

TRADE MARKS ACT 1938

IN THE MATTER OF TRADE MARK APPLICATION **m** 1582036  
BY  
ALCO FILTERS (UK) LIMITED  
TO REGISTER THE TRADE MARK

The logo for ALCO is rendered in a bold, black, sans-serif typeface. The letters are closely spaced and have a slightly irregular, blocky appearance. The 'A' is a simple triangle, the 'L' is a vertical bar with a short horizontal top bar, the 'C' is a simple curve, and the 'O' is a solid circle.

AND  
IN THE MATTER OF OPPOSITION BY  
BY  
EUROTEC AUTOMOTIVE LIMITED  
THERE TO UNDER OPPOSITION **m** 42997

## DECISION

Alco Filters (UK) Limited, 15a Carlisle Road, London, NW9 0HD applied on 17 August 1994 to register the above mark for goods in Class 7:


5 'Oil filters, air filters, fuel filters and hydraulic filters, all for vehicle engines; all included in Class 7, excluding fittings, parts and spares for the refrigeration systems of motor vehicles.'

Eurotec Automotive Limited, Ripley Drive, Normanton Industrial Estate WF6 1QT oppose the application. They cite grounds of opposition as:

- ! s 9 or s 10, because the Applicants' mark lacks the distinctiveness which is required for registration;
- 10 ! s 11, because the Applicants' mark is confusingly similar to the Opponents', and use of the Applicants' mark will lead to deception and confusion, and will be disentitled to protection;
- ! s 12, because the Applicants' mark is confusingly similar to registration No. 1123985; and
- 15 ! s 17, because the mark applied for is not the Applicants' mark.

The Opponents also ask for the application to be refused in the exercise of the Registrar's discretion as the trade mark would be likely to prejudice the legitimate conduct by their business, and because of the conduct of the Applicants, the nature of their trade mark and of the use which they have made of it.

20 The Opponents own the registrations:

Mark	Date	Number	Goods
	28.09.1981	1161961	Rotor arms (electrical) voltage regulators; insulated ignition leads; thermostats; electrical contact points; electrical distributor caps. (Class 9).
	14.11.1979	1123985	Steering base joints, hydraulic master and slave cylinders, cylinders, fan belts, clutch covers, clutch drive plates, caliper brakes, brake shoes and brake pads, all for land vehicles, release bearings being parts of clutches for land vehicles. (Class 12).

The Applicants deny these grounds and both parties ask for their costs. No Hearing was conducted, at the request of the parties. By the time this matter came to be heard, the Trade Marks Act 1938 had been repealed by 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 their later parts of this decision are references to the provision of the old law.

### The Evidence

10 The Opponents enclose two declarations, one from Mr Ronald Branton, the managing Director of EuroTec Automotive Limited, dated 15 July 1996, and the other from Mr Brian Edward Foster, the Company Secretary, dated 27 April 1998. The Applicants' one declaration is from Chris Pierides, the Company Secretary of Alco Filters (UK) Limited.

15 Both of the parties provide details on how the names at issue were chosen. Apparently BALCO is derived from the name of the Opponents' predecessor in title, Balmorn Components Limited, and ALCO from the name of the founder of the Applicants, Antonius Louca.

Both companies claim significant sales of their products under their marks. For the Opponents Mr Branton says the turnover of EuroTec (almost exclusively under the BALCO mark) is:

20	1989	£2,525,000
	1990	£3,700,000
	1991	£5,300,000
	1992	£6,600,000
	1993	£7,700,000
25	1994	£8,500,000

While Mr Pierides says that the ALCO mark has been in continuous use in the UK since 1985 for all the products covered by the application. He claims the following sales under the ALCO mark:

	1991	£ 840,000
30	1992	£ 880,000
	1993	£1,000,000
	1994	£1,220,000

1995	£1,380,000
1996	£1,440,000
1997	£1,600,000 (estimated) <sup>1</sup>

5 He estimates that his company spend approximately £15,000 per annum on advertising products sold under the mark.

In his Declaration, Mr Foster for the Opponents, question the reliability of these figures. He states:

10 ‘Mr Pierides sets outs turnover figures for products said to have been sold in the United Kingdom under the ALCO mark, presumably by Alco Filters (UK) Limited. Appearing at page 2 of exhibit “BEF1” is a copy of the Report and Financial Statements of Alco Filters (UK) Limited to 30 September 1996 which confirms that this company has not traded since incorporation. I am aware of the existence of a company called Alco Products (UK) Limited (Company No. 02025528). Appearing at page 3 of “BEF1” is a copy of the Annual Return of that company to 1 December 1996. It shows the same registered office  
15 as Alco Filters (UK) Limited and Mr Chris Pierides is shown as a director of Alco Products (UK) Limited. Appearing at page 4 of exhibit “BEF1” is a copy of the Report and Financial Statements of Alco Products (UK) Limited for the year ended 31 July 1996. This shows the principal activity of that company as distributors of car spares and do-it-yourself products. I have caused the solicitors for EuroTec Automotive Limited to carry out an  
20 analysis of the filed accounts of Alco (Products) Limited for the period from 31 July 1991 to 31 July 1996 - the period referred to in paragraph 5 of Mr Pierides’ statutory declaration. Appearing at page 4 of exhibit “BEF1” is a schedule of the annual gross turnover figures of Alco (Products) Limited and disclosed by those filed accounts.’

