

O-142-14

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION 2557947
IN THE NAME OF ERIKS INDUSTRIAL SERVICES LIMITED
IN RESPECT OF THE FOLLOWING TRADE MARK IN CLASSES 7, 12 & 42:**

REVOLVO

AND

**AN OPPOSITION THERETO (NO. 101392) BY VOLVO TRADEMARK
HOLDING AKTIEBOLAG**

THE BACKGROUND AND THE PLEADINGS

1) The trade mark **REVOLVO** was filed by Eriks Industrial Services Limited (“the applicant”) on 7 September 2010. It was published in the Trade Marks Journal on 8 October 2010 in respect of the following goods and services:

Class 7: Anti friction bearings; Bearings for industrial machines and equipment, namely mining equipment, quarrying equipment, machines used in the manufacture and processing of paper and pulp, food, beverages and metal; Bearings for industrial machines and equipment used in the extraction industries; Bearings for industrial machines and equipment used in the printing industry; Bearings for industrial machines and equipment for power generation; Bearings for industrial machines and equipment used in civil engineering projects, namely the building of railways; Bearings for motors, gearboxes, and engines (excluding land vehicle motors); Bearings for use in theme park rides; Bearings for shafts; Bearings for transmission shafts; Parts and fittings therefor, namely rings for bearings, bearing brackets, bushings for bearings, discs for clutch thrust bearings.

Class 12: Anti friction bearings; Bearings for use in land, air and sea vehicles and vessels; Anti friction bearings for motors, gearboxes, and engines; Release bearings for the friction clutches of land vehicles; Transmission bearings for land vehicles; Parts and fittings therefor, namely rings for bearings, bearing brackets, bushings for bearings, discs for clutch thrust bearings.

Class 42: Consultancy services relating to the design of anti friction bearings; Consultancy services relating to the design of bearings for industrial machines and equipment, (namely mining and quarrying equipment, machines used in the manufacture and processing of paper and pulp, food, beverages and metal, machines and equipment used in the extraction industries, the printing industry, machines and equipment for power generation, machines and equipment used in civil engineering projects) motors, gearboxes, and engines, shafts and transmission shafts; Consultancy services relating to the design of bearings for use in theme park rides; Design services concerning bearings for industrial machines and equipment, namely mining equipment, quarrying equipment, machines used in the manufacture and processing of paper and pulp, food, beverages and metal, machines and equipment used in the extraction industries, the printing industry, machines and equipment for power generation, machines and equipment used in civil engineering projects; Design services for parts of vehicle motors, namely anti friction bearings for motors, gearboxes, and engines, bearings for shafts and transmission shafts; Design services for anti friction bearings for use in theme park rides; Design services for parts and fittings for anti friction

bearings, namely rings for bearings, bearing brackets, bushings for bearings, discs for clutch thrust bearings; Computer aided design engineering services; Engineering services for the design of anti friction bearings for industrial machines and equipment, (namely mining equipment, quarrying equipment, machines used in the manufacture and processing of paper and pulp, food, beverages and metal machines and equipment used in the extraction industries, the printing industry, machines and equipment for power generation, machines and equipment used in civil engineering projects), motors, gearboxes, engines, shafts and transmission shafts and for use in theme park rides

2) Volvo Trademark Holding Aktiebolag (“the opponent”) opposes the registration of the above trade mark on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under the first two grounds the applicant relies on four trade mark registrations each of which are for the trade mark **VOLVO**:

i) UK registration 747362 which was filed on 26 October 1955. The mark is registered in respect of: Land vehicles and parts thereof included in Class 12. Under section 5(2)(b) the opponent relies on this mark to oppose the class 12 goods of the applied for mark. Under section 5(3) the opponent claims that its mark has a reputation for all of the goods for which it is registered and opposes all of the goods and services of the applied for mark.

ii) UK registration 1051579 which was filed on 3 September 1975. The mark is registered in respect of:

Marine engines, air craft engines, engines for industrial, agricultural and forestry machines, stationary combustion engines, and parts and fittings included in Class 7 for all the aforesaid engines; turbines and electric motors, none being for land vehicles; electric generators; converters for liquid fuels, injectors, vaporizers, ignition devices and parts thereof, all included in Class 7, sparking plugs, silencers, spark arresters for combustion engines, bearings, shafts, shaft seals, gearwheels, drive wheels, pulleys, drive chains, drive belts, springs, filters, pumps, regulators, relief valves and control devices, all included in Class 7, cooling fans, fan belts, all for machines or for machine motors; transmissions, gearboxes, reverse gears, reduction gears, shaft connections, couplings, and clutches, none for land vehicles; drive units for inboard and outboard engines; hydraulic pumps and hydraulic motors, and parts of such pumps and motors, all included in Class 7; hydraulic valves, boost units for hydraulic transmissions, all for machines; compressors (machines), compressed air cylinders and compressed air motors, all for machines; bilge pumps, separators (machines), machine tools and tools therefor, hydraulic lift jacks, body

and frame aligners (machines), packing and labelling machines, conveyors (machines), conveyor belts; combine harvesters, loaders (machines), motor operated grading machines and implements therefor included in Class 7; digging machines, forestry machines and parts thereof included in Class 7, hydraulic lifting apparatus, cranes, winches; bucket, grapples and fork type implements for machines; delimbing, slashing and debarking apparatus included in Class 7; forks, teeth and cutting edges, all for machines.

Under section 5(2)(b) the opponent relies on this mark to oppose the class 7 goods of the applied for mark only. Under section 5(3) the opponent claims that its mark has a reputation for all of the goods for which it is registered and opposes all of the goods and services of the applied for mark.

- iii) UK registration 1552529 which was filed on 2 November 1993. The mark is registered in respect of:

Hire, leasing and rental of computers, data processing and computer apparatus and instruments and installations and apparatus for use therewith, software, computer programmes and of computer firmware; leasing access time to computers; computerised information services; computer services; computer programming; advisory services relating to all the aforesaid services and to networking and communications; all included in Class 42.

Under section 5(2)(b) the opponent relies on this mark to oppose the class 42 services of the applied for mark. Under section 5(3) the opponent claims that its mark has a reputation for all of the services for which it is registered and opposes all of the goods and services of the applied for mark.

- iv) Community trade mark ("CTM") registration 2361087 which was filed on 30 August 2001. The following goods and services of its specification are relied upon:

Class 7: Motors and engines (except for land vehicles), including marine engines, aircraft engines, engines for industrial, agricultural and forestry machines, stationary combustion engines, turbines, electric motors; electric generators and alternators; high-frequency generators; air cleaners (air filters) for engines and anti-pollution devices for motors and engines; carburettors, converters for liquid fuels, injectors, injection pumps, fuel pumps, speed governors, injection nozzles and nozzle holders, machine valves, vaporizers, starters, ignition systems, ignition coils, glow plugs, spark plugs, spark plug connectors, lambda probes, magnetos, silencers/mufflers and spark arresters for combustion

