

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 1557308  
IN THE NAME OF HEIN GERICKE GmbH  
TO REGISTER A MARK IN CLASS 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER NO 44096  
BY TOP SHOP/TOP MAN LIMITED**

**TRADE MARKS ACT 1994**

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**IN THE MATTER OF Application No 1557308  
in the name of Hein Gericke GmbH  
to register a mark in Class 25**

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**and**

**IN THE MATTER OF Opposition thereto  
under No 44096 by Top Shop/Top Man Limited**

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**DECISION**

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On 31 October 1994 Hein Gericke GmbH of Dusseldorf, Germany applied to register the following mark in Class 25 for a specification which reads “articles of clothing for sportswear and casualwear; gloves; caps, hats and shawls; footwear.”

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The application is numbered 1557308.

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On 8 February 1996 Top Shop/Top Man Limited filed notice of opposition to this application. The grounds of opposition are in summary:

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- i under Section 3 in that the application in suit prominently contains the words PRO SPORTS (no further explanation is offered)
- ii under Section 5 having regard to the opponents' own applications and use of their marks.

Details of the opponents' mark are as follows:

NUMBER	MARK	CLASS	SPECIFICATION	
5	2028241	PRO SPORT	25	T-shirts, sweatshirts, shorts, underwear, casual jackets, socks.

10 The opponents also ask that the Registrar refuse the application in the exercise of his discretion. As I do not consider that I have any discretion to refuse an application that in other respects meets the requirements of the Act I dismiss this claim.

The applicants filed a counterstatement denying the above grounds.

15 Only the opponents filed evidence in these proceedings. The matter came to be heard on 24 July 1998 when the opponents were represented by Mr M A Lynd of Edward Evans & Co, their trade mark attorneys and the applicants by Mr M Krause of Haseltine Lake, their trade mark attorneys.

#### Opponents' evidence

20 The opponents filed a statutory declaration dated 28 January 1997 by Michael Arthur Lynd, their professional representative in this matter. He exhibits (MAL1) a copy of the Trade Marks Journal advertisement for the opponents' own application. The main purpose of his declaration is, however, to exhibit a copy of a statutory declaration dated 10 July 1996 by 25 Mark Daynes, the Buying and Merchandising Director of Top Shop/Top Man Limited. Mr Daynes' declaration (now exhibited as MAL2) was filed in the context of the opponents' own application but by virtue of Mr Lynd's declaration now also forms part of the evidence in this inter partes action.

30 Mr Daynes says that his company and its predecessors in title first used the mark PRO SPORT in the United Kingdom in approximately 1991 and have used the mark continuously since that date. The trade mark is said to be used in relation to clothing and in particular 35 T-shirts, sweatshirts, shorts, underwear, casual jackets and socks. Mr Daynes' original declaration had exhibited to it a shirt with a neck label bearing the words PRO SPORT along with a tag also bearing the words (MD1), a pair of socks contained within a grey cardboard sleeve showing the mark (MD2), a garment label for sewing into garments sold by the company (MD3), and a length of embroidered ribbon or tape for sewing into garments also showing the mark (MD4). An issue arose both in correspondence and at the hearing in 40 relation to these exhibits and MD5 (referred to below). I will comment on the issues raised later in this decision.

Mr Daynes says that in the 5 years during which his company and its predecessors in title have used the trade mark in the United Kingdom the turnover in clothing sold under the mark has been approximately £26 million representing some 2,420,000 individual garments. He exhibits 45 (MD5) a purchase order dated 27 April 1995 and the corresponding import order associated with that order. The order was placed with a Greek company and consists of

2,000 shirts with a total purchase cost of £11,960. The retail value of this order is said to be £29,980. The garments bore the mark of the application in suit.

5 Clothing sold under the trade mark is sold throughout the United Kingdom of Great Britain and Northern Ireland and the Isle of Man through the opponent company's chain of high street shops. Mr Daynes says the products are for example on sale in London, Birmingham, Manchester, Glasgow, Edinburgh, Belfast, Newcastle and Bristol.

10 He concludes by saying he believes that to the trade and to the public the trade mark PRO SPORT indicates exclusively the goods of his company.

That concludes my review of the evidence.

15 At the hearing Mr Krause raised as a preliminary point the status of the exhibits to Mr Daynes' declaration. The problem arose firstly in correspondence between the Registry and the parties during the processing of the opponents' evidence. As indicated above Mr Lynd's evidence adopted into these proceedings, as exhibit MAL2, a declaration originally filed in support of the opponents' own application (No 2028241). Whilst in my view Mr Daynes' declaration was properly retaken and witnessed for the current proceedings, 20 the supporting exhibits were not present. In correspondence the agent took the view that the exhibits were already on file at the Registry and were open for inspection on the file of his clients' by then published application. As a result of further exchanges of correspondence between the Registry and the opponents' agents, the Registry agreed to copy the "missing" exhibits to these opposition proceedings with a caveat as to how the hearing officer might 25 view the matter or what the position might be on any appeal. At the hearing Mr Krause said that the evidence, or at least the exhibits, did not comply with the Trade Mark Rules 1994 which require evidence to be in the form of a statutory declaration or affidavit. His clients objected to its admission. (He referred me also to the DIODOQUIN case 1952 RPC 174).

