

**TRADE MARKS ACT 1938 (AS AMENDED) AND  
TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 1506039 BY  
GI JOE LTD TO REGISTER A MARK IN CLASS 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER  
No 38138 BY HASBRO UK LIMITED**

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TRADE MARKS ACT 1994**

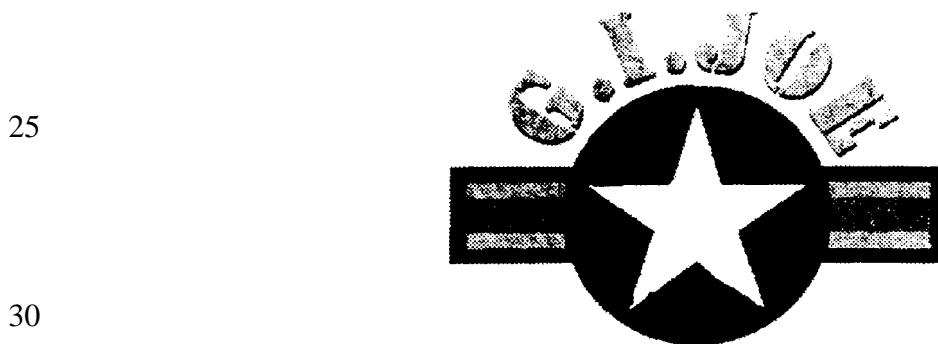
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**IN THE MATTER OF Application No 1506039  
by GI Joe Ltd to register a mark in Class 25**

**and**

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**IN THE MATTER OF Opposition thereto under  
No 38138 by Hasbro UK Limited**

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**DECISION**

On 10 July 1992 GI Joe Ltd applied under Section 17 of the Trade Marks Act 1938 to register  
the following mark for a specification of goods which reads “sportswear, rugby tops, sweat  
20 shirts, T-shirts, jogging bottoms, shorts; all included in Class 25”



The application is numbered 1506039.

35 On 24 December 1993 Hasbro UK Limited filed notice of opposition to this application. The  
grounds of opposition are in summary as follows:-

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- (i) under Section 11 by reason of the fact that use of the mark applied for will lead to deception and confusion having regard to the opponents’ reputation and particularly its licensing activities;
  - (ii) under Section 17 in that the opponents’ marks are so well known that the applicants cannot claim to be the proprietor of the mark at issue.

45 They also ask that the Registrar refuse the application in the exercise of his discretion. The  
opponents have also referred in their statement of grounds to two registrations in Class 28 but  
I do not understand them to claim that these constitute an objection under Section 12.

The applicants filed a counterstatement denying the above grounds. Both sides ask for an award of costs in their favour. Both sides filed evidence in these proceedings. Neither side has requested a hearing but extensive written submissions have been made in lieu thereof. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

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By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly, all references in the later parts of this decision are references to the provisions of the old law.

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#### Opponents' evidence (Rule 49)

The opponents filed a statutory declaration dated 10 January 1995 by Jane Ritson, the Managing Director of 3-D Licensing Ltd, a subsidiary of Hasbro UK Ltd. Her company is responsible for out-licensing in the United Kingdom and elsewhere the products of Hasbro UK Ltd.

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She says that G.I. JOE has been used as a trade mark in the US since at least 1964. Childrens' toy products bearing the mark have been sold in the UK since at least 1990 and are available through a large number of retail outlets. Sales figures are given as follows:

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£

25	1990	4,223,000
	1991	2,128,000
	1992	2,253,000
	1993	1,182,000
	1994	3,000,000 approx

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In support of this Ms Ritson exhibits (1-4) various brochures and samples of advertising material. The product line has been advertised on television and the G.I. JOE characters have been the subject of a number of childrens' cartoon video films. Sample video box covers are at Exhibit 5. The BSkyB movie channel has also broadcast a number of G.I. JOE films.

