s for goods covered by the United Kingdom trade mark registration, and more recently those covered by the Community application. He states that Atlas is responsible for approximately 80% of the world market for breakers, motor breakers and drills. He does not state what percentage of this market is supplied with Cobra goods. Mr Rosenquist states that the United Kingdom market is one of the most important of the world markets. He states that the motor breaker and drill sold under the trade mark Cobra is a multi-task tool for multi-task jobs. He exhibits at SR1 brochures for and photographs of various Cobra products ie Cobra mk 1, Cobra TT, Cobra Combi, Cobra Standard. The most prominent trade mark on the products is Atlas Copco. On the reverse of the brochures various tools and accessories are promoted, however, these are referred to as Atlas Copco goods eg Atlas Copco chisels. The products are what the layman would describe as pneumatic drills; they are for breaking or drilling. Mr Rosenquist states that Atlas is an innovative producer of high quality state of the art products and employs over 350 people in Great Britain. He does not state if any of these people are involved in the Cobra brand. Mr Rosenquist states that the value of sales in 2004 of the Cobra Mk 1 in the United Kingdom in 2004 was 2 million euros; the value of sales of the Cobra TT was 4 million euros. He does not identify to what period the sales of the Cobra TT relate, or whether this is a cumulative or annual figure or to which jurisdiction(s) the figure relates.

11) Mr Rosenquist states the advertising expenditure in relation to Cobra products in 2005 was £11,028, with advertisements placed in 'Construction News', 'Equip' and 'Plantman' magazines. He states that advertising expenditure for 2004 is estimated to have been around £15,000. Mr Rosenquist states that Atlas produces a magazine, 'Impact', this is available on-line at atlascopco.co.uk and often features Cobra products. Exhibited at SR2 is a copy of the magazine. The magazine is edition 1/2004. The editorial advises that this is the first edition of the magazine, which has replaced the 'Bautechnik Report'. Page 11 of the publication consists of an article about the Cobra Combi, which is described as a successor to the Cobra 149. The article states that the product can be used for breaking, cutting, drilling, rock splitting, post rod driving, compacting and tie tamping. In an article about the renovation of the north runway at Frankfurt airport the following is written:

“Just a few minutes after crossing the concourse, seven excavators take up position and start breaking up the runway, using five heavy-duty HB 2200 Atlas Copco hydraulic breakers and two HB 3000 models. Kirchoff-Heine, the company contracted to carry out the renovation work, worked closely with specialists from Liebherr Mietpartner and Atlas Copco in the planning phase to determine the ideal machine combinations for the job.”

On page 18 there is an article about a promotional tour. One of the products that will be exhibited is the Cobra Combi motor breaker.

12) Mr Rosenquist states that in addition to the advertising expenditure referred to above, Atlas also regularly attends exhibitions in the United Kingdom, which in 2005 included: Railtex 2005, Maxim Power and Hillhead 2005. He states that distributors of Cobra products also exhibit at trade shows, including SED 2005. Mr Rosenquist states that Atlas also produces advertising and promotional materials such as caps, t-shirts, fleece jackets and penknives showing the Cobra trade mark. Exhibited at SR3 are photographs of these products.

DECISION

Preliminary issue – the grounds of opposition

13) There is some ambiguity/contradiction in the grounds of opposition. I have reflected the grounds as given on the opposition form. However, there is a written statement of grounds that is less precise in the nature of its attack. This statement does not limit its claim to refusal in respect of drilling under sections 5(2)(b) and 5(3) of the Act; it also lacks any specificity in relation to the basis of the claim under section 5(3). As the opposition form specifically states that Atlas considers that the drilling part of the specification of the application should be refused and specifies the nature of the claim under section 5(3), I have based my decision on the form rather than the written statement of grounds. The submissions have also been made on the basis of the claim on the form rather than the statement.

The counterstatement

14) In its counterstatement CDD states that the trade mark is to designate a company name. On the application form for a trade mark CDD has signed the following statement:

“The trade mark is being used by the applicant or with his consent, in relation to the goods and services stated, or there is a bona fide intention that it will be so used.”