engines; fuel filters, oil filters, air filters; rolling bearings, plain bearings, shafts, shaft seals, gearwheels, drive wheels, speed change gear, pulleys, drive chains and belts, springs, filters, pumps, regulators, relief valves, controls, fans and fan belts, all for engine cooling radiators; cooling fans, cooling radiators, starters, fuel feed apparatus, oil cooling apparatus, brakes, caps for cooling radiators, accelerators, hydraulic pumps, hydraulic cylinders, hydraulic reservoirs, hydraulic filters, hydraulic motors, hydraulic pipes, hydraulic valves, boost units for hydraulic transmission, all for machines, engines and motors; machine coupling and transmission components (except for land vehicles), including power transmissions, gearboxes/transmissions, reverse gears, reduction gears, gearbox controllers, traction control systems, vehicle dynamics control systems, shaft connections, couplings and clutches, exhausts, couplings and transmission belts; power transmission take-off units for motor vehicle engines, for use as prime movers; inboard/outboard drive units and sailing boat drive units for inboard engines; hydraulic pumps and motors and components thereof, surgical pumps or air pumps as vehicle accessories; bushes and bearings; pneumatic valves, power steering systems, control valves, braking valves; exhaust-gas turbo-chargers; compressors, compressed air brakes, compressed air reservoirs, compressed air cylinders and compressed air motors, bilge pumps; metal and plastics working machines; machines for the chemical industry, for agriculture, mining, textile machines, machines for the beverage industry; incubators for eggs; agricultural implements (not hand operated); construction machines; electronic control devices for production technology and servo drives, programmable controllers; machines for the automobile industry; machine tools and tools therefore; electric power tools and their plug-in tools; electric can openers; hydraulic lift jacks, body and frame aligners; packing and labelling machines, conveyors, conveyor belts; loading and handling machines for pressing plants and foundries and machines for the tooling of blanks; loaders, dumper bodies, excavators as well as parts, including components, and accessories to such products; hydraulic lifting apparatus, cranes, winches; bucket, grapple and fork type implements for machines; wood working machines, including delimiting-, slashing-, and debarking equipment; teeth and cutting edges for machines; car vacuum cleaners; car wash facility; parts, fittings and accessories for the abovementioned goods and for motor land vehicles, included in class 7.

Class 12: Vehicles, including cars, vans, sport-utility vehicles (including golf carts), buses, trucks, tractor units/prime movers, on and off road vehicles/dump trucks and parts, including components, and accessories to these items which do not pertain to other classes, including vehicle chassis, vehicle bodies, braking installations, brake

calipers, draw bars, bumper bars, clutches, engines, electric engines, motors, electric motors, turbines, starter motors, combustion engines, starting devices for internal combustion engines, hydraulic cylinders and motors, cooling radiators, silencers/mufflers, spark eliminators, power transmissions, gearboxes/transmissions, transmission shafts, differential gears, drive gears, drive shafts, gear change selectors, radiators, radiator caps, exhausts, exhaust cowls, axles, shafts and couplings, machine coupling and transmission components, manual and power steering apparatus, power steering systems, hydraulic steering systems, as well as component parts of these items, compressed air reservoirs, compressed air cylinders and compressed air motors, anti-pollution devices, air pumps, anti-dazzle devices, anti-theft devices and alarms, vehicle immobilizing units, trailer hitches, power take-offs, springs, shock absorbers, fans, fan belts, level regulators, bearings, wheels, wheel bearings, wheel trims, balance weights for wheels, engine mountings, tanks and fuel tanks, engine noise shields, protective covers, radiators grilles, front grills, fluid reservoirs, deflectors, direction indicators, hatches, upholstery, handles for doors, hoods, horns, hubs, hub caps, hydraulic circuits, tyres, non-skid devices for tyres, mud flaps, brakes, servobrakes and compressed-air brakes, antilock brake systems, brake pads and brake linings, bumpers, mudguards/fenders, cabs, cab tilt mechanisms, reversing alarms, mechanical controls, head rests for seats, arm rests, doors, seats, safety-seats, personal safety restraints seats, safety seats for children, tables for seats, seat covers, headrest covers, seat belts, devices for collision protection, parking assistance systems, sliding roofs, sun roofs, vehicle steering columns, steering wheels, steering linkages, stabiliser bars, suspensions, suspension lowering outfits, torsion bars, tow bars, windows, window winding mechanisms, power windows, windscreens/windshields (also of safety glass), windscreen/windshield and headlight wipers, defrosting systems for windscreens, wiper blades, vehicle window blinds, driving mirrors, mirrors (retrovisors), tank caps, cover caps for extra headlights, warning triangles, jumper cables, starter cables, warning lamps, luggage restraints for vehicles, luggage nets, luggage carriers, wheel carriers, bicycle carriers, surfboard carriers, boat carriers, mud-guards, snow chains, pet screens, stone screens, storage screens, roof racks and ski racks, stowage boxes, deposit boxes, stowage compartments, trim panels, spoilers, side and rear skirts, safety cushions, air bags, breakdown cases, holders for mirrors, sun shades, mobile telephone mounting equipment; restraining systems for installation in motor vehicles, namely belt tensioners, airbags and sensors; tires, pneumatic tires; adhesive rubber patches for repairing inner tubes; baby carriages, wheeled chairs for invalids; bicycles; rudders, propellers, trimming vanes, steering units, steering wheels and fittings for boats

as well as component parts of these items; apparatus for locomotion by land, air or water.