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Ms Ritson concludes from all this that G.I. JOE is one of the Hasbro Group's most important trade marks in the United Kingdom, the extensive use having led to it becoming known to many children and their families. She adds that:-

“Hasbro's activities also extend to collateral licensing in the field of what is now known as “character merchandising”. In addition to taking licences from third parties in relation to their famous characters (STAR TREK and JURASSIC PARK are just two of the famous brands for which Hasbro has taken a licence), Hasbro Group Companies (including the Opponents) actively out-licence the intellectual property rights in their toy products. That the Hasbro Group Companies are major licensors of their rights is common knowledge throughout the industry and, more importantly, amongst members of the public, contrary to the denial of this fact contained in the Applicant's counterstatement.”

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The claim outlined in the above passage is then supported by details of the range of goods licensed under other Hasbro marks such as SINDY, ACTION MAN, TRANSFORMERS and PLAYSKOOL. I do not need to record the details here. Suffice to say that it covers a variety of licensed products and is supported by Exhibits 6 to 12.

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In relation to G.I. JOE Ms Ritson says:-

10 “Although G.I. JOE has not yet been fully licensed in the United Kingdom, it has been extensively licensed in other territories. In the United States the range of licensed goods includes clothing, spinning tops, vending machine trading cards, plastic drink ware, plastic sports bottles, dinnerware, activity and educational place mats, Halloween costumes, video products, sleeping bags, tent sets, lunch kits, scuba gear, watches, bicycles and bicycle helmets, printed matter and comic books, footwear, paper party goods, socks, aquariums, decorator storage cubes, kites, .. flying discs, 15 rubber balls, children’s hangers, shoe horns, hand-held electronic LCD games, sleepwear and watergun goods. The mark has also been exploited in Portugal, Greece, Cyprus, Australia and for certain goods, on a worldwide basis.”

20 [Exhibits 13 to 22 show examples of G.I. JOE licensed goods.]

25 “I accept that, in the United Kingdom at least, G.I. JOE has not yet been licensed in relation to clothing. However, I submit that this is irrelevant. The fact is that, generally, customers are aware that goods in the toy and entertainment fields are now customarily exploited by licensing into other fields and that clothing is one of the most common fields into which such licenses are granted. Thus, on that basis alone, it is reasonable to expect that purchasers of goods in those fields generally associated with character merchandising will assume that if one of Hasbro’s trade marks appears on the product (for example G.I. JOE) then there is some connection with Hasbro. Furthermore, the purchasing public is aware that Hasbro Group Companies 30 customarily licence their products, since all products bearing brands licensed from Hasbro Group Companies bear appropriate statements either on the goods or on the packaging indicating that the brand is the property of the relevant Group Company. Thus members of the public knowing Hasbro’s G.I. JOE brand will inevitably assume that clothing goods bearing that mark are licensed from or otherwise approved or 35 authorised by Hasbro UK Limited.”

40 Finally Ms Ritson comments on the markets for the parties’ respective goods and concludes that there is an overlap and that the public (particularly children) being used to merchandising activities will assume that the applicants’ goods are in some way authorised or approved by Hasbro UK Ltd.

#### Applicants’ evidence (Rule 50)

45 The applicants filed a statutory declaration dated 8 November 1995 by Nohinder Singh, the Managing Director of G.I. JOE Ltd. He says that his company has used G.I. JOE as its trade mark since August 1992. In relation to the adoption of the mark he says:-

“..... before commencing use of this name a full availability search was conducted, which did not reveal any trade marks which were sufficiently similar to G I JOE to cause problems with either use or registration of the Trade Mark.

5 The inspiration for the name G I JOE came from the United States where I worked for about four and a half years between 1983 and 1987. I was working in Portland, Oregon and in that town there was a shopping mall where my family used to shop each week. In the mall there was a departmental store called G I Joe’s. The G I Joe’s store sold many goods including clothing.

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There is now produced and shown to me market “Exhibit GI1-A” an advertisement paper, a bag, a receipt, and a T-shirt all obtained recently from this store together with an extract from the telephone directory listing a number of the G I Joe’s stores.”

