

O-344-13

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 2620189  
BY UK CARBY LYNDON INTERNATIONAL LTD  
TO REGISTER THE TRADE MARK**



**AND THE OPPOSITION THERETO UNDER NO. 103752  
BY ROLEX SA**

## Background and the pleadings

1. These opposition proceedings are brought by Rolex SA (“the opponent”) against UK Carby Lyndon International Ltd (“the applicant”) in relation to the applicant’s trade mark application, filed on 6 May 2012 in respect of *clothing; overalls, knitwear [clothing]; suits; layettes [clothing]; gloves [clothing]; shoes; hats; hosiery; scarfs; shirts; trousers; coats; skirts; uniforms; vests; pyjamas; underwear; sweaters; suits* in Class 25. The trade mark is represented below:



2. The application was published for opposition purposes in the *Trade Marks Journal* on 1 June 2012. The opponent pleads grounds of opposition under sections 5(3) and 5(4)(b) of the Trade Marks Act 1994 (“the Act”). Section 5(3) of the Act states:

(3) A trade mark which-

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

3. The opponent states that the application would take unfair advantage of or be detrimental to the distinctive character or reputation of three earlier trade mark registrations, all for the following crown device:



The three trade mark registrations are as follows:

(i) UK registration 854289, filed on 19 September 1963 for:

Class 9: Watches for calculations, time registering apparatus, electric time switches, and parts and fittings included in Class 9 for the aforesaid goods, all being for sale in the United Kingdom. in so far as concerns the right to the exclusive use thereof in relation to goods for sale in the United Kingdom.

Class 14: All goods included in Class 14, and all being for sale in the United Kingdom in so far as concerns the right to the exclusive use thereof in relation to goods for sale in the United Kingdom.

Class 16: Boxes, cases and containers all wholly or principally of cardboard and included in Class 16, all being for watches, clocks, precious stones or jewellery, and for sale in the United Kingdom.

Class 20: Containers included in Class 20, all for watches, clocks, precious stones or jewellery and all for sale in the United Kingdom. In so far as concerns the right to the exclusive use thereof in relation to goods for sale in the United Kingdom.

The registration is limited: "The Applicants undertake not to apply the Trade Mark directly to the goods by means of an impression or stamp in the metal, or any metal part thereof, in combination with any other impressed or stamped mark or marks, in the manner of a hall-mark."

(ii) UK registration 864372, filed on 19 May 1964 for:

Class 9: Watches for calculations, time registering apparatus, electric time switches, and parts and fittings included in Class 9 for the aforesaid goods, all being for export from the United Kingdom.

Class 14: All goods included in Class 14 for export from the United Kingdom.

(iii) UK registration 2482493 filed on 14 March 2008 for:

Class 14: Clock-hands (clock- and watch-making), anchors (clock- and watch-making), rings (jewellery), pendulums (clock- and watch-making), barrels (clock- and watch-making), jewellery, clock cases, watch cases, earrings, buckles of precious metal (jewellery), buckles (clock- and watch-making, namely for watch bands), cuff links, bracelets (jewellery), watch bands, charms (jewellery), brooches (jewellery), dials (clock- and watch-making), sundials, chains (jewellery), watch chains, chronographs (watches), chronometers, chronometrical instruments, jewel cases of precious metal, necklaces (jewellery), control clocks (master clocks), diamonds, cases for watches (presentation), pins (jewellery), ornamental pins, cases for clock and watch-making, threads of precious metals (jewellery), clocks, atomic clocks, electric clocks and watches, medallions (jewellery), watches, wristwatches, movements for clocks and watches, ornaments (jewellery), silver ornaments,

pearls (jewellery), semi-precious stones, precious stones, watch springs, watch glasses.

4. The opponent bases this objection on its reputation for quality and prestige of the highest kind. It states that the “Rolex Crown” is known to a significant part of the public concerned and that there is bound to be an association made between the marks. The applicant’s mark will ride on the coat tails of the opponent’s marks, taking the benefit of the opponent’s marketing investment and misappropriating the cachet associated with the Rolex Crown. It is claimed that use of the applicant’s mark would also erode the earlier marks’ highly distinctive character and reputation because the opponent’s marks would lose their hold in the public mind.

5. Section 5(4)(b) of the Act states:

“5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) ...

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.”

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

The opponent claims copyright in the crown (the subject of the earlier trade marks described above). Details about the claim are given later in this decision.

6. The applicant filed a counterstatement through its address for service, Global IP Law Ltd<sup>1</sup>:

“The applicant deems that the applied trademark is quite different from the opponent’s registered trademark. Here are the grounds:

1. The applied mark is made up of device and designed words CL while the opponent’ mark is made up of the device. It is easy to tell the difference at the first sight of the two marks.

2. A big difference exists in the structure of the two marks. The applied mark is a up-and-down structure while the opponent’s mark is only a device.

