

TRADE MARKS ACT 1938 (AS AMENDED)

TRADE MARKS ACT 1994

IN THE MATTER OF Application Nos

1478907 & 1478908 in the name of Nippondenso

Kabushiki Kaisha to register a trade mark in classes

1 and 3

AND IN THE MATTER OF

OPPOSITIONS thereto by Vitax Limited

1. On 12 October 1991, Nippondenso Kabushiki Kaisha made two applications under Section 17(1) of the Trade Marks Act 1938 for the registration of the trade mark shown below:-



2. The applications are in Classes 1 and 3 and the goods specified are:-

Chemicals for use in industry: anti-freeze coolants; radiator cleaners; aerosol propellants; solvents; cooling fluids; refrigerants; catalysts; all included in Class 1 and

Cleaning and polishing preparations and substances; windscreen washer liquid, deodorizers; perfumes; perfumed products, all for use in passenger compartments of vehicles; all included in Class 3

3. On 14 February 1995, Vitax Ltd filed notice of opposition. The grounds of opposition are, in summary, that:

- (i) the opponent has used the mark NIPPON before the date of the applications;
- (ii) the applicant's mark resembles the opponent's mark
- (iii) the goods provided under the opponent's mark are "sold through channels of trade which are of the same description" as the goods in respect of which registration is sought;
- (iv) because of (i) to (iii) above, use of the applicant's mark would cause confusion and deception and registration would, therefore, be contrary to Section 11 of the Trade Marks Act 1938;
- (v) the applications should, in any event, be refused in the exercise of the Registrar's discretion under Section 17(2) of the Act.

4. The opponent states that prior to the filing of the notices of opposition their agents contacted the applicant's agents seeking withdrawal of the applications, including the proposal that 'aerosol propellants' and 'deodorizers, perfumed products, all for use in passenger compartments of vehicles' be deleted from the respective specifications of goods. This suggestion was not taken up and the opponent, therefore, asks for an award of costs.

5. The applicant denies all the grounds of opposition save that it admits that it was asked to withdraw the applications. The applicant also seeks an award of costs.

6. For the sake of completeness I should mention that the notice of opposition originally included a further ground under Section 12(1) of the Trade Marks Act 1938 based upon the opponent's registration in Class 5 of the trade mark 'VITAX NIPPON'. However, the opponent now accepts that this ground of objection is not well founded because this

registration post-dates the applications under opposition. Consequently, I need say no more about it.

7. The applicant originally resisted a request that the oppositions to their applications be consolidated. As a result both parties have filed separate but largely identical evidence in the proceedings. The applicant dropped its objection to consolidation before the matter came to be heard on 21 July 1999, with the result that both oppositions came before me as a single set of proceedings.

8. At the hearing, the applicant was represented by Ms D McFarland of Counsel, instructed by J A Kemp & Co, and the opponent was represented by Mr J Mellor of Counsel, instructed by Chancery Trade Marks.

9. By the time the matter came to be heard the Trade Marks Act 1938 had been repealed. However, in accordance with the transitional provisions set out in schedule 3 to the Trade Marks Act 1994, I must continue to apply the provisions of the old law to these proceedings. Accordingly, all further references to provisions of the Act are references to the Trade Marks Act 1938.

The Facts

10. The basic facts of the matter do not appear to be in dispute. The opponent filed a Statutory Declaration dated 20 September 1995 by Paul Anthony Gooding, who is a Director of Vitax Ltd. Mr Gooding says that the mark NIPPON has been used since 1960 by the opponent and its predecessor. He provides turnover figures which show that annual sales between 1988 and 1991 rose from £738k in 1988 to £1.1m in 1991. He also provides figures for promotion of the mark, which reveal that the opponent spent a relatively modest £20k in 1990, and an even more modest £5k in 1991. However, there is evidence in the form of a market research report dated February 1994, which is exhibited to a further declaration by Mr Gooding, that the mark NIPPON was well known as an insecticide to readers of Hardware and Garden Review as a result of a survey conducted in December 1993. The magazine in

question appears to be directed at those engaged in businesses retailing hardware and/or garden products (rather than the general public). Nevertheless, this is an indication that the mark NIPPON was likely to have been quite well known to the general public by December 1993 as a brand of insecticide. The position at 12 October 1991 was unlikely to be much different.