15 He goes on to give dictionary and other references in confirmation of the fact that GI JOE has the meaning of “an American soldier” and provides various exhibits in support of use of the term. In response to the opponents’ declaration giving details of their licensing activities he comments that:-

20 “Only use of PLAYSKOOL and ACTION MAN has been claimed in respect of articles of clothing. It has been shown in case law (BLAZER TM - Blazer plc v Yardley & Co Ltd) that merely having a licence to produce and sell a product is not sufficient if no use has been made of an unregistered/unused trade mark. It appears to me from the Statutory Declaration of The Opponents that they have never used the name G I JOE on articles of clothing in the UK. My Company however has used the Trade Mark continuously since 1992 and has built up a substantial reputation in the name as is illustrated in the foregoing.”

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The remainder of Mr Singh’s declaration is taken up with an account of the applicants’ trading activities since August 1992. I do not propose to summarise this material as I agree with the opponents that it is well established that I must consider the position at the application filing date (10 July 1992). The applicants’ use falls entirely after that date and so in itself cannot be of assistance to them in these proceedings. Mr Singh concludes by saying that his company’s application should not be refused on the grounds that the opponents may in the future licence the name GI JOE on clothing when they have no reputation for clothing in the UK.

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#### Opponents’ evidence in reply Rule 51 and further evidence (Rule 52)

The opponents’ reply evidence comes in the form of a statutory declaration dated 15 July 1996 by Jane Ritson. Ms Ritson makes a number of observations about the applicants’ use of their mark both in terms of the substance and its relevance at the material date. I have already indicated that the applicants’ use commenced after the material date and so is not of direct relevance to these proceedings. It follows that I need not refer here to Ms Ritson’s comments on the applicants’ use. In relation to the applicants’ reason for adopting their mark Ms Ritson says:-

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5 “In paragraph 5 Mr Singh relates the history of his Company’s mark. I note that Mr Singh admits the idea of the mark was inspired by its use by a third party; details of that use have been passed to my Company’s Trade Mark Department for such action as may be appropriate. Nevertheless, the issue in this case is the impact of the mark in the UK; its derivation from the US is irrelevant, save to the extent it pertains to the Applicants entitlement to claim to be the proprietor of the mark.

10 In paragraphs 6 and 7 Mr Singh deals with the development of his Company’s marks and the general meaning of GIJOE. I accept that the term has popular connotations but the fact remains that GIJOE is a trade mark of my Company, notwithstanding any other meanings it may have. The fact that GIJOE may be a well known term does not, of itself, make it free for adoption by Mr Singh’s Company if that amounts to a breach of my Company’s rights. If the intention of Paragraph 6 is to demonstrate that GIJOE is a general term that is incapable of being a Trade Mark, then to the extent that is relevant at all it is to the registrability of the Applicants’ mark in its unused form.”

15 Finally Ms Ritson comments on and distinguishes the BLAZER case and refers to Mirage Studios v Counter-Feat Clothing Company Ltd where, she says, it was recognised that the public routinely accept cross-licensing of successful products in the merchandising field. In a separate declaration of the same date, which appears to have been admitted under Rule 52, Ms Ritson makes the following points:-

25 “That Hasbro’s GIJOE mark is well known in the UK, and has been well-known for many years, can be illustrated by the fact that GIJOE products - including licensed products have been advertised in publications reaching the UK and freely available here, since at least the 1960’s. In particular, GIJOE advertisements have regularly appeared in the extremely popular MARVEL and DC COMICS publications. Precise details are no longer available. However, there are now produced and shown to me marked Exhibit 25 copies of three such comics, containing GIJOE advertisements, dating from 1983, 1988 and 1989 respectively. Many people will have seen these advertisements and so have been familiar with the GIJOE brand of Hasbro even before the product was actually available here.”

35 Applicants’ further evidence (Rule 52)

Mr Singh has made a further declaration dated 7 November 1996.