3. From the business impression point, the opponent’s mark focus on the device while the applied mark catch the customers’ eyes with distinguish designed letter LC. In the first view of the applied mark, the most impressed and catchable part is LC which mark the mark much more different from the opponent’ mark.

---

<sup>1</sup> Reproduced verbatim.

4. The most important thing is that the applied marks and the opponent' mark are different in the applied classes. The designated goods of the applied trademark fall in class 25 while the opponent's trademark is in class 14. Customers are clever enough to tell the two quite different marks in two different classes.

Therefore, we deem that the applied will not create any confusion in the mark with the opponent's trademark and the opponent' opposition could not be workable."

7. The opponent filed evidence and was represented by Mr Andrew Norris of Counsel, instructed by D Young & Co LLP at a hearing before me on 12 June 2013. Nothing was heard from the applicant or from its appointed address for service, Global IP Law Ltd, after the filing of the TM8 and counterstatement. The hearings clerk wrote to the applicant at its address for service to give notice of the hearing. No contact was made by the applicant or its representative. The hearing proceeded with neither the applicant nor its representative in attendance.

### **Evidence**

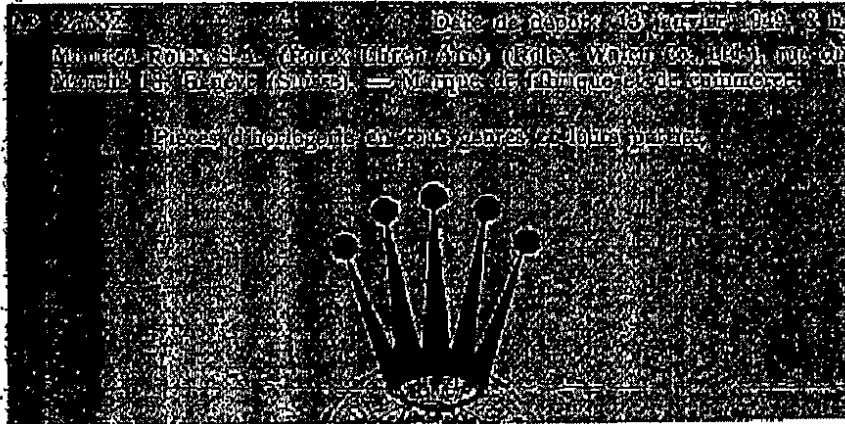
8. The opponent has filed evidence from three individuals, Carl Lamerton, Ian Starr and David Cutler. Mr Lamerton is the director of a brand creation agency called Fireplough. He gives his opinion that logos such as the Rolex crown are often used as a shorthand for the brand itself, such as the 'swoosh/tick' logo by Nike, and others. His opinion does not help me to decide the position in relation to section 5(3) of the Act because his opinion is that of somebody immersed in brands. He cannot speak for the average consumer of the goods in question. Nor does it assist me in deciding the copyright issue.

9. Ian Starr is the opponent's trade mark attorney. Exhibited to his witness statement is a statutory declaration and a copy of exhibit AH2 thereto made by Andre Heiniger, a former director of the opponent, on 26 February 1991, for use in trade mark opposition proceedings in Australia. The declaration details the origins and history of the Rolex crown. Mr Heiniger states that the opponent has used "the original crown device", devised by the opponent's founder, Hans Wilsdorf, since the early 1900s, on watches and other goods. The crown was used extensively in the 1920s and 1930s. Mr Heiniger states that he modified the device in July 1948. At that time, he was a director of Rolex Geneva. His modification is the crown device in the opponent's earlier mark, shown below in the Swiss trade mark registration certificate:

# Attestation

de l'enregistrement de la marque suisse N° 127552

Le Bureau suisse atteste qu'il a enregistré dans le registre suisse des marques la marque dont la publication est reproduite ci-dessous:



Mandaté par: A. Eugénie, Genève

Date de la publication: Feuille Officielle Suisse du Commerce N° 26 - 1 Fév. 1949

BERNE, le - 5 Fév. 1949

Bureau Fédéral de la propriété Intellectuelle

Le chef de section:

10. David Cutler is the General Manager of The Rolex Watch Company Limited, which is a subsidiary of the opponent. He states that the Rolex Crown trade mark has been in use for over sixty years and that it is the pre-eminent symbol of performance and prestige in watch-making for over a century. Mr Cutler states that all the opponent's watches feature the Rolex Crown on the watch dial, as well as on the winding button to the side of the watch and on the bracelet clasp (exhibit DC2):

**Button of a watch**



**Clasp of a watch**



11. The opponent's website pages all feature the Rolex Crown in combination with ROLEX. Mr Cutler states that the Rolex Crown is the only trade mark shown on the exterior of the presentation box and its outer sleeve. It is also present on the interior of the box (together with the word ROLEX):





12. The opponent has over 150 official Rolex retailers in the UK and the Republic of Ireland, which include major national high street chains such as Goldsmiths and Fraser Hart; and high-end retailers such as Mappin and Webb, Watches of Switzerland and Wempe, in London. Exhibit DC5 shows typical displays of the Rolex Crown by retailers, including as the sole trade mark on watch blocks, trays, desks and door handles (presumably if the latter, this would be a retailer only selling Rolex goods).