30 It is in my view unsatisfactory that the case should have progressed to a main hearing with these uncertainties surrounding part of the evidence. I recognise that problems can arise where evidence for one set of proceedings is subsequently required for a further and separate set of proceedings but this cannot remove the obligation on the filer to ensure that his evidence (including any exhibits) complies with the Rules. Nor can I see any particular 35 difficulties in cases where the exhibits themselves are paper documents in the first place (invoices, advertisements etc). I accept that problems may arise where the original exhibits are physical objects such as in this case items of clothing, labels etc. But even this should not be an unsurmountable problem in most cases where samples of equivalent goods can be supplied or photocopies/photographs of the originals can conveniently serve as substitutes 40 provided of course that any such items comply with the normal formalities applicable to exhibits to statutory declarations or affidavits.

45 It is clear from the material before me that there are deficiencies in the way Mr Daynes' exhibits MD1 to 5 have been brought into these proceedings. However I can also see that the Registry has in part contributed to the problem by offering to copy the exhibits. In the circumstances I have reluctantly decided to consider the exhibits as if they had been properly

filed. But I would strongly advise that, in the event of an appeal against this decision, the opponents take steps to regularise the position by having the disputed exhibits properly adopted for the purpose of these proceedings.

5 Turning to the grounds of opposition Mr Lynd, for the opponents, conceded at the hearing that the Section 3 objection could not be sustained. As the opponents do not claim to have an earlier trade mark the matter effectively falls to be considered under Section 5(4)(a) of the Act on the basis that their use of PRO SPORT constitutes an earlier right. Section 5(4)(a) reads as follows:

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“ (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 -

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(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) .....

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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.”

A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd -v- Borden Inc [1990] RPC 341 (referred to at the hearing) and Erven Warnink BV -v- J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

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“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

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(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

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(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

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(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an

exhaustive, literal definition of ‘passing off’, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

5 Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

10 “To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- 15 (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

20 While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

25 In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- 30 (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- 35 (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”
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At the hearing Mr Lynd took the view that the opponents’ use had not been challenged (at least not by way of evidence from the applicants) and that the scale of use was such that it gave his clients passing off rights. The marks were in his view similar in their essential features and the goods identical. In his view, therefore, use by the applicants of their mark

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must necessarily result in misrepresentation and damage to the opponents' business particularly if the applicants were to target the same sector of the market.

5 Mr Krause, for the applicants, approached the matter on the basis that there was no presumption that the applicants had to prove the registrability of their mark. Rather he suggested that the position on the burden of proof was neutral and where an issue arose in opposition proceedings the principle of "he who asserts must prove" applies. He supported this approach by reference to EUROLAMB Trade Mark 1997 RPC 279 at page 288 line 1 et seq. The EUROLAMB case involved an application for registration rather than an opposition matter but I think there is some force in Mr Krause's submission on the question of burden of proof where an opponent relies upon passing off rights.

15 The substance of Mr Krause's case was that the opponents' evidence lacked substance, detail and accuracy in key areas and failed to satisfy the onerous requirements of the passing off test. I think it is fair to say that he concentrated his attack on criteria (a) above "the nature and extent of the reputation relied upon". His main criticisms can be summarised as follows:

- 20 - Mr Daynes' declaration refers to "my company and its predecessors" using the mark but does not say whether the goodwill of the business passed to Top Shop/Top Man Ltd from the predecessors (see also Reckitt & Colman Products v Borden Inc at page 417 lines 14 to 27)
- 25 - only a general indication is given ("approximately 1991") as to when the opponents or their predecessors started to use the mark
- 30 - Mr Daynes refers to the 5 year period in which the mark has been used (his declaration is dated 10 July 1996). However the filing date of the application at issue is 31 October 1994 so it is only use up to that date which counts. He supported this view by reference to the ATTABOY trade mark opposition case (No 44276), an unreported Registry decision dated 28 August 1997
- a year by year breakdown of the opponents' turnover has not been given so it is impossible to tell what sales were achieved by 31 October 1994
- 35 - no details of any promotional activity have been supplied
- there is no indication as to how misrepresentation and damage will occur.

40 In addition to these specific criticisms he also referred me to the remarks of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in the WILD CHILD case (recently reported in 1998 RPC 455) where, in relation to a Section 5(4)(a) claim, he said "... I am not willing to regard assertions without any real substantiation as sufficient to sustain an objection to registration under Section 5(4)".