In summary he makes the following points (leaving aside reiteration of points already made):-

- 40 - he denies the opponents’ evidence establishes that Ms Ritson’s company is known to be a licensor of trade marks in respect of merchandising goods. Only two of the Hasbro character toys, namely Cindy and Action Man, have extended their range from toys and clothing for toys to other products.
- 45 - he contends that toys and articles of clothing are not goods of the same description. I comment in passing that I do not understand the opponents to make this claim as no Section 12 ground has been pleaded.

- he comments in some detail and by reference to case law on the passing off rights that his company would be able to assert against the opponents. I do not regard this as relevant to the issue before me.

5 - he questions why no steps have been taken to license GI JOE products given that the mark is said to have been used in the United Kingdom since 1990.

10 - he reports the results of enquiries made with a local toy store and Hasbro Bradley UK Ltd which appear to suggest that GI JOE military toys were discontinued some three years ago and that any existing stocks were being cleared.

15 - he criticises Ms Ritson's evidence as to GI JOE's reputation in this country arising from the circulation of US comics.

Opponents' further evidence (Rule 52) - second round

Ms Ritson filed a further statutory declaration dated 1 April 1997.

20 She comments in the following terms to the enquiries instigated and reported by the applicants:-

25 "Mr Nohinder Singh refers in his Statutory Declaration to the fact that an employee at Hasbro's customer service department told him that "G I JOE Military toys had been discontinued about three years ago in the UK". It is common practice in the toy business for Products sold under particular trade marks to be "rested" in favour of other products. However, brands can and often are revived as was the case with my company's ACTION MAN toy. Like many products within this commercial sphere the G.I. JOE brand may be revived at any time.

30 Furthermore, these hearsay comments cannot necessarily be taken to be an indication of Hasbro's present or future policies as junior members of staff have no bearing or input in relation to marketing options and the company's overall marketing strategy. In this respect, therefore, my earlier declaration is not contrary to the information  
35 obtained from Hasbro's customer service department."

40 That completes my review of the evidence. I should say, however, that although a formal hearing has not been requested, the parties, through their professional representatives, have made very full submissions in writing. I, therefore, take into account the three sets of written submission (two from the opponents and one from the applicants) in reaching my decision.

I will deal firstly with the objection under Section 17(1). This reads:

45 "17. - (1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the register."

The opponents say in their statement of grounds that their mark is so well known that the applicants cannot claim to be the proprietors. The applicants deny this and have given an account of how they came to adopt the mark as indicated in the above evidence summary. Moreover they have provided material to support this basic claim. I note also that they  
5 undertook a register search prior to applying. That of course was intended to establish whether any potentially conflicting rights already existed but it is in my view a further indication of the steps taken by the applicants to ensure so far as they could reasonably ascertain that they would not be trespassing on the rights of other traders. In their  
10 submissions in lieu of a hearing it is said that:

“The Opponents have demonstrated a significant reputation in the mark GI JOE and the mark is identified with them. The Applicants being on notice of this (if not at the date of application following their searches, then thereafter during the course of these proceedings) cannot rightfully continue to assert the ownership of what in essence is  
15 the identical mark.”

It seems to me that this confuses two separate issues. A mark can be adopted in all honesty but still be in conflict with an established right. The issue of possible conflict with the opponents’ mark falls to be dealt with under Section 11 but I see nothing in the opponents’  
20 evidence that suggests the applicants cannot claim to be the proprietor of the mark. Before leaving the ownership question I should comment briefly on a further point that arises from the opponents’ evidence and submissions. In response to the applicants’ explanation of their position they say that the mark appears to have been appropriated from a third party without investigating whether that party was interested in using the mark in the United Kingdom. I  
25 take the view that if the opponents wished to pursue this separate line of attack they should have amended their statement of grounds. In the absence of such an amendment I do not feel obliged to deal formally with the matter. I would simply say that there is no indication that the US user of the name or mark (or similar name) had any intention to trade in this country. Given that the US organisation was a department store I think the applicants were entitled to  
30 assume (bearing in mind also their register searches) that such a body had no interest in the UK market. The opposition under Section 17(1) fails accordingly.