13. In terms of sales figures, Mr Cutler states that The Rolex Company Limited had revenues in excess of £20 million in 2011 (the year before the application was filed), the majority of which derived from the sale of watches featuring the Rolex Crown. Precise advertising figures stretching back over the decades are no longer available, but Mr Cutler states that his company spent more than £200,000 per annum in 2009 and 2010. Advertising examples are shown in Exhibit DC6 for 2009 to 2012 from various magazines and newspapers (e.g. Glasgow Herald, Daily Telegraph, Royal Opera House, Car Magazine, The Scotsman, The Economist, Newsweek and the Financial Times). The representation of the crown device in the advertising produced by Mr Cutler is always with the word ROLEX, like this:



14. Mr Cutler states that the Rolex Crown has been used extensively on promotional items, such as chocolates, purses, golf balls, rugs, ties, scarves, caps, t-shirts and sweatshirts (as shown in exhibit DC7).

15. Mr Cutler states that the Rolex Crown is used extensively by the opponent in its sponsorship of high profile sporting and cultural individuals, and sponsoring major sporting and cultural events and institutions, including official timekeeping, such as:



(i) tennis – Wimbledon (since 1978), the Australian Open, the Shanghai Rolex Masters, the Monte-Carlo Rolex Masters and the ATP World Tour Finals;

(ii) golf – the Ryder Cup, the Masters, the Open Championship, the U.S. Open Championship, the Evian Masters, the President’s Cup, the Women’s British Open, Barclay’s Scottish Open, Johnnie Walker Championship and the Walker Cup;

(iii) motor sport – the 24 Hours of Le Mans, the Goodwood Revival, Rolex 24 at Daytona;

(iv) - the Rolex Fastnet Race, the Rolex Swan Cup, the Rolex Sydney Hobart Yacht Race, the Maxi Yacht Rolex Cup, Royal Ocean Racing Club, the Royal Yacht Squadron;

(v) equestrian – Badminton Horse Trials, Burghley Horse Trials, the Rolex Grand Slam of Eventing, the Rolex FEI World Cup Jumping; and

(vi) the Arts – The Royal Opera House

(vii) Placido Domingo, Michael Bubl , Bryn Terfel, Justine Henin, Roger Federer, Jo-Wilfred Tsonga, Phil Mickelson, Martin Aym r, Arnold Palmer, Gary Player, Luke Donald and Jack Nicklaus.

Examples of the Rolex Crown plus the word ROLEX in use in sponsorship are shown in Exhibits DC6, DC9, DC10 and DC11. There are no examples of the crown by itself.

16. Mr Cutler states that the ROLEX brand (i.e. the combination of the word ROLEX and the crown device) is frequently ranked as one of the most successful and prestigious brands in the world. For example, it was ranked number 1 on the list of Consumer Superbrands in 2012 by The Centre for Brand Analysis; it was ranked as 17 on the 2011 list of 100 Most Desired Brands by Clear Brand Consultancy; and it was number 4 on the 2011 list of Top 20 Cool Brands by The Centre for Brand Analysis.

## **Decision**

### Section 5(3) of the Act

17. Two of the opponent’s earlier marks (854289 and 864372) are subject to the proof of use requirements; however, the applicant in its statement of grounds declined to put the opponent to proof that it has used the marks relied upon. Therefore, all the earlier marks can be considered across the range of goods for which they are registered. It is a well-known fact that ROLEX identifies high-class watches. The evidence shows that the crown device, in advertising and sponsorship, appears above the word ROLEX (see paragraph 13 above).

18. It is only on the watches, their boxes and on retailer's presentation aids that the crown device appears on its own – on the winding button, the bracelet clasp and the dial, where it replaces the numeral 12/XII, the exterior of the presentation box, and on retailers' watch blocks and trays etc. The majority of the relevant section of the public, which for watches is the general public<sup>2</sup>, would not be exposed to such use, the watches being very expensive (although £20 million in 2011 was due largely to watch sales, this figure may only represent a few thousand watches). The public's exposure to the crown will be as part of the composite ROLEX and crown device mark it is seen used for official timekeeping, e.g. at Wimbledon or in Formula 1 races, or sponsorship and advertisements of celebrities wearing Rolex watches. ROLEX watches are the Rolls-Royce of the watch world: the public does not need to own a Rolls Royce to know that it is famous as a trade mark for elite cars. I do not think there is any doubt that the word ROLEX is synonymous with luxury watches. The evidence shows that the word is always used in conjunction with the crown in advertisements, event timekeeping and event sponsorship. The composite mark (not relied upon) has an enormous reputation in the field of watches, but it is the crown element which has been relied upon as the earlier mark(s) in these proceedings and it is the crown which must have the requisite reputation to support the pleaded ground, as per *General Motors Corporation v Yplon SA* [1999] E.T.M.R. 950:

