

O-306-09

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2433387  
BY FOX INTERNATIONAL GROUP LIMITED TO REGISTER A  
TRADE MARK IN CLASS 28**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 96028 BY DAIWA-CORMORAN SPORTARTIKEL VETRIEB GMBH**

## BACKGROUND

1. On 21 September 2006, Fox International Group Limited (Fox) applied to register **CORETEX** as a trade mark. Following examination, the application was accepted and published for opposition purposes on 2 November 2007 in Trade Marks Journal No.6708 for the following goods in class 28:

“Angling apparatus; angling accessories.”

2. On 1 February 2008, Daiwa-Cormoran Sportartikel Vertrieb GmbH (Daiwa) filed a notice of opposition. This consists of a single ground based upon section 5(2)(b) of the Trade Marks Act 1994 (as amended) (the Act). In their Statement of Grounds Daiwa indicate that the opposition (which is based upon the following trade mark), is directed against all of the goods in the application for registration:

Trade Mark	No.	Application Date	Registration date	Goods
CORTEST	1312488	09.06.1987	29.01.1990	Fishing articles for sporting purposes; fishing tackle, fishing rods, linings for fishing rods, fishing reels; gut and lines, all for fishing; fish hooks; fishing floats, fishing plumbs and weights, bait; all included in Class 28.

3. On 1 May 2008, Fox filed a counterstatement which consists, in essence, of a denial of the ground upon which the opposition is based. They say, *inter alia*:

“As regards the marks themselves, only the first three letters of the two marks correspond; the remaining four differ. The visual appearance of the marks is therefore very different. Conceptually, the Opponent’s mark brings to mind some kind of check or inspection, whereas the Applicant’s suggests something to do with textiles. The marks are therefore conceptually very different. The sounds at the ends of the aural representations of the marks are submitted to differ sufficiently to render confusion unlikely..”

4. Both parties filed evidence and both seek an award of costs in their favour. While neither asked to be heard, both filed written submissions which I will refer to as necessary below. After a careful consideration of all the material before me, I give this decision.

## EVIDENCE

### Daiwa's evidence-in-chief

5. This consists of a witness statement, dated 13 August 2008, from Louise Westbury a trade mark attorney at fj Cleveland, Daiwa's professional representatives in these proceedings. Ms Westbury explains that her statement is made in support of:

“the statement of use made in the Notice of Opposition..”

6. She explains that Daiwa have used their CORTEST trade mark in the United Kingdom during the period 2 November 2002 to 2 November 2007 in relation to:

“Fishing and angling lines and fishing swivels.”

7. Exhibit LW1 consists of extracts taken from Daiwa's 2001/2002 and 2002/2003 catalogues, the vast majority of which are in the German language. Ms Westbury notes that on the final page of each catalogue Daiwa's representative in the UK is mentioned i.e. Daiwa Sports Ltd (2001/2002) and Cormoran UK (2002/2003). She explains that Cormoran UK were Daiwa's representatives in the UK from 2002 to 2005, and were replaced in 2005 by Belstane Ltd, details of which can be found in the 2008 catalogue provided as exhibit LW2. She adds that since 2001 Daiwa's representatives in the UK have:

“collected orders in the UK and sent them to the Opponent, and the Opponent has delivered the goods to retailers in the UK.”

8. I note that at paragraphs 4 and 5 of her statement Ms Westbury says:

“4. The fishing and angling lines bearing the mark shown in the catalogues in LW1 are described as “professional pike line”, “hi-tech champion's line”, “the professional carp line”, “hi-tech copolymer line”, “hi-tech seafishing line”, “braided line”, “fluoro-carbon” and “surf line tapered”.

5. The fishing swivels as bearing the mark shown in the catalogues at LW1 are described as “wirbel.”

9. Ms Westbury confirms that English language catalogues were sent to retailers in the UK for each of the years 2001/2002 to 2008, but only the 2008 catalogue at exhibit LW2 is available.

10. Turnover (at wholesale prices) in the UK of goods bearing the CORTEST trade mark were as follows:

Year	Turnover
2003	£1,185
2004	£858

2005	£759
2006	£629
2007	£2213

11. At an average cost of €2.50, the average number of units sold per year was approximately:

Year	Average No. of units per year
2003	694
2004	493
2005	446
2006	376
2007	1274

### **Fox's evidence-in-chief**

12. This consists of a witness statement, dated 23 December 2008, from Paul Reeves, the General Manager of Fox. Mr Reeves has held his current position for eighteen months, having worked for Fox for some ten years. He confirms that the information in his statement comes from his own knowledge and from company records.