Section 11 of the Act reads:-

35 “11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.”

40 The established test is that set down in Smith Hayden & Co Ltd’s application but as adapted by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand the test may be expressed as:-

45 Having regard to the user of the opponents’ mark GI JOE, is the tribunal satisfied that the mark applied for, GI JOE and device, if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?



Although a significant amount of evidence has been filed and both sides have made extensive written submissions certain underlying facts have been established. I regard these as being as follows:-

- 5           -       although the applicants' mark contains a device it is conceded that it is similar to the opponents' mark;
- there have been significant sales of GI JOE toy products in this country since 1990 (though the impact of advertisements reaching the UK in for instance US  
10           magazines prior to 1990 is not clear);
- the opponents concede that the applicants' clothing is a different category of goods to toys but say that they can rely on their mark's acquired reputation and on their general reputation for licensing;
- 15           -       there has been no use of GI JOE on clothing in this country;
- use by the applicants of their mark commenced after the material date and so is of no direct assistance to them in the context of these proceedings save to the  
20           limited extent that no actual instances of confusion have been reported as a result.

So far as the law is concerned I also accept that there is no limitation under Section 11 to cases involving goods or services of the same description (Kerly's Law of Trade Marks and  
25   Trade Names 10-13). Also as already indicated it is settled law that the material date is the application filing date which in this case is 10 July 1992. In coming to my decision on the issues before me I also bear in mind the references in the submissions to various reported cases dealing with the nature and extent of confusion and, in particular the following test laid down by Romer J in Jellinek's trade mark 1946 RPC 59 at page 78:

30                    "It is not necessary in order to find that a mark offends Section 11 to prove that there is an actual probability of the deception leading to a passing off or (I add) an infringement action. It is sufficient if the result of the registration of the mark will be that a number of persons will be caused to wonder whether it might not be the case that  
35                    the two products came from the same source. It is enough if the ordinary person entertains a reasonable doubt, that the Court has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the register."

40   Also Hack's application (to register BLACK MAGIC for laxatives) in the face of earlier use and registration of the same mark for chocolates, [1941] 58 RPC 91 at 102, where Morton J said:-

45                    "Without attempting an exhaustive definition of what is covered by the words 'likely to cause confusion', I may say at once that, in my view, if persons hearing of a laxative called 'Black Magic' or seeing advertisements of a laxative called 'Black magic' are likely to think that such laxative was made by the opponents, then the mark applied for

is one which is likely to cause confusion within the meaning of the Section. I also think that, if such persons are likely to wonder whether or not the laxative was made by the opponents, the mark applied for is one that is likely to cause confusion, because people's minds will be put in a state of doubt or uncertainty."

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I have also been referred to the following extract from *A C Gilbert & Co v William Baily (Birmingham) Ltd* 52 RPC 136 and page 153:

10 "I should add that in coming to a conclusion in a case of this kind I think that the Court has to be satisfied not merely that there is a possibility of confusion; I think the Court must be satisfied that there is a real tangible danger of confusion."

15 The opponents put their case on two main bases. Firstly it is said that their evidence establishes the reputation of GI JOE in the toy field bolstered by television programmes, films and video sales. Secondly they say that even though there has been no sale of clothing under the name or mark they have established a pattern of licensing across a wide range of goods and their general reputation will lead to an expectation that clothing sold under the GI JOE mark emanates from the same source. I will deal with these points in turn.

20 It is common practice nowadays for traders to develop licensing or merchandising activity around a core product or idea. It is particularly evident in relation to television, film and cartoon characters but is not restricted to these areas. The opponents have rightly pointed out in their submissions that companies such as Coca Cola and Caterpillar also seek to capitalise on their brands in areas outside what would be understood to be their core business areas.