11. Mr Gooding is a little vague about the precise goods sold under the mark. He refers to the use being in relation to the goods covered by the opponent's Class 5 registration, mentioned briefly above. However, it was common ground before me that the exhibits to Mr Gooding's declaration only show use of the mark - up until 19 October 1991 - on a range of preparations for killing ants and an aerosol spray for killing ants "and other crawling insects."

12. The applicant's evidence includes a Statutory Declaration dated 31 July 1996 by Masashi Kamiya, who is the General Manager of its Intellectual Property Department. Mr Kamiya says that the word NIPPONDENSO has been in use in the UK "since the 1980s" and he provides turnover figures back to 1984. The figures are substantial, especially from 1989 onwards, but Ms McFarland had to accept that there was no evidence that the applicant had sold a single item in the UK that fell within the specifications of the applications under opposition, prior to the date of the applications.

13. So the position that emerges is that by 19 October 1991, the opponent had longstanding use of the mark NIPPON on a substantial [but not massive] scale, essentially in relation to ant killing insecticides, and the applicant's mark was unused on the goods covered by their applications in Classes 1 and 3.

The Law

14. It is common ground the appropriate test under Section 11 is that set out by Evershed J in *Smith-Hayden's Application* (1946) 63 RPC 97 as adapted by Lord Upjohn in *Bali* 1969 RPC 496. Modified to the matter in hand, the test may be expressed as follows:-

Having regard to the user of the mark NIPPON is the tribunal satisfied that the mark applied for, NIPPONDENSO 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 person?

15. Mr Mellor drew my attention to the following passage from Romer J's decision in Hack's Application [1941] RPC 91 at 103, which was approved by Lord Upjohn in Bali:

“It is not necessary in order to find that a mark offends against section 11 to prove that there is an actual probability of deception leading to passing of 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 the two products come from the same source. It is enough if the ordinary person entertains a reasonable doubt, but the court must be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion....”

16. The evidence contains different opinions as to the likelihood of the applicant's mark being shortened to NIPPON in use. There is no evidence that the mark has, in fact, been shortened this way in use. Mr Mellor, rightly in my view, did not pursue this point. He based his submissions on the common "idea" of the respective marks. He reminded me that the marks would not always be seen side by side and that there could be a period of time between an encounter with one mark and a subsequent encounter with the other.

17. He also suggested that there was a possibility of indirect confusion, whereby even if the members of the public realised that the respective marks were different, the common element 'NIPPON' may falsely suggest a trade connection between the parties.

18. In support of these submissions, Mr Mellor referred me to the evidence of a survey conducted by Sally Ann Schupke, who is a Trade Mark Agent for Chancery Trade Marks, and four other supporting Declarations from persons in the "garden centre" business.

19. Ms Schupke's evidence is contained in two Statutory Declarations dated 5 October 1995 and 25 October 1997. Attached to these declarations are eight completed questionnaires by people engaged in garden centre businesses. Two of the questionnaires are from the same person. Ms Schupke's first declaration provides no information about how these persons were selected, but she makes it clear in her second declaration that she was instructed to write to the people concerned by her client. Ms Schupke points out, however, that her covering letter (which she exhibits) made no reference to her client.

20. The questionnaire itself poses two relevant questions about the respondent's business and experience and then asks the respondent whether they know the name NIPPON and, if so, for how long have they known it and with which company they associate it. Not surprisingly, all of the respondents answered in the affirmative and indicated that they associated the mark with the opponent.

21. The final question on the questionnaire is:-

"Please give your reaction if you were to hear or see the name NIPPONDENSO being used."