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

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

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

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

19. On the evidence which has been provided in these proceedings, I am not convinced that a significant part of the public would know the crown ('know' referring back to degree of knowledge in paragraph 26 of *General Motors*) without the presence of the word ROLEX to give it the context in which the evidence shows it is used. Use on the specific parts of watches and their boxes is not likely to be known by a significant part of the public; the evidence does not demonstrate that the crown

---

<sup>2</sup> As per paragraph 47 of *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07), citing *General Motors Corporation v Yplon SA* [1999] E.T.M.R. 950<sup>24</sup>; the latter states “The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product of service marketed, either the public at large or a more specialised public, for example traders in a specific sector.”

has reached the degree of knowledge required. Mr Cutler's evidence shows that the Rolex 'brand' is very famous, but the brand comprises more than the crown.

20. In case I am wrong about that, I will go on to look at whether the applicant's mark will be linked to the opponent's mark(s). In *Adidas-Salomon AG, Adidas Benelux BV v Fitnessworld Trading Ltd* [2004] E.T.M.R. 10, the CJEU stated:

"29 The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).

30 The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40)."

21. In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07), the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

"41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark's reputation;
- the degree of the earlier mark's distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.

44 As regards the degree of similarity between the conflicting marks, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public. That is particularly the case where those marks are identical.

45 However, the fact that the conflicting marks are identical, and even more so if they are merely similar, is not sufficient for it to be concluded that there is a link between those marks.

46 It is possible that the conflicting marks are registered for goods or services in respect of which the relevant sections of the public do not overlap.

47 The reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or services for which that mark was registered. That may be either the public at large or a more specialised public (see *General Motors*, paragraph 24).

48 It is therefore conceivable that the relevant section of the public as regards the goods or services for which the earlier mark was registered is completely distinct from the relevant section of the public as regards the goods or services for which the later mark was registered and that the earlier mark, although it has a reputation, is not known to the public targeted by the later mark. In such a case, the public targeted by each of the two marks may never be confronted with the other mark, so that it will not establish any link between those marks.

49 Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.

50 Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.

51 It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which those marks were registered.

52 In such a case, it is possible that the relevant section of the public as regards the goods or services for which the later mark is registered will make a connection between the conflicting marks, even though that public is wholly distinct from the relevant section of the public as regards goods or services for which the earlier mark was registered.

53 For the purposes of assessing where there is a link between the conflicting marks, it may therefore be necessary to take into account the strength of the earlier mark's reputation in order to determine whether that reputation extends beyond the public targeted by that mark.

54 Likewise, the stronger the distinctive character of the earlier mark, whether inherent or acquired through the use which has been made of it, the more likely it is that, confronted with a later identical or similar mark, the relevant public will call that earlier mark to mind.

55 Accordingly, for the purposes of assessing whether there is a link between the conflicting marks, the degree of the earlier mark's distinctive character must be taken into consideration.

56 In that regard, in so far as the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the stronger if that mark is unique – that is to say, as regards a word mark such as INTEL, if the word of which it consists has not been used by anyone for any goods or services other than by the proprietor of the mark for the goods and services it markets – it must be ascertained whether the earlier mark is unique or essentially unique.

57 Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically-linked undertakings (see to that effect, inter alia, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17, and Case C-533/06 *O2 Holdings and O2 (UK)* [2008] ECR I-0000, paragraph 59).

58 However, as is apparent from paragraphs 27 to 31 of the judgment in *Adidas-Salomon and Adidas Benelux*, implementation of the protection introduced by Article 4(4)(a) of the Directive does not require the existence of a likelihood of confusion.

59 The national court asks, in particular, whether the circumstances set out in points (a) to (d) of Question 1 referred for a preliminary ruling are sufficient to establish a link between the conflicting marks.

60 As regards the circumstance referred to in point (d) of that question, the fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.

61 As regards the circumstances referred to in paragraphs (a) to (c) of that question, as is apparent from paragraph 41 to 58 of this judgment, they do not necessarily imply the existence of a link between the conflicting marks, but they do not exclude one either. It is for the national court to base its analysis on all the facts of the case in the main proceedings.

62 The answer to point (i) of Question 1 and to Question 2 must therefore be that Article 4(4)(a) of the Directive must be interpreted as meaning that whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case.

63 The fact that for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark

with a reputation to mind is tantamount to the existence of such a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.



64 The fact that:

- the earlier mark has a huge reputation for certain specific types of goods or services, and
- those goods or services and the goods or services for which the later mark is registered are dissimilar or dissimilar to a substantial degree, and
- the earlier mark is unique in respect of any goods or services,

does not necessarily imply that there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.”

23. Mr Norris submitted that the combination mark is so famous that the two elements, the crown and the word ROLEX, operate almost as two different marks and that the crown has its own identity, not least because the word does not allude to or describe the device. In his submission, sometimes a device, even though it is used with a word, is used so much and is so famous that the public do not need to see the word for them to associate the device with the brand.