The following information emerges from Mr Reeves' statement:

- the first sales of a product bearing the CORETEX trade mark in the UK took place in March 2006 (although publicity began in December 2005);
- that the total number of products sold under the CORETEX trade mark in the UK in the period September 2006 to September 2008 amounted to 14,670;
- that the value of these products amounted to some £71k;
- that for the period ending September 2008, £12.5k had been spent promoting CORETEX products in the UK.

13. Attached to Mr Reeves' statement are the following exhibits:

PR1 – extracts from the December 2005 printout of the “Fox Guide to Modern Carp Fishing” of which 28,000 have been sold in the UK and in which the CORETEX trade mark appears;

PR2 – an advertisement from the November 2006 issue of the UK publication “Total Carp” (circulation approximately 30k) in which the CORETEX trade mark appears;

PR3 - an advertisement from the December 2006 issue of Total Carp in which the CORETEX trade mark appears;

PR4 - an advertisement from the "Fox New Products 2006" magazine (190k distributed in the UK) in which the CORETEX trade mark appears;

PR5 - an advertisement from the "Fox Carp 2007" catalogue (90k distributed in the UK) in which the CORETEX trade mark appears;

PR6 - an advertisement from the February 2007 issue of the UK publication "Advanced Carp Fishing" (circulation 20k) in which the CORETEX trade mark appears;

PR7 - an advertisement from the July 2007 issue of "Total Carp" in which the CORETEX trade mark appears;

PR8 – a copy of the "Fox Hooklinx" price list from March 2007 (2.5k printed of which 1k were sent to UK customers) in which the CORETEX trade mark appears;

PR9 – a copy of the "Fox Hooklinx" price list from January 2008 (2.5k printed of which 1k were sent to UK customers) in which the CORETEX trade mark appears;

PR10 - an advertisement from the "Fox Carp 2008" catalogue (90k distributed in the UK) in which the CORETEX trade mark appears;

PR11 – an advertisement from the June 2008 issue of the "Fox Complete Guide to Carp Fishing" magazine (13k issued) in which the CORETEX trade mark appears;

PR12 - an advertisement from the July 2008 issue of the UK publication "Angler's Mail" (circulation 45k) in which the CORETEX trade mark appears;

PR13 - an advertisement from the September 2008 issue of "Total Carp" in which the CORETEX trade mark appears;

PR14 - an advertisement from the November 2008 issue of "Total Carp" in which the CORETEX trade mark appears;

PR15 - an advertisement from Fox's website (from November 2008 but first loaded in the Spring of 2006) in which the CORETEX trade mark appears;

PR16 – is said to consist of a list of (in excess of 200) accounts in the UK of customers who have purchased goods bearing the CORETEX trade mark.

14. Mr Reeves concludes his statement in the following terms:

"Notwithstanding the foregoing considerable use of Fox's trade mark CORETEX, and the concurrent use by Daiwa-Cormoran of their mark CORTEST, I am unaware of any instance of confusion between these two marks."

15. That concludes my summary of the evidence filed to the extent that I consider it necessary.

## **DECISION**

16. Section 5(2)(b) of the Act reads as follows:

“5. - (2) 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, or

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

17. An earlier trade mark is defined in section 6 of the Act, 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 or international trade mark (EC) 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,

(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.”

18. In these proceedings Daiwa is relying on the registered trade mark shown in paragraph 2 above, which has an application date of 9 June 1987 which is prior to that of the application for registration which was filed on 21 September 2006; as such, it qualifies as an earlier trade mark under the above provisions. The application for registration was published for opposition purposes on 2 November 2007 and Daiwa’s trade mark was registered on 29 January 1990. As a result, Daiwa’s earlier trade mark is subject to The Trade Marks (Proof of Use, etc) Regulations 2004. I note that in their Notice of Opposition, Daiwa indicated that the trade mark had been used on:

“Fishing articles for sporting purposes including fishing and angling lines and fishing swivels”,

and that in their counterstatement Fox ask Daiwa to provide evidence of the use that they have made of their trade mark. That said, it is clear from paragraph 6 above that Daiwa have revised their statement of use and are now only claiming use upon:

“Fishing and angling lines and fishing swivels.”