22. In response to this question, one respondent answered "someone was trying to cash in on the NIPPON name". Two respondents answered that the name implied a connection with NIPPON or suggested an improved or stronger version of NIPPON (the latter response was made twice by one respondent who was sent the same questionnaire in 1995 and 1997). Another said it "could" be confused with the NIPPON brand. One respondent said he would expect it to kill ants and another responded "spark plugs" (this is probably a reference to the applicant's main business). Mr Andrew S McIndoe, said it would depend upon the context; in gardening he would associate it with NIPPON; if another product entirely, he would assume Japanese connections.

23. Guidance on the conduct of surveys for use in legal proceedings was given by Whitford J in the Raffles case, 1984 RPC 293. Judged against the factors set out in that case, I find the

survey evidence deficient. Ms McFarland pointed out that the mark shown to the respondents did not include the device which forms part of the applicant's mark. This is a proper criticism. However, the main problems are:

- (i) the final question invites the respondent to guess at the connection with NIPPON, which is mentioned in the preceding question;
- (ii) by planting the NIPPON mark in the respondent's minds, they are being conditioned to react to NIPPONDENSO in relation to insecticides rather than the goods applied for;
- (iii) Ms Schupke's evidence does not make it clear why these particular customers were selected or even whether the questionnaires exhibited represent the total number of those issued and returned.

24. I cannot therefore regard this evidence as representative. Further, because the questions are leading and, to some extent, misleading, I do not accept that it is necessarily a true indication of the likely reactions of those who took part if they came upon the applicant's mark (on the actual goods applied for) in the ordinary course of their business.

25. The opponent filed three further Statutory Declarations from David McQueen, Mark Phillip White and Richard Eric Hall, and an unsworn declaration from Andrew McIndoe. These declarants are also engaged in garden centre businesses. The declarations are dated July and August of 1997. This is six years after the relevant date.

26. All four say they associate the name NIPPON with Vitax Ltd and regard NIPPONDENSO as confusingly similar. They all say that if NIPPONDENSO were abbreviated it would be to NIPPON, but this appears to be pure speculation.

27. I regard this evidence as unreliable (and insofar as it includes speculation, probably inadmissible). The declarants statements are obviously answers to questions which have not

been disclosed. There is no indication that their answers took into account the proposed use of NIPPONDENSO on different goods to NIPPON. On the contrary, the wording of these declarations make it clear that the declarants were contemplating use of NIPPONDENSO on insecticide or at least on goods sold in garden centres. My conclusion is confirmed by the unsworn declaration from Andrew McIndoe dated 14 August 1997. He is the same Andrew McIndoe who responded to the opponent's earlier survey in 1995. On that occasion he said that his response to NIPPONDENSO would depend upon the context and the products at issue. On this occasion he says the same as the other three declarants. I find this evidence wholly lacking in credibility and I intend to give it very little weight.

28. The applicant points out that NIPPON is the Japanese word for Japan. They say it is used by Japanese companies trading overseas to indicate their Japanese origin. In support of these points the applicant filed various extracts from dictionaries and print-outs showing registrations in various classes of trade marks containing the name NIPPON in the names of different proprietors, and an extract from the London Business telephone directory showing 29 businesses listed with the word NIPPON in their name.

29. Comparing the marks, I find that the word NIPPONDENSO which appears in the applicant's mark looks and sounds different to NIPPON. The suffix DENSO would probably be meaningless to most people in the UK. Contrary to Mr Mellor's submission, I consider that this assists the applicant because it makes it more likely that the word NIPPONDENSO will be viewed as a whole. Further, to the extent that the public are likely to engage in an analysis of the components of the word, I believe that most people would recognise NIPPON as a word which means JAPAN, except in relation to insecticide where it primarily denotes the opponent's goods.

30. Ms McFarland pointed out that the applicant's mark also includes a device and the opponent's mark has normally been used in a particular form of script. These factors further assist the applicant, although I think the particular form of script used by the opponent is of only marginal significance.