24. If I were to make a finding that the crown would be picked out almost as a separate mark, with its own reputation, I still have to decide whether the average consumer would bring it to mind when seeing the applicant’s mark, which comprises both a crown and a large monogram, on different goods. This entails looking at the level of similarity between the marks themselves:

Opponent	Applicant
	

25. As regards paragraph 57 of *Intel*, I have not had to decide whether there is a likelihood of confusion since there is no section 5(2) ground. Paragraph 58 makes it clear that a link may be found without a likelihood of confusion. In *Ella Valley Vineyards (Adulam) Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-32/10, the General Court stated:

“37. In that connection, it should be recalled, as a preliminary point that, in order to satisfy the condition concerning similarity of the marks laid down by Article 8(5) of Regulation No 207/2009, it is not necessary to prove that there exists, on the part of the relevant section of the public, a likelihood of confusion between the earlier mark with a reputation and the mark applied for. It is sufficient for the degree of similarity between those marks to have the effect that the relevant section of the public establishes a link between them (see, by analogy, Case C 408/01 *Adidas-Salomon and Adidas Benelux* [2003] ECR I-12537, paragraphs 27 and 31, and Case C-487/07 *L’Oréal and Others v Bellure and Others* [2009] ECR I-5185, paragraph 36; see also Case T-181/05 *Citigroup and Citibank v OHIM – Citi (CITI)* [2008] ECR II-669, paragraphs 64 and 65). In that regard, the more similar the conflicting marks are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public.

38. The global assessment seeking to establish the existence of a link between the marks at issue must, in so far as the visual, phonetic or conceptual similarity of the signs at issue is concerned, be based on the overall impression given by the signs, account being taken, inter alia, of their distinctive and dominant elements (judgment of 16 May 2007 in Case T-137/05 *La Perla v OHIM Worldgem Brands (NIMEI LA PERLA MODERN CLASSIC)*, not published in the ECR, paragraph 35, and judgment of 25 March 2009 in Case T-21/07 *L’Oréal v OHIM – Spa Monopole (SPALINE)*, not published in the ECR, paragraph 18).”

26. There is some degree of visual similarity owing to both marks containing crown devices with five prongs topped by disc shapes. The degree of visual similarity is low to average because the applicant’s mark also contains a large monogram (whether CL or LC). The crown tops the L. This feeds into the level of conceptual similarity; the point of similarity is the crown, so that concept is shared, but there are no letters in the opponent’s mark, which is a significant point of difference. There is no aural similarity. The overall impression of the applicant’s mark is not simply that of a crown and it is also not dominated by the crown. The crown is distinctive but the dominant distinctive element is the monogram (whether CL or LC). It is a monogram mark. The overall impression of the applicant’s mark means that the crown does not have the status of an independently distinctive element<sup>3</sup> which, under section 5(2)(b) might lead to a likelihood of confusion (all other things being equal). The level of similarity between the marks is low.

27. Other than that they are all worn on the body (in the case of the opponent’s watches), there is no similarity between the goods of the parties. Taking into account all factors relevant to the circumstances of the case, my conclusion is that even if I am wrong about the crown not having its own reputation amongst a significant part of the public and that, in fact the crown would be picked out, the differences between the parties’ marks and goods lead me to conclude that there would be no link. Without a link, there can be no damage; the requirements of reputation, link and damage are cumulative. **The section 5(3) ground fails.**

---

<sup>3</sup> *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04.

## Section 5(4)(b)

28. The law of copyright in the United Kingdom is governed by the Copyright, Designs and Patents Act 1988 (“CDPA”). Works in which copyright can subsist are defined by section 1(1) of the CDPA:

“(1) Copyright is a property right which subsists in accordance with this Part in the following descriptions of work –

- (a) original literary, dramatic, musical or artistic works,
- (b) sound recordings, films [or broadcasts], and
- (c) the typographical arrangement of published editions.

(2) In this Part "copyright work" means a work of any of those descriptions in which copyright subsists.

(3) Copyright does not subsist in a work unless the requirements of this Part with respect to qualification for copyright protection are met (see section 153 and the provisions referred to there).”

29. The only potential category within which the opponent’ trade mark(s) could fall is that of an artistic work. Section 4 of the CDPA defines the nature of an artistic work:

“1) In this Part "artistic work" means –

- (a) a graphic work, photograph, sculpture or collage, irrespective of artistic quality,
- (b) a work of architecture being a building or a model for a building, or
- (c) a work of artistic craftsmanship.

(2) In this Part –

"building" includes any fixed structure, and a part of a building or fixed structure;

"graphic work" includes –

- (a) any painting, drawing, diagram, map, chart or plan, and
- (b) any engraving, etching, lithograph, woodcut or similar work;

"photograph" means a recording of light or other radiation on any medium on which an image is produced or from which an image may by any means be produced, and which is not part of a film;

"sculpture" includes a cast or model made for purposes of sculpture.”

The definition of graphic work is not exhaustive, it “includes” the types of work listed.