Class 42: Technical consultation and preparation of expert opinions; engineering services; services in connection with research development and testing of new products; computer programming, installation, maintenance and care of computer programs; guard-duty services including alarming of ambulance, police, fire and rescue brigade; theft notification; stolen vehicle tracking; operation of data processing centers, service and alarm centers for transport and traffic, in particular the detection, checking (supervision), evaluation and processing of alarm messages, and signal, measuring, sound, image, video, position, movement, state and working hour data and (remote) control/automatic control of land vehicles, air vehicles and aircraft, locomotion systems, the load thereof as well as of engines/motors and machines (including drive units and construction machines); sorting of waste and recyclable material, in particular from vehicles, engines/motors and machines (including drive units and construction machines), and from parts and accessories thereof; technical consultation in the field of recycling in the field of environmental protection; scientific research, also relating to the ocean; meteorological research; industrial research; hotel services; restaurant and catering services; medical, hygienic and beauty care; veterinary and agricultural services; legal services.

Under section 5(2)(b) the opponent relies on this mark to oppose all of the goods and services of the applied for mark. Under section 5(3) the opponent claims that its mark has a reputation for all of the goods and services for which it is relied upon and opposes all of the goods and services of the applied for mark.

3) The opponent accepts that all of its earlier marks are subject to the requirement to prove genuine use on account of them completing their registration procedures more than five years before the date on which the applied for mark was published. The opponent made a statement of use that its marks have been used to the extent relied upon and set out above. The opponent also relies on the use of the sign **VOLVO** under section 5(4)(a) of the Act since as early as 1955 in relation to “.. a broad range of goods and services within the automotive industry, including motor cars and trucks, as well as vehicle servicing, maintenance and repair services”; the claim is made on the basis of the law of passing-off.

4) The applicant filed a counterstatement denying the grounds of opposition. It put the opponent to proof of use in relation to its earlier marks. It considers that the respective marks are distinguishable; it claims that the applied for mark is based upon the word REVOLVE. It also states that the REVOLVO mark has been used since 1972, yet it is unaware of any instances of confusion with the earlier marks.

5) Both sides filed evidence. The matter came to be heard before me on 7 March 2014 at which the applicant was represented by Ms Rigel Moss of WP Thompson & Co and the opponent by Ms Charlotte May, of counsel, instructed by Hogan Lovells International LLP.

MY APPROACH

6) In her skeleton argument Ms May tried to deal with matters in a proportionate (and helpful) manner. Despite a vast amount of evidence being filed by the opponent to support its earlier marks (on which it was put to proof on all goods and services) she focused on the opponent's primary goods and services and, additionally, those which were most relevant for the purpose of the opposition (e.g. bearings (and similar items) for cars, trucks, buses, construction machinery and marine engines). Taking such a proportionate manner forward, I intend to consider in the first instance the opposition under section 5(2)(b) in relation to the class 12 part of the application and to make my findings accordingly. I will then move on, to the extent necessary, to the other applied for goods and services. In terms of approach, unless it is necessary to do so, I will not differentiate between the earlier marks given that they are all for same trade mark (VOLVO) and I will take them as a composite whole.

THE EVIDENCE

7) The opponent's evidence is relied upon, primarily, for the purposes of establishing genuine use and for establishing a reputation. The opponent's evidence is given by i) Ms Monica Dempe, managing director at Volvo Trademark Holding BV and ii) Mr David Baddeley, customer service director of Volvo Cars UK Ltd. Mr Baddeley's evidence focuses on the opponent's use in the automobile field. I indicated at the hearing that I was prepared to accept on judicial notice that VOLVO is a well known car brand in the UK and the EU. It is clear from Mr Baddeley's evidence that this is the case. Ms Dempe's evidence goes to other uses, beyond that on cars. It is clear from her evidence that VOLVO is also a well used brand in relation to buses, trucks, construction equipment and certain uses in the marine and industrial fields (particularly engines used in those fields). Parts for all of these goods are also sold, as well as other ancillary services. To the extent necessary, I will consider the evidence in more detail when I address the issues to which the evidence relates.