19. The relevant sections of the Proof of Use Regulations read as follows:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1),(2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

### **Proof of use**

20. In reaching a conclusion on this point, I must apply the same factors I would if I were determining an application for revocation based on grounds of non-use; the relevant period for present purposes is the five year period ending with the date of publication of Fox's application for registration i.e. 3 November 2002 to 2 November 2007.

21. The leading authorities on the principles to be applied when determining whether there has been genuine use of a trade mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following principles:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);

- the use must be 'on the market' and not just internal to the undertaking concerned (*Ansul*, paragraph 37);

- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);

- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);

- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);



- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

22. In addition, I will keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's

Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. 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 s.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."

23. The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant and read:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for threeholed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

24. Finally, the comments of the Court of First Instance in *Reckitt Benckiser (Espana), SL v OHIM*, Case T- 126/03 are also relevant where it held that:

“45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories to which the goods or services for which the trade mark has actually been used belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.”

25. In their written submissions Daiwa say:

“2. The evidence supporting the opponent’s statement of use shows use of the earlier trade mark CORTEST for the following goods: fishing and angling lines and fishing swivels (the opponent’s goods). The evidence includes extracts from the opponent’s catalogues in the relevant period....and turnover figures and the approximate average number of units sold per annum for the opponent’s goods.

3. It is submitted that the evidence shows use which was not token but was to guarantee the identity of the origin of the opponent’s goods to consumers. That use was on the market (and not internal to the opponent) and was with a view to creating or preserving an outlet for the opponent’s goods, which goods were on the market in the UK and subject to real commercial exploitation. That is, the use was sufficient to create and make or preserve a market share.

4. It is further submitted that the evidence shows that a fair specification of goods in the earlier trade mark for the purposes of the opposition would be “fishing and angling lines and fishing swivels”.

26. In their written submissions Fox say:

“In fact however it is submitted that evidence of use by the opponent of their mark is inadequate. Most of it is in German for the German market, and the only catalogue in English is outside the relevant period, being for the year (2008), after the year (2007) of publication of the present application for opposition purposes. If the opponent is unable to produce better evidence than that for use of its mark in the United Kingdom, it casts doubt on that on which it bases its alleged sales figures for the relevant period (2003 to 2007). Even if some credence is granted, the significant figures are for 2007, and nothing in the statement of Louise Westbury excludes the possibility that the 2007 figures were generated by a sales push to bolster the opposition after the publication of the application on 2<sup>nd</sup> November 2007.”

27. In *EXTREME Trade Mark* (BL O/161/07) the Appointed Person said:

"Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence."

28. As Daiwa's evidence is not obviously incredible, and as Fox have made no formal challenge to it, it is not now open to them to invite me to disbelieve or discount the evidence at this stage in the proceedings.

29. It is clear from the case law mentioned above, that for use to be considered genuine it must be neither token nor internal. While it must be use with a view to creating or preserving a share in the market concerned, it need not be quantitatively significant nor is it necessary to show that a significant market share has been achieved. The evidence provided by Ms Westbury explains that English language versions of the catalogues provided at exhibit LW1 were sent to UK retailers throughout the relevant period. In addition, I note that Daiwa had three different UK representatives during this period i.e. Daiwa Sports Ltd of Lanarkshire, Cormoran UK of Spilsby and Belstane of Ashbourne. While the catalogues at exhibit LW1 show use of the mark in a number of formats, for example, with an enlarged somewhat stylised letter C, together with other words such as PRO TEAM and with other letters such as UFS, I am satisfied that Daiwa have made use of their CORTEST trade mark in the form in which it was registered. The use shown in the catalogues is in relation to fishing lines and fishing swivels (the latter being a device used in connection with a fishing line which affects or complements the presentation of the bait to the targeted fish). Turnover in the period 2003 to 2007 at wholesale prices amounted to some £5,600 with some 3,300 units sold in the same period. While I can only take into account sales made up to 2 November 2007, given the proximity of this date to the end of the calendar year (and despite Fox's reference to a

sales push mentioned above), this is unlikely to have any significant impact on my overall conclusion.