This is an application for a trade mark, not a company name, and has to be considered on this basis. CDD claims that over one hundred companies use the name Cobra. It has not put in any evidence to substantiate this claim. However, that companies may use the name Cobra has no effect on the issues before me. I have to consider that signs/trade marks on the basis of the course of trade in relation to the relevant goods and services. CDD claims that directional drilling is a recognised and autonomous term. It has to be taken into account that the specification is not for directional

drilling; although it would include such services. It may be that CDD has a valid case in relation to directional drilling but it has put in no evidence to substantiate its claim. It is certainly not a matter that comes within the terms of judicial notice ie a fact that is so notorious or well-known that it cannot be refuted. I can only consider the case on the basis of the evidence before me. CDD also comments that the Patent Office conducted its own search and found no conflict. This is always the case with oppositions, except where the application proceeded upon the basis of honest concurrent use, and so tells me nothing. The search that the registrar carries out also only relates to sections 5(1) and (2) of the Act; not sections 5(3) and 5(4)(a) of the Act. CDD has not been legally represented in this case but, of course, it has had the opportunity to put in evidence in support of its claims. It has declined so to do. There are not different rules for those who are represented and those who are not; the submission of the unrepresented cannot take upon the guise of evidence upon the basis that it emanates from the unrepresented.

Findings of fact

15) Mr Rosenquist at times refers to the business of Atlas rather than use of the trade mark Cobra. He comments on the position of Atlas in relation to the world market. I am interested in the position in relation to Cobra branded goods. He gives details in relation to 2005, which is past the date of application, the material date. He does not advise the proportion of the sales he identifies in 2004 took place before the material date. The best that can be said is that he identifies sales of 2 million euros for the Cobra Mk 1. As I have noted above his reference to the Cobra TT is unclear. He states that there were sales of 4 million euros, but he does not state in which year or years or if this is a cumulative figure. Mr Rosenquist does not put the figures that he gives in terms of market share for portable motor breaks and drills; all of the evidence shows that these are portable devices. He does not indicate the number of products sold, or the price for which they are sold. I have to also keep in mind that the products are sold with reference to the Atlas Copco house mark, which is not to say that they are not known as Cobra products. In relation to section 5(3) the extent of the reputation that has to be established was decided by the European Court of Justice (ECJ) in *General Motors Corporation v Yplon SA* Case C-375/97 [2000] RPC 572 (*Chevy*):

“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.”

On the basis of the evidence before me Atlas has certainly not established that it has a *Chevy* reputation in relation to the goods of its registration.

16) Equally, Atlas’s evidence does not establish that its position could be enhanced through use and reputation in relation to likelihood of confusion.

17) To succeed in a passing-off claim Atlas has to establish a goodwill in a business to which the sign Cobra is used. The material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v The Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group Plc* [2004] RPC 8 and

9). Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

Consequently, the material date cannot be after the date of application. In this case there is no evidence of use of CDD’s trade mark prior to the date of its application. So, the material date is the date of application, 16 September 2004. Pumfrey J in *South Cone Inc v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

“27 There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28 Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date.”

Professor Annand, sitting as the appointed person, in *Loaded* BL O/191/02, accepted that proof of goodwill could be accomplished by other means. The judgment of the Court of Appeal in *Phones4U Ltd and another v Phone4u.co.uk Internet Ltd and others* [2006] EWCA Civ 244 is a warning against basing a decision on a formula and ignoring the actual evidence. As I have indicated above there are failings in the evidence of Atlas. The ‘Impact’ magazine bears a publication date of April 2004, before the material date. The magazine, although in English, appears to be for an international audience, as indicated by the reference to *Bauma 2004* in Munich. The magazine is published and printed in Essen. There is no indication that the promotional items referred to were available either before the material date or in the United Kingdom. Mr Rosenquist states that Atlas employs over 350 people in the United Kingdom, he does not state that any of them have anything to do with Cobra products. He states that:

“The trade mark COBRA has been used by My Company since the 1950s for goods covered by the UK trade mark registration No. 959440 and more latterly, Community trade mark application No. 3466851.”