8) The applicant's evidence is relied upon, primarily, for the purpose of establishing confusion free parallel trade. I will return to this later.

SECTION 5(2)(b) OF THE ACT

Section 5(2)(b) - the legislation and the leading case-law

9) Section 5(2)(b) of the Act reads:

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

10) The Court of Justice of the European Union ("CJEU") has issued a number of judgments which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases¹:

"(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

Proof of use and comparison of goods

11) The goods applied for in class 12 are:

Anti friction bearings; Bearings for use in land, air and sea vehicles and vessels; Anti friction bearings for motors, gearboxes, and engines; Release bearings for the friction clutches of land vehicles; Transmission bearings for land vehicles; Parts and fittings therefor, namely rings for bearings, bearing brackets, bushings for bearings, discs for clutch thrust bearings.

12) The opponent's CTM covers vehicles, components therefore, and specifically listed components including bearings. I have no doubt that such terms would, under normal circumstances, be considered identical with the applied for goods. However, the CTM is subject to the requirement to prove genuine use so the opponent may not necessarily be able to rely on the full scope of its CTM. Genuine use must be established in the five year period ending with the date of publication of the applicant's mark, namely: **9 October 2005 to 8**

October 2010. The leading authorities on the principles to be applied are the judgments of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 (“*Ansul*”) and *Laboratoire de la Mer Trade Marks C-259/02* (“*La Mer*”). The position was helpfully considered by Arnold J in *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) a judgment which I fully bear in mind and the relevant text of which is contained in an end note to this decisionⁱⁱ.

13) I have already touched on the opponent’s evidence. Ms May did an excellent job at the hearing bringing to my attention particular parts of the evidence, most of the exhibit numbers she referred to are included in her skeleton argument. In relation to class 12 goods it is clear that the VOLVO trade mark has been used in relation to a range of vehicles: cars, buses, trucks. Significantly, parts for such vehicles have also be sold and are branded under the VOLVO name. There is clear evidence of sales of genuine VOLVO parts where VOLVO will be taken as the origin indicating designation. The parts sold include bearings and similar goods. There has, therefore, been genuine use in relation to vehicle parts and bearings. I asked Ms May whether a fair specification for such use should include a limitation to the field in which the bearing is put to use (e.g. for use in cars, trucks, buses etc). Ms May argued that this would be pernicky, a reference to the judgment in *Animal Trade Mark* [2004] FSR 19. I bear in mind that it is necessary to consider how the relevant public would likely describe the goods and services¹. The General Court (“GC”) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03* (“*Aladin*”) held:

“43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

¹ See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32

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 relating to which the goods or services for which the trade mark has actually been used actually 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.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

14) I also note the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

"However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed Page 23 of 68 in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine

use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

15) Ms May argued that, in so far as bearings were concerned, the relevant public would describe them simply as that, bearings. I am dealing with class 12 only at this stage. My findings are that:

- i) A fair specification, in so far as bearings and parts are concerned, would read: “vehicle bearings and vehicle parts”;
- ii) That on the basis of these terms, all of the applied for terms in class 12 are identical (or else are highly similar) to such goods as they fall within the ambit of the earlier mark’s fair specification.

16) I should add that although Ms Moss did not concede that genuine use had been established, she did not argue with Ms May’s submissions or put forward any counter arguments for me to consider.

The average consumer

17) The average consumer is deemed to be reasonably observant and circumspect. However, the degree of care and attention the average consumer uses when selecting goods and services can, of course, vary depending on what is involved.