30. While the wholesale turnover figures achieved during the relevant period are unarguably low, and are not split to show the turnover achieved in the two categories of goods concerned, I note that Daiwa have made sales in each of the years which comprise the relevant period. As I have already mentioned above, it is not necessary for Daiwa's use to be quantitatively significant or for them to have achieved a significant market share before their use can be considered genuine. There is nothing in the evidence which suggests that Daiwa's use has been either token or internal; insofar as the latter is concerned, the appointment of three different distributors in the UK during the relevant period appears to suggest otherwise.

31. While Daiwa's evidence is far from perfect, when considered in totality I am satisfied that in the relevant period they have made genuine use of their CORTEST trade mark in the UK, and that this use has been in relation to fishing lines and fishing swivels. That of course is not an end of the matter, as I now need to decide (as per *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd*) what represents a fair specification. Daiwa's CORTEST trade mark stands registered for a wide range of fishing related goods in class 28. In their written submissions Daiwa suggest that a fair specification should read: "fishing and angling lines and fishing swivels".

32. There appears to be little practical difference between the phrases "fishing lines" and "angling lines. If there is a difference at all, it is likely to go unnoticed by the average consumer who, in my view, is likely to use either of the two phrases to refer to the goods on which Daiwa have proven use. **In those circumstances, I consider that the specification suggested by Daiwa is a fair one, and it is on the basis of a specification reading "fishing and angling lines and fishing swivels" that I will conduct the comparison under section 5(2)(b) of the Act.**

### **Section 5(2)(b) – case law**

33. In reaching a decision I must take into account the guidance provided by the European Court of Justice (ECJ) in a number of judgments germane to this issue. The principal cases are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Mayer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05),

It is clear from all these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all the relevant factors: *Sabel BV v. Puma AG*, paragraph 22;

- (b) the matter must be judged through the eyes of the average consumer of the good/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and 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* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) when considering composite marks, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element; *Shaker di L. Laudato & Co. Sas* (C-334/05), paragraph 42;
- (f) an element of a mark may play an independent distinctive role within it without necessarily constituting the dominant element; *Medion AG V Thomson multimedia Sales Germany & Austria GmbH*, paragraph 30;
- (g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (h) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (i) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (j) 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 + Adidas Benelux BV*, paragraph 41;
- (k) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

## **The average consumer and the nature of the purchasing decision**

34. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods, and then to determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In their written submissions Daiwa say:

“15. For both the opponent's goods for which proof of use has been provided and the goods of the application, the average consumer will be an amateur or professional angler.”

35. I agree with Daiwa that as all of the goods at issue in these proceedings are angling related, the average consumer for such goods is likely to be an amateur or professional angler. The evidence provided shows the trade marks being used in catalogues and in specialist angling publications. This confirms my own view that as with most consumer goods these days, the selection process is likely to consist primarily of a visual act having inspected the kind of documentation mentioned above or having conducted a search on-line or examined competing goods in a retail setting. It may also (but to a lesser extent I think), be on the basis of oral recommendations from other anglers or from those involved in the angling industry. Insofar as the latter is concerned, I note the comments of the Court of First Instance in *Phildar SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-99/06* when they said:

“82 In that regard, it must be pointed out, first, that the importance of certain visual dissimilarities may be diminished by the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks at issue but must rely on the imperfect picture of them that he has retained in his mind. Secondly, the consumer may be prompted, as submitted by the applicant, to choose goods from the categories in question in response to a television advertisement, for example, or because he has heard them being spoken about, in which cases he might retain the aural impression of the mark in question as well as the visual aspect. It has already been held that mere aural similarity may, in certain cases, lead to a likelihood of confusion (see paragraph 58 above). It is possible that the consumer might let himself be guided in his choice by the imperfect aural impression that he has retained of the earlier mark which may, inter alia, remind him of something in common with a 'thread'. The importance of the aural aspect was mentioned only in respect of some of the goods concerned such as the 'strings' in Class 22, the various goods in Class 23 and those in Class 26, with regard to which the Board of Appeal accepted that they are generally sold over the counter, that is to say, orally (paragraphs 26 to 28 of the contested decision).