Mr Rosenquist does not state that the trade mark Cobra has been used by Atlas in the United Kingdom, only that it has been for goods covered by the United Kingdom registration. If the trade mark had been used in the United Kingdom since the 1950s

one would expect sales figures to be given for prior to 2004. The brochures exhibited at SR3 have a copyright date of 2004 or 2005. Mr Rosenquist comments upon turnover and publicity in 2004 but does not identify how much, if any, of this occurred prior to the material date. The reference to sales of Cobra TT products, as I have indicated, does not identify them by jurisdiction or period. Atlas is leaving me to speculate that probably some of the turnover in relation to Cobra Mk 1 breakers occurred prior to the material date, to guess that part of expenditure on publicity happened before the material date. The highpoint of Atlas's case is the reference in "Know How on Tour", in 'Impact' to the plan for the show truck to attend the SED in Milton Keynes in May 2004 where the Cobra Combi motor breaker will be exhibited. However, this was an intention. I don't know if the show truck appeared at SED, Mr Rosenquist only refers to SED 2005; and if it did appear there is no way of knowing if the Cobra Combi was on board and being promoted. The parameters for establishing goodwill cannot be so loose that they can be set by guesswork and speculation. The onus is upon Atlas to establish its case. **On the basis of the evidence before Atlas has failed to establish that at the material date that it had a goodwill in relation to the sign Cobra.**

18) In the absence of the establishing of a *Chevy* reputation and a goodwill in relation to the sign Cobra the grounds of opposition under sections 5(3) and 5(4)(a) of the Act must be dismissed.

Likelihood of confusion

19) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

Sections 6(1) and (2) of the Act read:

“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,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or
- (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if

registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

20) So, Atlas’s United Kingdom registration is an earlier trade mark as defined by the Act. Its community trade mark application has to be considered at this stage, although no final determination could be made which is dependent upon this application until it has either been registered, refused or withdrawn. Taking into account the specifications of Atlas’s registration and application and the basis of the opposition under section 5(2)(b), I cannot see that it would be in a better position under the application than the registration. Consequently, I will confine my deliberations to considering the United Kingdom registration in relation to the application.

21) In determining the question under section 5(2)(b), 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 BV* [2000] FSR 77, *Marca Mode CV v Adidas AG and Adidas Benelux BV* [2000] ETMR 723 and *Vedial SA v Office for the Harmonization of the Internal Market (marks, designs and models) (OHIM) C-106/03 P*.

Comparison of trade marks

22) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG*). 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*). Consequently, I must not indulge in an artificial dissection of the trade marks, although taking into account any distinctive and dominant components. The average consumer 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 and he/she is deemed to be reasonably well informed and reasonably circumspect and observant (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*). “The analysis of the similarity between the signs in question constitutes an essential element of the global assessment of the likelihood of confusion. It must therefore, like that assessment, be done in relation to the perception of the relevant public” (the Court of First Instance (CFI) in *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02).

23) The trade marks to be compared are:

Earlier trade mark:

COBRA

The application:



The trade mark is in colour but there is no claim to colour and so this has not affected my deliberations. The trade mark contains a device. If it were not above the word cobra, the device might have been seen as but an abstract shape. However, in the context of the trade mark I consider that the device will be seen as a stylised representation of a cobra. Consequently, the device element is not, in my view, going to help to distinguish the respective trade marks. I consider that both trade marks will be seen as Cobra trade marks; they are conceptually identical and in oral use there will be no differentiation between them. I have no hesitation in coming to the conclusion that the respective trade marks are similar to a high degree.

Comparison of goods and services

24) CDD did not challenge the claim to use made by Atlas, so the requirements of rule 13(C)(1) of the Trade Marks Rules 2000 (as amended) do not come into effect. So, the goods under consideration in relation to the earlier right are those for which Atlas has claimed use, ie:

portable machines incorporating air compressors for drilling, digging, rock and concrete breaking, grinding, polishing, pile and sheet driving, drill sharpening, vibrating, tamping, and parts and fittings included in Class 7 for such machines.

As Atlas has not been put to proof in relation to the use, even though it has supplied evidence, I have to consider notional and fair use in respect of all the goods above; my comparison cannot be restricted to the goods upon which I have seen use. I have to work on the presumption that if the claim to use had been challenged, Atlas might have put in different evidence. So when considering the *portable machines incorporating air compressors* I cannot limit my consideration to the breaker/drills which I have seen illustrated in the evidence. Under section 5(2)(b) only the *drilling* part of the specification is being challenged.

25) In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* the European Court of Justice held in relation to the assessment of the similarity of goods and services that the following factors, inter alia, should be taken into account: their nature, their intended purpose (the original incorrect translation of ‘Verwendungszweck’ in the English version of the judgment has now been corrected), their method of use and whether they are in competition with each other or are complementary. In relation to the terms used in specifications Jacob J, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, stated:

“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.”

Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course,

to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). Although it dealt with a non-use issue, I consider that the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32 are also useful to bear in mind:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

In considering the cover of the services I take into account the comments of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16:

“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.”