30. An artistic work must be original, however, under United Kingdom law the standard of originality is low. Originality of thought is not required to sustain a claim to copyright:

“Under copyright ideas are not protected, only the skill and labour needed to give any given idea some particular material form, for it is the form in which



the work is presented that is protected by copyright. That need only be original in the sense that it is all the author's own work."<sup>4</sup>

31. The Rolex Crown (the earlier marks) qualifies as an artistic work because it is a graphic work. Mr Heiniger states that he designed it in July 1948, while an employee (director) of the opponent. It was created in Switzerland and, in 1948, UK subsistence of copyright was governed by the Copyright Act of 1911, covering works created by a Swiss National, or first published in Switzerland, by virtue of the Berne Copyright Union. Copyright in the Rolex Crown therefore subsists as an artistic work and is owned by the opponent. Duration is fifty years after the death of the author (Mr Heiniger made his statement in 1991). Indeed, the applicant has not disputed that copyright exists, nor ownership of it; its case is that it is different to the mark for which it has applied.


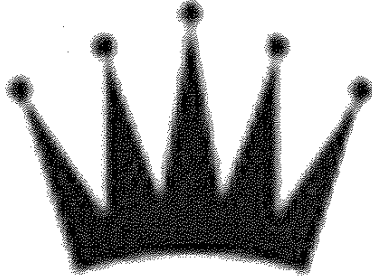
32. The opponent's position is that the Rolex Crown is incorporated in the applicant's mark: it has the same number of prongs (five) and each prong has a circle or disc at the top. The opponent submits that the applicant's crown is a reproduction of a substantial part of the opponent's crown and that because the Rolex Crown is one of the most famous marks, it is likely that the applicant would have been aware of it. On this basis, and on the basis of lack of denial of copying and lack of explanation for the similarities, the opponent claims that copying should be inferred. Mr Norris submitted that it is rare to get actual evidence of copying and that tribunals usually make an inference.

33. Mr Norris submitted that the issue of copying having been raised in the opponent's pleadings and in its evidence, the burden of rebuttal shifted to the applicant who did not deny copying. It is fair to surmise that, despite the applicant having representation by a firm called Global IP Law, the person filling out the form TM8 was not actually sufficiently au fait with intellectual property law to address the grounds pleaded. The form of denial owes more to a ground pleaded under section 5(2) than 5(3) and, specifically, 5(4)(b). This is the opponent's point in relation to copyright: to deny a 5(4)(b) claim, it is not enough to deny similarity between the opponent's mark and the applicant's mark. This is not the test under section 5(4)(b), which is a comparison between the opponent's mark (its crown) and the crown in the applicant's mark. The applicant has played no part in these proceedings since it filed its counterstatement, and its absence from the hearing meant that it did not hear Mr Norris' submission, which he also made in his skeleton argument (copied to the applicant's address for service).

34. Mr Norris said that he did not submit that the crowns are identical, but that he did submit that there are striking similarities between the two crowns. The similarities are the five prongs topped by a circle or disc and the circular aspect at the base of each crown:

---

<sup>4</sup> *L B (Plastics) Limited v Swish Products Limited* [1979] RPC 551 at 567.

Opponent	Applicant
	

35. Mr Norris submitted that what the opponent needed to show was access to the opponent's crown, that there has been copying, and that a substantial part of the opponent's crown has been reproduced. In relation to access, Mr Norris said that because the Rolex mark (meaning the crown by itself) is so famous, access was undeniable. The applicant should have explained away the similarities, the opponent having made clear where the similarities lay, but it had not done so. Mr Norris said that there could have been fewer prongs and no circles or discs, and that the applicant had given no explanation for the co-incidence of five prongs and the discs at the top of each prong. The opponent's case is that there is undeniable access to its mark, there are striking similarities and an absence of explanation as to the design and that therefore I should infer copying.

36. In *Temple Island Collections Limited v New English Teas Limited and Another* [2012] EWPC 1, His Honour Judge Birss QC said:

“30. Copyright is infringed by reproducing the whole or a substantial part of a work in a material form (s16 and s17 of the 1988 Act). It was common ground between the parties that a "substantial part" is a matter of quality not quantity. Mr Edenborough summed up the task here based on *Designers Guild* [2000] 1 WLR 2416 in the House of Lords. First one asks whether there has been copying and if so which features have been copied, and then asks whether that represents a substantial part of the original. One does not then ask if the alleged infringement looks on the whole similar, because one can reproduce a substantial part without necessarily producing something that looks similar even though of course it may do so.”