83 Furthermore, as regards the 'artificial flowers' in Class 26, it must be stated that the Board of Appeal's finding that the trade mark affixed to those goods is likely to be of only 'little importance' is unfounded and, as the applicant maintains, is contrary to the function of trade marks. To accept that the consumer

takes his decision to purchase solely in the light of the goods and their external appearance but pays no attention to their trade mark, would amount to stating that trade marks are of no use whatsoever (see, by analogy, judgment of 17 April 2008 Case T 389/03 Dainichiseika Colour & Chemicals Mfg. v OHIM – Pelikan (Representation of a pelican), not published in the ECR, paragraph 100). It must also be stated that even the category ‘artificial flowers’ may cover relatively sophisticated goods, in respect of which the trade mark constitutes an important sign of quality which the consumer will not fail to take into account and remember. Therefore, it must be held that even in respect of those goods the aural aspect is more significant than in the situation envisaged by the Board of Appeal, in which the consumer undertakes no more than a comparative examination of their appearance.

84 Next, as regards the Board of Appeal’s assessment concerning the goods in Classes 24 and 25, principally ‘fabrics, clothing and footwear’, that consumers will examine both those products and the mark fairly closely before making a purchase, first, it must be stated, as regards the clothing sector, that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector (see, to that effect, NLSPORT, NLJEANS, NLACTIVE and NLCollection, paragraph 81 above, paragraph 43). Secondly, those considerations apply, *mutatis mutandis*, to ‘footwear’ and ‘fabrics’. It follows that the abovementioned assessment by the Board of Appeal must be held to be incorrect and, as the applicant rightly maintains, it cannot be concluded therefrom that the aural aspect of the marks at issue is disregarded when those goods are purchased.

85 It follows from all the foregoing that, in the circumstances of the present case, mere visual dissimilarity is not sufficient to remove the risk of the public believing that the goods are being offered by the same undertaking or, as the case may be, by economically-linked undertakings.”

36. Having determined who I consider the average consumer to be, I must now determine the nature of the purchasing process. While the evidence suggests that Daiwa’s fishing and angling lines and fishing swivels are likely to be relatively inexpensive, the same is unlikely to be true of, for example, the rods and reels which would be included in Fox’s specification of goods. That said, the evidence provided also suggests that fishing is a highly technical sport in which the average consumer will need to ensure that, for example, the fishing and angling lines and fishing swivels they intend to purchase are suitable for the type of fishing they intend to engage in (e.g. river, sea etc), and the type of fish (e.g. carp, pike etc) they hope to catch. **All of this suggests to me that the average consumer will pay a reasonably high but not the very highest level of attention to their purchase.**



## Comparison of goods

37. The goods to be compared are as follows:

Fox's goods	Daiwa's goods on which use has been proven
Angling apparatus; angling accessories.	Fishing and angling lines and fishing swivels.

38. In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-133/05, at paragraph 29 the European Court of First Instance (CFI) said:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42.”

39. Applying the conclusion reached in the first part of that quotation to these proceedings i.e. where the goods on which Daiwa have proven use are included in a more general category in Fox's application, **I conclude that the respective goods at issue in these proceedings should be considered identical.**

## Comparison of trade marks

40. For the sake of convenience, the trade marks to be compared are as follows:

Fox's trade mark	Daiwa's trade mark
CORETEX	CORTEST

41. It is well established that the average consumer is considered to be someone who is reasonably well informed, circumspect and observant, who perceives trade marks as a whole and who does not pause to analyse their various details. In addition, he/she rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he/she has kept in his or her mind. In reaching a conclusion, I must also identify what I consider to be the distinctive and dominant components of the respective trade marks.

42. In their written submissions, the respective parties comment on the similarity between the trade marks in the following terms.

Daiwa say:

“5. The mark of the application is CORETEX and the earlier trade mark is CORTEST. The overall impression of the two marks is closely similar even though each mark is an invented word.

6. The two marks each have two syllables; each begins with the three letters COR; and the second syllable of each begins with TE. The elements CORE and COR are pronounced identically and the elements TEST and TEX are very close phonetically and somewhat close visually.

7. Visually and aurally, the mark CORETEX is likely to be perceived as CORE-TEX, since CORE is a word with a primary meaning and TEX is a single syllable which can be easily and discretely pronounced (and might be seen as an abbreviation for “Texas” or “Texan” or “textile).”

8. Visually and aurally, the earlier trade mark is likely to be perceived as COR-TEST, since TEST has a primary meaning and COR is a single syllable which can be easily and discretely pronounced.

9. Conceptually, neither mark has an obvious meaning. The vagueness of the conceptual meaning of each mark is such that the two marks cannot be regarded as conceptually similar. Alternatively, if as seems likely, either or both mark has no conceptual meaning, the two marks cannot be said to be conceptually dissimilar.”