18) Identity (in goods) is in play in the field of bearings and the like. A member of the general public is unlikely (although I would not go so far as to say never) to purchase and fit such goods. Instead, a mechanic or other technically skilled person will purchase and fit them on behalf of the ultimate end user. In some circumstances, that person will be an in-house person working, for example, for a business operating a fleet (of buses or trucks etc). Either way, such a person will have specialist knowledge and will need to ensure that the goods are of the correct type and specification for the job at hand. Whilst this is certainly not a casual purchase, I do not consider that this necessarily equates to a high degree of care and consideration because bearings themselves may not be hugely expensive and, furthermore, although an individual vehicle may not need replacement bearings that often, the average consumer I have identified will no doubt be working on many vehicles during the course of employment and may therefore need to replace bearings reasonably frequently. Overall, I consider this equates to a reasonably high level of care and attention being adopted by the average consumer, but certainly not the highest. The goods will be selected through perusal of websites, brochures or other technical information; I also consider it likely that parts could be ordered by telephone. For these reasons, I

consider that the visual and aural aspects of the marks will play a fairly equal role.

19) Ms May referred to the end users of the goods as also being relevant e.g. members of the public going to garages for services/repairs. She said that such persons would be interested in the provenance of the parts that are being fitted. Once bearings (or other parts) are fitted they will not only (in most circumstance) be out of sight, but they will also have been removed from packaging, so meaning that the trade marks they may have borne are no longer visible. For these reasons, post sale confusion on the part of an end user is not highly relevant. Furthermore, in my experience, once a car has been taken to a garage and a bearing problem identified, most end users will be more interested in what the job will cost and how long it will take as opposed to what brand bearing is to be used. I accept (and the opponent's evidence demonstrates this) that some service packages offered by car manufacturers stress that they install only genuine parts. However, this evidence does not alleviate my view as to the level of interest of most end users and, for this reason, I do not consider them to be highly relevant in terms of whether there exists a likelihood of confusion. In any event, my finding may not be that important because it is not as though Ms May's submissions were predicated upon the end user adopting a casual selection process; in her skeleton argument, although it is stated that the level of care of the end user may be lower than that of a repairer (etc), her starting point was still of a degree of consideration that was "relatively high", which ultimately fits in with my finding.

Comparison of the marks

20) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. The marks to be compared are:

VOLVO v REVOLVO

21) Ms May highlighted that the word "Volvo" is Latin for "to roll". She accepted, however, that only a small subset of average consumers would know this. Ms Moss argued that such knowledge would be extremely thin. I agree with Ms Moss, the likely level of knowledge of this Latin word is so small that it should not be taken as being representative of the average consumer's perception of the mark. The average consumer will perceive the word VOLVO simply as an invented word, with no allusiveness or suggestiveness whatsoever. In relation to the word REVOLVO, Ms May argued that this would be seen as the word VOLVO together with the word RE (as used in words such as regarding). She argued, therefore, that the VOLVO element was the dominant part of the mark and, in addition, this created conceptual similarity. Ms Moss, on the other hand,

submitted that the word REVOLVO was so similar to the word REVOLVE that any conceptual value would be based upon this word (particularly given that the goods and services of the REVOLVO mark were bearings or services relating to bearings) and, consequently, that the mark would be seen as a single word with no dominant element leaping from it. Again, I agree with Ms Moss. The goods and services of the REVOLVO mark relate to bearings. I consider the average consumer will know that the primary purpose of a bearing is to rotate (or revolve) so as to reduce friction in machinery; ball bearings, as the name suggests, are ball like and will be assumed to revolve. As Ms Moss suggests, the word REVOLVO is so close to REVOLVE that average consumers will see the play on word – they will see an evocation. The General Court (“GC”) has considered how trade marks may have a conceptual connotation despite not being in themselves dictionary words. In *Usinor SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-189/05* the GC referred to a “suggestive connotation”. In *Ontex NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 353/04* it referred to the “evocative effect”. Consequently, I consider that the average consumer will:

- i) See REVOLVO as having an evocative effect based upon the word REVOLVE.
- ii) See REVOLVO as a single (invented but evocative) word and that VOLVO is not its dominant component.
- iii) Consider that there is a conceptual difference between VOLVO (an invented word with no meaning) and REVOLVO (an invented word with an evocative effect based on the word REVOLVE).