45 It can be seen from the evidence summary that a relatively small amount of evidence has been filed by the opponents in support of their case. They have also sought to rely, almost

exclusively, on material filed in support of their own application for the mark PRO SPORT. That application proceeded to publication under the honest concurrent use provisions of Section 7 of the Act and it is the evidence supplied for this purpose which is before me. I do not say that such evidence cannot also be used in an inter partes action based on Section 5(4)(a) but the requirements and considerations to be applied differ in a number of fundamental ways. I do not think it can be assumed that the same body of evidence will suffice unless it is supplemented to meet the particular needs of the passing off test.

I will deal firstly with the date at which the position must be considered because this has a bearing on a number of the criticisms made by the applicants. The applicants say that the filing date of their application is the critical date. Mr Lynd, for the opponents, said that I need not restrict myself in this way and that it would be wrong to allow the application to proceed to registration if use would now be liable to be prevented by the law of passing off. The Hearing Officer in the ATTABOY case referred to by Mr Krause considered the matter and noted that Section 5(4)(a) of the Act is based upon Article 4(4)(b) of Directive 89/104/EEC which reads as follows:

“(b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and the non-registered trade mark or other sign confers on its proprietor the right to prohibit the use of a subsequent trade mark;”

The Hearing Officer concluded that “it appears clear from the Directive (if not from the Act) that the right to prohibit the use of the applicant’s trade mark must have been established at the date of application ...”. To the best of my knowledge the point has yet to be tested or overturned on appeal. In view of the clear wording of the Directive I propose to follow the same line as the Hearing Officer in the ATTABOY case.

The opponents say that they have sold approximately £26 million of goods under the mark. The clothing market is, of course, very large indeed with very many competing brands. It is not easy to gauge what impact the opponents’ sales will have made on the market as a whole but I acknowledge that their turnover represents a not insubstantial sum and that Top Shop/Top Man Ltd is a well known high street chain. Against this it is not possible to deduce how the turnover figure breaks down as between the years leading up to and/or spanning the applicants’ filing date and the subsequent period. Nor, of course, are we told precisely when in 1991 trading under the mark commenced.

I regard the exhibits produced in support of Mr Daynes’ declaration to be of marginal assistance only to the case. They are very few in number and the only item (exhibit MD5) bearing a date shows an order raised on 27 April 1995 which is after the material date. The other exhibits show use of the mark in a number of slightly different forms often with the word PRO in an oval surround with the word SPORT appearing separately outside the oval. In one case (exhibit MD2) only the word PRO appears in the photocopy before me of (I think) a sock. A rather larger body of exhibits from the relevant period might have served to



clarify the manner and extent of the use claimed. Also lacking in the evidence is any indication as to the advertising or publicity expenditure in support of the mark. It seems unlikely that a high street retailer has not invested in supporting promotional activity but again there is nothing to indicate what has been done.

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In response to Mr Krause's comments on use of the mark by the company and its predecessors, Mr Lynd indicated at the hearing that the predecessor was another member of the Burton Group of companies. In the context of a Section 5(4)(a) action I think the point should have been made clear in the evidence and confirmation provided, if such be the case, that the goodwill of the business passed to and now resides in the opponent company.

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I have not found this to be an easy matter to decide. The opponents are a large and well known high street chain of shops. The sales figures indicated represent a sizeable level of business and I note also that their mark is said to have been used continuously since 1991. Had I been satisfied that at least a significant proportion of the turnover claimed had arisen prior to 31 October 1994 and had full documentations been provided in support there would in my view have been a significant case for the applicants to answer. However Mr Krause identified a number of significant weaknesses in the opponents' position. It seems to me that, by relying on evidence prepared originally for a quite different purpose the opponents are asking the tribunal to make a series of assumptions in their favour in order to reach the outcome they seek. In short it is not that the opponents could not mount an arguable case (given the bare facts of the matter) but I do not think they have done enough in their evidence to substantiate whatever claim they might have to be the proprietors of an earlier right. They, therefore, fail in the first leg of the passing off test. In these circumstances I do not need to consider the issues of misrepresentation and damage in detail. I will, however, comment on them very briefly in case the matter goes to appeal. The applicants' mark is a composite one with a visually strong device element. It also contains in small print the words "by Hein Gericke" which I take to be a house mark. However the central and essential feature by which the mark is likely to be known and referred to is the words PRO SPORTS. This would inevitably, I think, lead to confusion with the opponents' mark PRO SPORT. If therefore, the opponents had substantiated their claim to a reputation in the latter I would have found in their favour on the other legs of the passing off test.

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In the event the opponents fail in their action under Section 5(4)(a).

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As the applicants have been successful in these proceedings they are entitled to a contribution towards their costs. Taking account of comment at the hearing I order the opponents to pay the applicants the sum of **£500**.

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Dated this 13th day of August 1998

M REYNOLDS

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for the Registrar  
the Comptroller-General