Fox say:

“..the comparison between the mark applied for and the earlier mark should be assessed globally. The former mark is CORETEX and the latter is CORTEST. Thus they appear different, and meanings associated with them are different, the former suggesting a type of material and the latter some sort of examination or experiment. The respective sounds of the two marks perhaps come closest, but the “x” is pronounced “CS”, compared to the “ST” of the earlier mark. It is submitted that these sounds and their associated meanings are so different that there is no likelihood of confusion. In so far as the opponent has demonstrated any use of its mark, the applicant very definitely has, and yet as stated by Mr Paul Reeves in his witness statement, he is unaware of any instances of actual confusion between the marks.”

43. In reaching a conclusion on the degree of similarity between the respective trade marks, I must, as the case law dictates, compare them from the visual, aural and conceptual perspectives.

## Visual/aural similarity

44. Fox's trade mark consists of the seven letter word CORETEX presented in upper case. Daiwa's CORTEST trade mark also consists of a seven letter word presented in upper case. Clearly the respective trade marks have a number of letters in common; the first three letters are identical and both contain the letters TE in the same order. As both trade marks contain seven letters, five of which occur in the same order (but not in the same position), there can be little doubt that there is a degree of visual similarity between them.

45. Aurally, I agree with Daiwa that both trade marks consist of two syllables and are likely to be articulated as CORE-TEX and COR-TEST respectively. While Fox accept that the sound of the two trade marks "perhaps come closest", they highlight what they consider to be the differences in the way the endings of the trade marks will be pronounced. It is of course well settled that when comparing trade marks it is generally the beginning of the trade marks that are likely to be the most important for the purposes of comparison.

46. In summary, both trade marks consist of seven letter two syllable words presented in upper case; the words share the same first three letters and also contain the letters TE in the same order. **In my view there is a high degree of visual similarity, and an even higher degree of aural similarity between the respective trade marks.**

## Distinctive and dominant elements & conceptual similarity

47. While I am prepared to accept that elements within the respective trade marks can be identified and a meaning attributed to them i.e. "Core", "Tex" and "Test", this is not how the case law suggests the average consumer will approach the trade marks. Rather, as no element of either trade mark can be described as dominant, it is the trade marks as a whole that the average consumer is likely to recall. Here again I find myself in agreement with Daiwa. **In my view as both trade marks consist of invented words, neither trade mark is likely to convey any conceptual meaning to the average consumer. The respective trade marks are neither conceptually similar nor conceptually dissonant.**

## Distinctive character of the CORTEST trade mark

48. I must also assess the distinctive character of the CORTEST trade mark in relation to the goods for which it has been used. I note that in their written submissions Daiwa say:

"10. The earlier mark CORTEST has a high degree of distinctiveness, being an invented word...."

And:

“Please note the opponent hereby withdraws its claim to a reputation in the mark CORTEST...”

**49. I agree that consisting as it does of an invented word, Daiwa’s CORTEST trade mark is possessed of a high degree of inherent distinctive character. I also agree that the level of use made of the CORTEST trade mark is unlikely to have enhanced this inherent distinctive character to any material extent.**

### **Likelihood of confusion**

50. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the CORTEST trade mark, as the more distinctive this trade mark is the greater the likelihood of confusion. The distinctive character of the CORTEST trade mark must be appraised by reference to the goods in respect of which it is has been used and also by reference to the way it will be perceived by the average consumer. I must also keep in mind the average consumer for the goods and the nature of the purchasing process.

51. In summary, I have concluded that:

(i) Daiwa have made genuine use of their CORTEST trade mark in relation to: “fishing and angling lines and fishing swivels” and that this represents a fair specification (paragraph 32);

(ii) these goods should be considered identical to the goods in Fox’s application for registration (paragraph 39);

(iii) given the nature of the goods at issue both visual and aural aspects of the comparison are likely to play a part in the selection process (paragraph 35);

(iv) the average consumer will pay a reasonably high but not the very highest level of attention to the selection of the goods (paragraph 36);

(v) the respective trade mark share a high degree of visual similarity and an even higher degree of aural similarity (paragraph 46);

(vi) the respective trade marks are neither conceptually similar nor conceptually dissonant (paragraph 47);

(vii) that Daiwa’s use of their CORTEST trade mark has not, to any material extent, improved upon the high degree of inherent distinctive character it enjoys (paragraph 49).