22) Regardless of the above, I think it is difficult to say that there is absolutely no similarity on a visual and aural basis between VOLVO and REVOLVO. However, from a visual perspective, whilst the marks have five letters in common (the totality of VOLVO and the last five letters of REVOLVO) I do not agree with Ms May that the marks are highly similar, irrespective of what she described as the repeating V/O pattern. The fact that the marks are relatively short and that the beginnings of the marks are different (which I accept are both simply rules of thumbs, albeit operative ones in this case) means that I assess the level of visual similarity as moderate.

23) From an aural perspective, VOLVO will be articulated as VOL-VO or, perhaps, VOLV-O. REVOLVO will most likely be articulated as RU (with a soft RU sound)-VOLV-O; although sometimes a harder RE (as in “REH”) sound may be articulated at the beginning. There are three syllables versus two. The difference is at the beginnings of the marks. However, there is clearly a similar sound in the last two syllables of REVOLVO and VOLVO. Ms May considered that in the REVOLVO mark greater emphasis would be placed on the VOLVO part of the mark given the soft RU sound. I disagree. If anything, the average

consumer is likely to place greater emphasis on REVOLV, pronouncing it, effectively, as the word REVOLVE with an additional O. I consider there to be a moderate degree of aural similarity.

The distinctiveness of the earlier mark

24) The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24).

25) From an inherent perspective, and as already observed, VOLVO will be perceived as an invented word with no suggestive or allusive qualities towards the goods and services for which it is registered. As such, I consider that it is high in inherent distinctive character. VOLVO is one of the best known car manufacturers in the world. Whilst its reputation does not extend to bearings per se, it would extend to parts for the vehicles it makes, which include bearings. Therefore, the distinctiveness of the earlier mark must be assessed as very high.

Parallel trade

26) Evidence of confusion free parallel trade can sometimes assist if it can reliably be taken as a barometer as to whether confusion is likely. It is, effectively, a proof of the pudding test. However, there is a tranche of case-law to the effect that lack of confusion in the market place is often indicative of very little: *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, *Rousselon Freres et Cie v Horwood Homewares Limited* [2008] EWHC 881 (Ch), *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 and *Aceites del Sur-Coosur SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-498/07 P*. In *The European Limited v The Economist Newspaper Ltd* Millet 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.”

27) In *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 Laddie J stated:

“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.”

28) The applicant's evidence is given by Mr Richard Ludlam, the marketing manager of the applicant. The applicant owns a company called Wyko Group Ltd which in turn owns Revolvo Ltd, the company which makes use of the mark. Although Ms May criticised the lack of detail given by Mr Ludlam, I am prepared to accept that the REVOLVO mark has been used since 1972 and that it has had reasonable sales of between £3million and £5million over the last five years. They are bearing specialists. However, there is absolutely no evidence that the mark has been sold in relation to bearings for vehicles. It is difficult to say with certainty what fields the REVOLVO mark is used in. On the one hand, Mr Ludlam refers to sales in specific target industries (railways, marine, machine tools, machinery, oil and petro chemical, power generation, iron and steel, mining and cement) but on the other hand he refers to the “niche” products and services offered under the mark. Reference is made to sales to bearings manufacturers and to other companies in the applicant's group. There seems to be a key focus on what are described as split roller bearings. The bearings sold seem to be used, primarily, in large scale industrial applications. On the face of it, the claimed parallel use is not actually parallel because the markets do not coincide. I must of course bear in mind that the opponent has sold in other fields beyond the vehicle market. Ms Dempe refers to sales made in the construction equipment market (excavators and the like) and to the marine and industrial field (reference is made to marine and industrial engines).

29) I raised some of the above issues with Ms Moss at the hearing (particularly the absence of clear same market trade) and she argued that even if this was so, the evidence still had some indicative value. However, I am still far from satisfied that the same markets are in play, and, therefore, I agree with Ms May that the consequence is that little significance can be taken from the claimed parallel trade. Additionally, there are also further extraneous differences, particularly with reference to the opponent's marine and industrial usage given that the VOLVO mark is often used in the context of VOLVO PENTA.