37. In the *Designer's Guild* case, Lord Hoffman said:

“Plainly there can be no copyright in an idea which is merely in the head, which has not been expressed in copyrightable form, as a literary, dramatic, musical or artistic work. But the distinction between ideas and expression

cannot mean anything so trivial as that. On the other hand, every element in the expression of an artistic work (unless it got there by accident or compulsion) is the expression of an idea on the part of the author. It represents her choice to paint stripes rather than polka dots, flowers rather than tadpoles, use one colour and brush technique rather than another, and so on. The expression of these ideas is protected, both as a cumulative whole and also to the extent to which they form a "substantial part" of the work. Although the term "substantial part" might suggest a quantitative test, or at least the ability to identify some discrete part which, on quantitative or qualitative grounds, can be regarded as substantial, it is clear upon the authorities that neither is the correct test. *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273 establishes that substantiality depends upon quality rather than quantity (Lord Reid at p. 276, Lord Evershed at p. 283, Lord Hodson at p. 288, Lord Pearce at p. 293). And there are numerous authorities which show that the "part" which is regarded as substantial can be a feature or combination of features of the work, abstracted from it rather than forming a discrete part. That is what the judge found to have been copied in this case. Or to take another example, the original elements in the plot of a play or novel may be a substantial part, so that copyright may be infringed by a work which does not reproduce a single sentence of the original. If one asks what is being protected in such a case, it is difficult to give any answer except that it is an idea expressed in the copyright work.

...

Generally speaking, in cases of artistic copyright, the more abstract and simple the copied idea, the less likely it is to constitute a substantial part. Originality, in the sense of the contribution of the author's skill and labour, tends to lie in the detail with which the basic idea is presented. Copyright law protects foxes better than hedgehogs. In this case, however, the elements which the judge found to have been copied went well beyond the banal and I think that the judge was amply justified in deciding that they formed a substantial part of the originality of the work."

38. Although the parties' crowns do not look identical (they don't have to), the details of each crown are represented by the choice of the number of prongs and the choice to top each prong with the disc shape. The prongs in each crown are long in length (in contrast with, for example, paper crowns in Christmas crackers). These are not banal elements and their arrangement and representation is similar. Are the similarities a result of the opponent's crown being copied, in the sense that there is a causal connection? Causal connection is explained in *Copinger and Skone James on Copyright*, sixteenth edition, (7-14) (footnotes omitted except for one):

"As has been pointed out, where the claimant's and the defendant's works are similar, there are four possible explanations: the defendant's work was copied from the claimant's; the claimant's from the defendant's; both from a common source; or mere chance or coincidence. It is only in the first case that an infringement of the claimant's work can have occurred. Although the concept of copying is expressed differently in relation to the different categories of work, the underlying principle is that there can be no infringement unless use

has been made, directly or indirectly, of the copyright work. Copyright is not a monopoly right and no infringement occurs by an act of independent creation. This is often expressed as saying there must be a causal connection between the copyright work and an infringing work. This is one of the ways in which copyright differs from true monopoly rights such as patents and registered designs. In the case of the latter rights, a person can infringe even though he has arrived at his result by independent creation.

The possibility of coincidence should never be ruled out, for: We constantly in life meet with coincidences which suggest a common origin, but which, when investigated and examined, are found to be nothing but coincidences. Experience shews that it is not merely probable, but certain, that improbable events will happen. See *Lucas v Cooke* (1879) 13 Ch. D. 872 at 879. Of course, the more commonplace the subject matter, the less improbable is the explanation of coincidence."

39. Even though a crown is not an invented concept and the opponent's crown is not elaborate, I do not think that it can be described as particularly commonplace. Skill and labour went into its design.

40. The opponent submits that its crown is so famous that access is undeniable. Access is explained in *Copinger and Skone James*:

"The need for a causal connection obviously implies the need to show that the alleged infringer had access, either directly or indirectly, to the copyright work.<sup>1</sup> The issue of proof of copying is considered below, but if there is sufficient similarity between the works, this will raise a prima facie case of access and thus causation.<sup>2</sup>

1. *L.B. (Plastics) Ltd v Swish Products Ltd* [1979] F.S.R. 145, HL.

2. *Francis Day & Hunter Ltd v Bron* [1963] Ch. 587 at 612." (7-16)

In the first of the two cases referred to in the footnotes, it was held that the parties' drawers were similar and that the defendants had had an opportunity to copy the plaintiff's drawers. This raised a prima facie case of copying which the defendants had to answer. The similarities were such that the evidential burden shifted to the defendants. Lord Wilberforce stated:

"That copying has taken place, is for the plaintiff to establish and prove as a matter of fact. The beginning of the necessary proof normally lies in the establishment of similarity combined with proof of access to the plaintiffs' productions."

41. *Copinger and Skone James* explains the shifting evidential burden:

"It is for the claimant to prove copying, this being a question of fact, the standard being the ordinary civil standard. In most cases copying can only be deduced by inference from all the surrounding circumstances because normally there will be no evidence from anyone being present and looking over the [defendant's] shoulder at the time he designed or made his work. The case will therefore normally start with establishing substantial similarity combined with the possibility of access. Where there is substantial similarity, this is prima facie evidence of copying and also of access. Once a prima facie case is established in this way, it is often said that a shift in the evidential

burden takes place which the party charged may refute by evidence of independent creation or by giving some alternative explanation for the similarities. The task of the judge is then to decide, on the evidence as a whole, whether or not there has been copying. This can be summarised by saying that proof of sufficient similarity, coupled with proof of the possibility of access, raises a prima facie case or inference of copying for the defendant to answer. This shifting of the burden of proof is, however, merely one of plain, rational thought, and in reality the burden of proof always remains with the party alleging copying, since proof of sufficient similarity merely places on the defendant an obligation to give an explanation of that similarity, which the court then considers together with all the other facts.” (Footnotes omitted) (7-17).