26) There is ambiguity in the specification of the application. Is the *drilling* qualified by *for gas, water, electricity telecommunications and fibre optics*? It would seem from the counterstatement of CDD that that is the intention but I have to consider the specification as it is written, not on the intention of the writer. The preposition *for* does not sit happily or easily with *drilling*. I consider that the most reasonable reading of the specification is that *drilling* is a stand alone term. CDD in its counterstatement comments upon the nature of the drilling that is of interest to it, directional drilling. However, as I have noted above, the specification is for drilling at large and the nature of directional drilling is something that requires evidence to substantiate the claims in relation to it and show what it involves. In the absence of evidence it is difficult to come to a conclusion as to what drilling actually encompasses; certain possibilities jump out, eg drilling of wells, of tunnels, oil drilling and rock drilling, but are there other types of drilling services? It is a matter for evidence and there is no evidence in relation to this matter. I am hamstrung by the lack of evidence. I consider that the strongest case for Atlas, taking into account the nature of its goods, would relate to a service such as rock drilling. Applying the *Canon* criteria the goods are used to drill and the services are for drilling, so there is a common intended purpose; the drilling requires drills and the purposes of the drills is to drill, so the goods and services may be considered to be complementary; one might choose to buy a drill or make the use of a drilling service and so the goods and

services could be considered to be in competition. So, several of the *Canon* criteria are satisfied. However, satisfaction of tests in the context of a strict logical analysis may distort the reality. What happens in the trade? Are the services in reality complementary and/or in competition? Perhaps in the nature of the trade there is no real conjunction. In the absence of evidence I can only work on what the words mean and how the law tells me to apply the meanings of those words. I noted above the article in 'Impact' in relation to the renovation of a runway at Frankfurt airport; in that project Atlas worked closely with the contractors. The equipment in question consists of five heavy duty hydraulic breakers and two HB3000, these are not *portable machines incorporating air compressors*, however it does indicate that manufacturers and contractors can work in close co-operation and so the connections may be more real than at first sight appears.

27) In the absence of evidence I have had a great deal of difficulty in coming to a conclusion as to whether the respective goods and services are similar. Are they really similar or have I been constructing a legal chimera? In the end I have come to the conclusion, if with a degree of doubt, that the respective goods and services are similar.

Conclusion

28) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In this case I have no doubt that the respective signs are highly similar. I have found the respective goods and services are similar, if with misgivings. It is necessary to consider the distinctive character of the earlier trade mark, the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (CFI Case T-79/00 *Rewe Zentral v OHIM (LITE)* [2002] ETMR 91). In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, the judgment of 4 May 1999 of the ECJ in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ETMR 585). *Cobra* in no way describes any characteristic or quality of the goods of Atlas. It will readily allow the relevant consumer to distinguish the goods of Atlas from those of others. I consider that it has a high degree of distinctiveness in relation to the goods upon which Atlas claims that it has been used. Finally, there is the average consumer for the goods and services to be considered. Both the goods and services will involve careful and educated purchasing decisions; neither the goods nor the services are likely to be purchased on a whim or without care. The average consumer is likely to be someone involved in the construction/civil engineering industries. If the goods of Atlas were bought or hired by a non-professional, it would be a non-professional with a good deal of expertise and knowledge. Specific drilling services are only likely to be purchased by

professionals. However, the care and expertise of the purchaser can have little effect with such similar trade marks; there is nothing that really allows the consumer in practical terms to distinguish between the two trade marks. (It is the knowledge of the professional and the user of the services that might militate against a finding of a similarity of goods and services but that is a matter of fact based upon evidence; evidence that is completely absent.)

29) Taking into account all the above factors I have come to the conclusion that the various elements of the global appreciation lead to the scales being tilted in Atlas's favour. **I find that there is a likelihood of confusion in respect of *drilling*.**

30) CDD should file, within one month of the expiry of the appeal period from this decision, a form TM21 to amend the specification so as to delete drilling from the specification. If form TM21 is not filed within the period set the application will be refused in its entirety. (If an appeal is filed, the period for filing form TM21 will be one month from the final determination of the case, if the appeal is unsuccessful.)

COSTS

31) Atlas Copco AB having been successful is entitled to a contribution towards its costs. I order Cobra Directional Drilling Ltd to pay Atlas Copco AB the sum of £1,000. 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 20th day of June 2006

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