31. There may be some goods in the applicant's Class 1 specification that would be bought by ordinary members of the public, but most of the goods covered by the Class 1 application would be for use in industry. For example, "aerosol propellant" specifically objected to by the opponent would be sold to manufacturers of aerosols. Bearing in mind also the differences between the marks, there is not even the slightest possibility of confusion. Mr Mellor came up with a better example at the hearing. He mentioned 'solvents'. These are included in the specification of the Class 1 application and they may be purchased by the general public. But they are very different goods to 'ant killer'. There is no likelihood of confusion. The opposition under Section 11 to the Class 1 application fails.

32. The notice of opposition to the class 3 application identified "perfumed products for use in the passenger compartment of vehicles" as a specific item of concern to the opponent. Mr Mellor did not concentrate on this at the hearing, probably because such goods are clearly a long way removed from an ant killer.

33. Mr Mellor focused instead on other goods covered by the Class 3 application which he submitted were in the same category as the opponent's goods. The category he suggested was "household and garden chemicals". In support of this proposition he pointed out that household cleaning preparations and an insecticide like NIPPON could both end up under the same kitchen sink. Ms McFarland, rightly, said that this was of little relevance. The more relevant question was whether the goods would be sold through the same outlets or, in the case of large retail outlets, whether they would be stocked in the same section of the store on the same or adjacent shelves.

34. I have no evidence to guide me on this point. Based upon my own experience, I would not expect an insecticide to be stocked adjacent to a cleaning and polishing product. There is no direct connection between the respective goods other than that they share the very broad classification of "chemical substances". Given this and that the applicant's mark is not NIPPON but NIPPONDENSO and device, I see no "real tangible likelihood of confusion". The opposition under Section 11 to the Class 3 application also fails.

35. Mr Mellor submitted that the specifications of the applications were excessive and bore little resemblance to the applicant's trading activities in the UK, as it appeared from the evidence. He suggested that I should exercise the Registrar's discretionary powers under Section 17(2) of the Act so as to restrict the specifications - particularly the Class 3 specification - so as to effectively exclude goods for sale to the general public.

36. The applicant's business appears to be mainly as a supplier to the automobile industry. However, I note from one of the exhibits to Mr Kamiya's declaration that the applicant sells a window cleaning product in Japan. It is not clear whether this is for household use or for use on motor vehicles or both.

37. I do not regard the applicant's specifications as unreasonably wide. Nor does it appear to me from the evidence that the applicant's business is such that it could not have a bona fide intention to trade in the UK in goods which fall within all the terms listed within the specifications.

38. The opponent could have opposed the applications under Section 17(1) on the basis that the applicant had no bona fide intention to use the mark on all the goods listed. This was not pleaded. This may have had a bearing on the evidence that the applicant filed.

39. The absence of a specific pleading suggests that I should only restrict the specifications of the applications under the Registrar's general discretionary powers if the circumstances are clear and the need for such a restriction is obvious. I think it is obvious that the applicant has no intention of using the mark on gardening products, such as path cleaners. Accordingly, I will exercise the Registrar's discretion to require the applicant to limit its Class 3 specification to:

Cleaning and polishing preparations and substances: deodorizers: perfumes; but not including any such products adapted for use in the garden; windscreen washer liquid, perfumed products, all for use in the passenger compartments of motor vehicles; all included in Class 3.

40. The applicant should implement this by filing a Form TM21 within one month of the end of the period allowed for the appeal of this decision. If it fails to do so the Class 3 application will be refused.

41 There remains the question of costs. The opposition to the Class 1 application has failed and the opposition to the Class 3 application has also largely failed. The applicant is entitled to a contribution toward its costs. Applying the Registrar's scale of costs I would normally have awarded £1300. However, Mr Mellor asked me to take account of the applicant's resistance to consolidation of these proceedings which resulted in the opponent having to file and review two sets of almost identical evidence. The case for consolidation was clear and the applicant should not have resisted it as long as it did. I take this into account in ordering the opponent to pay the applicant the sum of £1000. The difference reflects the minimum that would normally be awarded in costs for filing and perusing one set of evidence.

Dated this 30 day of July 1999

Allan James

For the Registrar

The Comptroller General