25 Character merchandising has arisen in a number of reported Court cases. I have been referred, for instance, to *Mirage Studios and Others v Counter-Feat Clothing Co Ltd* and another 1991 FSR 145 (the Teenage Mutant Ninja Turtles case). By way of indication of the scale of such activities I note that in that case it was said that over 150 licences had been granted in the United Kingdom in respect of various goods. I do not think it is disputed that the toy market

30 lends itself to character merchandising. Equally however it seems to me that the toy market is a diverse one in terms both of the range and type of toys on offer and the marketing methods used to exploit toy brands. Licensing or character merchandising does not, therefore, represent a universal or invariable pattern of behaviour. Arguably the vast majority of toys available at retail outlets are not supported by, or do not generate, spin-off merchandising in other goods areas. I make these general observations because it seems to me that customers

35 (both children and adult purchasers) do not necessarily start with any particular preconceptions as to trading patterns. Rather it seems to me that they respond to what they actually see happening in the marketplace. To take an example from the opponents' evidence - MY LITTLE PONY has been licensed in this country for children's underwear, nightwear,

40 lunch boxes and flasks, video cassettes, socks, confectionery, balloons, children's bags and luggage products, stationery, novelty cakes, umbrellas, general clothing, sunglasses, nightlights, roller skates and slippers. Other Hasbro products such as SINDY and ACTION MAN are, if anything, the subject of even more extensive licensing arrangements. In these circumstances I think it is reasonable to suppose that the public has become accustomed to

45 such licensing activity and if they met another consumer product bearing one of these marks they might well consider that it came from the same source (and be confused or deceived if it did not). Equally I do not understand the opponents to say that all the toys in their catalogue

are subject to the same extensive licensing or merchandising arrangements. Turning to the GI JOE mark itself the opponents concede that it has not been used in relation to clothing. Nor can I see that it is used at all outside the area of (principally) military toys. In my view, therefore, the reputation established by GI JOE cannot be assumed to extend to otherwise unrelated goods areas. The point has also been made that GI JOE is a recognised, if somewhat colloquial term, for an American soldier. The term, therefore, has descriptive significance in relation to military toys and this must in turn affect consumer perception of the mark in relation to toys as opposed to other types of goods.

10 Against this it is potentially in the opponents' favour that GI JOE has been the subject of a children's cartoon, video films and films broadcast by BSkyB. Successful character merchandising has often ridden on the back of films or television programmes (the NINJA TURTLES were a case in point). I have, therefore, carefully considered the opponents' evidence in this area but concluded that it does not assist them principally because:-

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- there is insufficient and/or insufficiently precise information available to establish when the video films were available and what their impact was by the material date;
  - 20 - sales are said to "currently stand at nearly 24000" but that was presumably at the time of Ms Ritson's first declaration in January 1995;
  - most of the BSkyB films were broadcast after the material date. No viewing figures are available for the only one to be broadcast prior to that date;
  - 25 - a television advertising campaign for the GI JOE product line did not take place until 1994.

30 There is, in addition, reference to extensive licensing of GI JOE in the United States and other countries. However there is no indication that this activity made any impact in the United Kingdom nor am I prepared to assume, without some supporting evidence, that US comics circulating in this country carrying advertisements for GI JOE created a reputation which would extend to clothing. In short the opponents have failed to make out their case insofar as they rely on the use and reputation arising from the GI JOE toy products and cartoon character.

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The second leg of the opponents' case is that the use of GI JOE should not be considered in isolation but in the context of the opponents' established reputation for merchandising activity. The latter, it is suggested, would create an expectation that GI JOE would at some stage be the subject of licensing arrangements and the issue of confusion should be considered in this context.

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It is clear that Hasbro, through their subsidiary 3-D Licensing Ltd has extensively merchandised a number of its product lines in this country. Examples given are SINDY, ACTION MAN, TRANSFORMERS, MY LITTLE PONY and PLAYSKOOL. In addition HASBRO has taken licences from third parties in relation to STAR TREK and JURASSIC PARK. It is not disputed that clothing is amongst the goods licensed. Each of the above

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names or marks has its own identity and I am by no means clear on the face of it that the association with Hasbro would be evident to or recognised by purchasers (as distinct from trade customers such as wholesalers and retailers). If, therefore, the opponents are to make their case on the basis of customer expectation arising from their existing trading pattern it seems to me that they need to establish:-

- that Hasbro's reputation for merchandising/licensing is recognised by the purchasing public as evidenced by the trade under existing names or marks;

10 - that GI JOE is understood to be another product from the same stable;

- that the merchandising activity associated with other Hasbro goods is also likely to be employed in relation to GI JOE.