52. I must now apply the global approach advocated to my findings to determine whether direct confusion (where one trade mark is mistaken for the other) or indirect confusion (where the goods would be assumed to come from economically linked undertakings) is likely to occur. Having done so, I have concluded that given the similarities in the respective trade marks, the identical goods at issue, the nature of the purchasing process, the traits of the average consumer and the high degree of inherent distinctive character the CORTEST trade mark enjoys that direct confusion is likely to occur.

53. That would normally be an end of the matter. However, as I noted above in their written submissions Fox said:

“In so far as the opponent has demonstrated any use of its mark, the applicant very definitely has, and yet as stated by Mr Paul Reeves in his witness statement, he is unaware of any instances of actual confusion between the marks.”

54. In their written submissions Daiwa commented on Fox’s use of their CORETEX trade mark in the following terms:

“18. The opposed application was filed on 21 September 2006 and that is the material date for the assessment of likelihood of confusion. Much of the use referred to in the applicant’s evidence was after September 2006 or is not sufficiently clearly dated to know whether it is pre or post September 2006. It is therefore not possible to assess the extent to which the mark of the application had been used at the material date (or has been used subsequently). In view of this, and the fact that the approximate number of units of the opponent’s goods sold is not especially high, it cannot be assumed that the two marks had co-existed on the market before the material date, and there is no evidence to suggest that they have co-existed to any material degree subsequently. In these circumstances it is not possible to assess the relevance of coexistence of the marks on the market to the issue of the likelihood of confusion.”

55. The issue of absence of confusion in the marketplace was dealt with in Tribunal Practice Notice (TPN) 4 of 2009 which said:

“6. Parties are also reminded that claims as to a lack of confusion in the market place will seldom have an effect on the outcome of a case under section 5(2) of the Act.

7. In *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 Laddie J held:

“22. It is frequently said by trade mark lawyers that when the proprietor’s mark and the defendant’s sign have been used in the market place but no confusion has been caused, then there cannot exist a likelihood of confusion under Article

9.1(b) or the equivalent provision in the Trade Marks Act 1994 ("the 1994 Act"), that is to say s. 10(2). So, no confusion in the market place means no infringement of the registered trade mark. This is, however, no more than a rule of thumb. It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place."

8. (In *Rousselon Freres et Cie v Horwood Homewares Limited* [2008] EWHC 881 (Ch) Warren J commented:

"99. There is a dispute between Mr Arnold and Mr Vanhegan whether the question of a likelihood of confusion is an abstract question rather than whether anyone has been confused in practice. Mr Vanhegan relies on what was said by Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at paragraphs 22 to 26, especially paragraph 23. Mr Arnold says that that cannot any longer be regarded as a correct statement of the law in the light of *O2 Holdings Ltd v Hutchison 3G Ltd* [2007] RPC 16. For my part, I do not see any reason to doubt what Laddie J says....")

9. In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 Millett LJ stated:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

56. In his evidence Mr Reeves explains that publicity for Fox's CORETEX trade mark began in December 2005 with the first sales taking place in March 2006. As Daiwa point out the relevant date for considering any potential co-existence in these proceedings is the date of Fox's application for registration i.e. 21 September 2006. At this date Fox's CORETEX trade mark would only have been in use for some ten months from the date the trade mark was first publicised, and some six months from the date the first sales took place. I note that Mr Reeve's evidence does not provide any information regarding either turnover achieved, amounts spent on promotion or number of items sold under the CORETEX trade mark in this period. In the circumstances, there is simply insufficient evidence for me to conclude that in the very short period prior to the material

date the average consumer had been exposed to the competing trade marks in such a manner as to counteract my initial conclusion on the likelihood of confusion.

**57. In summary, the opposition has been wholly successful and the application should be refused in its entirety.**

### **Costs**

58. As Daiwa have been successful they are entitled to a contribution towards their costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to Daiwa on the following basis:

Preparing a statement and considering the other side's statement:	£200
Official fee:	£200
Preparing evidence and considering the other side's evidence:	£500
Written submissions:	£300
<b>Total:</b>	<b>£1200</b>

59. I order Fox International Group Ltd to pay to Daiwa-Cormoran Sportartikel Vertrieb GmbH the sum of £1200. 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 2<sup>nd</sup> day of October 2009**

**C J BOWEN  
For the Registrar  
The Comptroller-General**