Likelihood of confusion

30) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

31) Ms May argued that the average consumer may well mistake one mark for the other. She also argued that if this were not so then she relied upon the concept of indirect confusion. She referred to the decision of Mr Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc* (BL-O/375/10):

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

32) Ms May argued that the three examples given by Mr Purvis QC were present in the case before me given that VOLVO is strikingly distinctive, that the RE suffix was non-distinctive, and that its addition to VOLVO was a logical one and would be seen by the average consumer as some form of indication that the bearings (or other parts sold) were RE (relating to) VOLVO.

33) The average consumer will rarely have the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them kept in mind; whilst I have assessed the degree of care and attention likely to be used by the average consumer as a reasonably high, this does not make this principle completely inoperable. The goods are identical and the earlier mark highly distinctive, these factors go in favour of the opponent. The crux of the matter rests, in my view, on the marks themselves which, of course, must be considered in totality, without artificial dismemberment. I have already stated that the average consumer will see an evocative effect and will recognise that the REVOLVO mark is based on the word REVOLVE. The effect of this, in my view, is the removal of the likelihood of the average consumer from seeing the word/brand VOLVO (which is well known) standing out from the mark. To find otherwise would be to suggest an artificial process of analysis and dismemberment which average consumers will not likely adopt. The moderate visual and aural levels of similarity are borne in mind, but the differences are nevertheless sufficient to prevent the marks from being mistaken for one another when the nature of the purchasing process is borne in mind. Nor do I think that one mark will be imperfectly recalled as the other. The points I have already made concerning artificial dismemberment put pay to Ms May’s points regarding indirect confusion. **There is no likelihood of confusion and the claim under section 5(2)(b) fails in class 12.**

OTHER CLASSES AND OTHER GROUNDS OF OPPOSITION

34) I do not consider it necessary to consider the other classes and/or the other grounds of opposition. The opponent is in no stronger position and its claims would fail for the following reasons:

- i) Under section 5(2)(b), the other classes involve the same arguments with matters resting primarily on the marks. The degree of care and consideration of the average consumer is no different and in all instances the REVOLVO mark, for all its goods and services, would have the same conceptual evocation as set out above.

- ii) Under section 5(4), it is clear that the opponent's have the requisite goodwill, but for similar reasons as to why I found no likelihood of confusion, I would have found that no misrepresentation would occur.
- iii) Under section 5(3), it is clear that the opponent's have the requisite reputation, but given my view that the brand VOLVO (even taking into account its reputation) will not stand out in REVOLVO then I consider that no link will be made between the marks.

In view of the above, all the other claims are hereby dismissed.

COSTS

35) In relation to costs, Ms May highlighted that the opponent was put to proof in relation to its marks, that a great deal of evidence was filed, yet the applicant made no comment on the evidence during its submissions, suggesting, she submitted, that proof of use was not really an issue. Ms Moss felt that the opponent's evidence (which had to be filed because the marks were subject to the proof of use provisions) could have been more proportionate. I feel these factors negate each other. Whilst the applicant should, perhaps, have accepted genuine use of VOLVO in relation to cars, it was clearly within its right to request proof of use in relation to other goods/services particularly bearings and similar parts. That the applicant made no submissions is perhaps more reflective of the good job done by the applicant in making good its claim, although, I agree with the applicant that it could have done so more economically. I consider it appropriate to make an award in favour of the applicant on the basis of the standard scale. I hereby order Volvo Trademark Holding Aktiebolag to pay Eriks Industrial Services Limited the sum of £1700. This sum is calculated as follows:

Preparing a statement and considering the other side's statement

£300

Considering and filing evidence

£1000

Attending the hearing

£400

36) The above sum should 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 1st day of April 2014

**Oliver Morris
For the Registrar,
The Comptroller-General**

ⁱ The leading judgments 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 Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).

ⁱⁱ "In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"