15 It is not immediately apparent that the other brands or characters referred to have any connection with Hasbro. I do not see how in these circumstances I can assume that customers will readily appreciate that there is a common trade source for products with different names. However Ms Ritson says in her first declaration:-

20 "..... the purchasing public is aware that Hasbro Group Companies customarily licence their products, since all products bearing brands licensed from Hasbro Group Companies bear appropriate statements either on the goods or on the packaging indicating that the brand is the property of the relevant Group Company. Thus members of the public knowing Hasbro's G.I. JOE brand will inevitably assume that clothing goods bearing  
25 that mark are licensed from or otherwise approved or authorised by Hasbro UK Limited."

I think these statements need to be tested against the evidence. To this end I have carefully considered Exhibits 1-12, these being samples of brochures, UK licensed goods, point of sale  
30 material etc. My conclusions are that:-

- all of the goods have the names or marks (PLAYSKOOL, ACTION MAN etc) very prominently displayed;

35 - there is no readily apparent unifying theme or style and the name Hasbro (or other housemark) is not prominently displayed and does not appear at all on many items;

40 - the only reference to Hasbro is as copyright holder in small print on packaging and occasionally on products;

45 - the company Toy Fair brochures do place the individual brands under the Hasbro umbrella but these brochures appear to be aimed primarily at the trade and there is no evidence that they reach the public or what impact they have if they do;

- of the five GI JOE advertising products at Exhibit 4 only one contains any reference to Hasbro and that is a small copyright footnote at the end of a catalogue. A similar situation exists with the GI JOE video box covers at Exhibit 5.

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As the opponents themselves acknowledge children are unlikely to be aware of what they call “the nuances of character merchandising”. Nor in my view can it be assumed that adults will necessarily scrutinise the small print on products or reach the conclusions that the opponents invite. In fact in a normal retail environment it seems extremely unlikely that this will happen.

10 In short the opponents have not in my view established their position on the evidence filed and I am not persuaded that there is a real tangible risk of confusion if the applicants’ mark is registered. The opposition thus fails under Section 11.

There remains the matter of the Registrar’s discretion. The opponents base their case on the  
15 fact that registration of the mark at issue will inhibit their future business activities through loss of licensing opportunities etc. The applicants question whether the opponents have any current or planned business activities in this country in respect of the GI JOE brand and refer to the results of their enquiries which suggest that the brand is being “rested”. They refer also to  
20 *Blazer plc v Yardley & Company Ltd 1992 FSR 501* though on the whole I do not find that case to be of assistance as there is no suggestion that the plaintiff was active outside their business of gentleman’s outfitters. The sort of merchandising considerations that arise in the case before me were not, therefore, in issue.

In practice the opponents’ case seems to me to represent another angle of attack based on  
25 their claimed reputation for merchandising. In the light of my decision in relation to Section 11 I do not think the opponents can be in any better position such as to justify an exercise of discretion in their favour. I have not so far referred to the evidence filed by the applicants in relation to the resting of the opponents GI JOE product line. I do not think the information gleaned can be taken as an authoritative statement of the opponents’ position and  
30 the latter rightly say that product lines can be revived. Equally however there is nothing in these exchanges between the parties which suggests that I should exercise discretion so as to provide the opponents with protection for some future but uncertain business activity. Accordingly I decline to exercise discretion in their favour.

35 As the opposition has failed the applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of **£635**.

Dated this 2nd day of December 1998

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M REYNOLDS

45 For the Registrar  
the Comptroller-General