Lord Millett, in *Designers Guild*, explains:

“The first step in an action for infringement of artistic copyright is to identify those features of the defendant's design which the plaintiff alleges have been copied from the copyright work. The court undertakes a visual comparison of the two designs, noting the similarities and the differences. The purpose of the examination is not to see whether the overall appearance of the two designs is similar, but to judge whether the particular similarities relied on are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal, or consist of general ideas. If the plaintiff demonstrates sufficient similarity, not in the works as a whole but in the features which he alleges have been copied, and establishes that the defendant had prior access to the copyright work, the burden passes to the defendant to satisfy the judge that, despite the similarities, they did not result from copying.”

42. Although I have found under section 5(3) that the opponent's crown, by itself, would not cause the average consumer to make a link between the totality of the applicant's mark and the opponent's crown, in relation to different goods (watches and clothing), this is a different question to whether the applicant had access to the opponent's crown. The crown is part of the famous composite mark, consisting of the crown and ROLEX. I agree with Mr Norris that access is undeniable. I think it likely that the applicant, or more properly its representative, did not realise that the burden had shifted from the opponent to the applicant, and the consequential importance of failing to give an explanation for the source of its crown design. Nevertheless, the opponent has proven access, i.e. an opportunity for copying, and the arrangement and representation of the applicant's crown, both quantitatively and qualitatively, reproduces a substantial part of the opponent's crown. The opponent has raised a prima facie case which has not been rebutted, or even properly denied. The crown in the applicant's mark infringes the opponent's copyright. At the date the application was filed, the opponent could have prevented use of the crown device.

43. Lord Millett stated in the same case:

“It must be borne in mind that this is an action for infringement of copyright. It is not an action for passing-off. The gist of an action for passing off is

deceptive resemblance. The defendant is charged with deceiving the public into taking his goods as and for the goods of the plaintiff. A visual comparison of the competing articles is often all that is required. If the overall impression is that "they just do not look sufficiently similar" then the action will fail.

An action for infringement of artistic copyright, however, is very different. It is not concerned with the appearance of the defendant's work but with its derivation. The copyright owner does not complain that the defendant's work resembles his. His complaint is that the defendant has copied all or a substantial part of the copyright work. The reproduction may be exact or it may introduce deliberate variations - involving altered copying or colourable imitation as it is sometimes called. Even where the copying is exact the defendant may incorporate the copied features into a larger work much and perhaps most of which is original or derived from other sources. But while the copied features must be a substantial part of the copyright work, they need not form a substantial part of the defendant's work: see *Warwick Film Producers Ltd. v. Eisinger* [1969] Ch. 509. Thus the overall appearance of the defendant's work may be very different from the copyright work. But it does not follow that the defendant's work does not infringe the plaintiff's copyright.

...

Once the judge has found that the defendants' design incorporates features taken from the copyright work, the question is whether what has been taken constitutes all or a substantial part of the copyright work. This is a matter of impression, for whether the part taken is substantial must be determined by its quality rather than its quantity. It depends upon its importance to the copyright work. It does not depend upon its importance to the defendants' work, as I have already pointed out. The pirated part is considered on its own (see *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273, 293 *per* Lord Pearce) and its importance to the copyright work assessed. There is no need to look at the infringing work for this purpose."

44. The copied features have been incorporated into a larger work, the applicant's trade mark and the applicant's mark infringes the opponent's copyright. At the date on which the application was filed, the opponent could have prevented use of the application because the crown, as part of the trade mark, infringes the opponent's copyright. **The opponent's 5(4)(b) ground succeeds.**

### **Outcome**

45. **The opponent has succeeded in full under section 5(4)(b). The application is to be refused.**

## Costs

46. The opponent has been successful and is entitled to an award of costs on the basis of the published scale in Tribunal Practice Notice 4/2007<sup>5</sup>. I award costs to the opponent as follows:

Filing the TM7, including the fee of £200 and considering the counterstatement	£500
Filing evidence	£800
Attendance at hearing	£600
<b>Total:</b>	<b>£1900</b>

47. I order UK Carby Lyndon International Ltd to pay Rolex SA the sum of £1900. 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 27th day of August 2013**

**Judi Pike**  
**For the Registrar,**  
**the Comptroller-General**

---

<sup>5</sup> Published on the website of the Intellectual Property Office at <http://www.ipo.gov.uk/pro-types/pro-tm/t-law/t-tpn/t-tpn-2007/t-tpn-42007.html>.