The schedule actually appears at page 5 in BEF1, and gives the turnover as:

25	1991	£563,000
	1992	£689,000
	1993	£784,000
	1994	£1,013,000
	1995	£1,276,000
30	1996	£1,693,000

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<sup>1</sup>This is given in evidence as 1,6000,000, which I have taken as an error.

It is, of course, possible that the trade referred to by Mr Pierides could have been conducted by a subsidiary of the Applicants, for example, Alco Filters (UK) Limited. However, no explanation for the discrepancy has been provided by the Applicants, and this must cast grave doubts on the reliability of this evidence. Mr Foster also raises doubts about other aspects of the Applicants' claims. These are:

! Mr Pierides says that his Company has been trading under the ALCO mark since 1985. The clear implication from his Declaration is that this is the Applicants in this matter, Alco Filters (UK) Limited. Yet BEF1 shows that this firm was incorporated on 13 May 1994.

! Mr Pierides states that his company is a subsidiary of Alco Products Limited of Nicosia, Cyprus. Note 2 to the Financial Statements of Alco Filters (UK) Limited to 30 September 1996 (page 2.4 (not 1 as stated) of Exhibit BEF1) confirms that the issued share capital of that company is £1. The Report of the Directors for that period shows that A Louca held the single share in issue. Thus, says Mr Foster, the statement made by Mr Pierides regarding ownership of Alco (Filters) Limited is unsupported by documentary evidence.

! In the Annual Return of Alco Products (UK) Limited to 1 December 1996 (page 4 (not 3 as stated) in Exhibit BEF1) the issued share capital of that company is confirmed as being 10,000 ordinary shares of £1 each. Mr Pierides owns 5,100 ordinary shares (see page 4.3). Again, says Mr Foster, the statement made by Mr Pierides to the effect that Alco Filters (UK) Limited is a subsidiary of Alco Products Limited is unsupported by documentary evidence.

None of these claims are disputed by the Applicants. Mr Foster says:

'I do not believe that the evidence submitted in Exhibit "CP1" of the statutory declaration of Chris Pierides establishes that there has been any use of the ALCO mark by Alco Filters (UK) Limited. Page 3 of the exhibit shows the mark in an advertisement in conjunction with Alco Products (UK) Limited but no evidence in any of the pages of exhibit "CP1" shows any use by Alco Filters (UK) Limited. There is no evidence that there has been any consent from Alco Filters (UK) Limited to the use of the ALCO mark by the Alco Group of Companies and so there is no evidence of any genuine use by Alco Filters (UK) Limited.'

Mr Pierides says that his company has built up considerable rights to the ALCO mark, under common law, as a result of his Company's use of the mark and '...these rights are concurrent with any rights established by the opponents.' On the basis of the above review of the evidence, these statements must be doubted. There is no material before me that clearly demonstrates trade of products by the Applicants resulting in the emergence of '...considerable rights...' in the ALCO mark in the UK. The mark is used on the packaging, promotional material and in the photograph enclosed in Exhibit CP1, but there is nothing to indicate when they were made available for sale in the UK, or that they were sold by the Applicants. For example, the packaging for an oil filter is clearly marked 'ALCO Filters (Cyprus) Ltd' (though this has been partially obscured). The page in this Exhibit referred too by Mr Foster is clearly intended for the UK market, but as Mr Foster pointed out, is sold by ALCO PRODUCTS (UK) LIMITED, not the Applicants.

It should be noted that, in turn, Mr Pierides makes the following criticism of the Opponents' evidence, saying of Mr Branton's Declaration, that:

5           '..he believes that the mark was first used in 1979 by a Predecessor in title Balmorn Components Limited. Mr. Branton has not produced to me or to my trade mark agents any evidence to support his statements and I submit that, in the absence of any such evidence, no reliance can be placed on this alleged first use of the BALCO mark since 1979.'

10           In response, in this, Mr Foster refers to two letters, copies of which are presented in Exhibit BEF1. One is hand dated 11 January 1979, the other refers to a Directors' meeting, and is dated 27 February 1980. Both letters mention the Opponents' predecessor in title, Balmorn Components Limited, and the second letter carries the Opponents' mark. No invoice evidence is submitted by the Opponents; they do provide, however, three large 'parts' catalogues, clearly displaying their trade mark. These consist of:

15           !       Volume 1 'BRAKING', which contains a February 1996 price list for various motor vehicle components, particularly brakes.

          !       Volume 2 'ELECTRICS, ENGINE', which contains a price list for BALCO alternators and starter motors, divers filters and water pumps. I can find no date on these documents, though they must be produced after the relevant date as they refer to 95 and 96 vehicle registrations.

20           !       Volume 3 'STEERING, SUSPENSION, TRANSMISSION'. Again, I can find no date on these documents, and again, they refer to 95 and 96 registrations.

There is a statement of Conditions of Sale in these volumes which is dated before the relevant date. It does not, however, tell me what the products subject to these conditions were.

25           Finally, the parties comment on the issue of whether the marks at issue are confusingly similar. Mr Pierides says that this is the issue which '..must not be lost sight of..' and Mr Branton states:

          'I believe that the mark applied for is phonetically and visually similar to the Prior Mark. The visual and phonetic impression of the Prior Mark and the mark applied for are in my opinion so close to one another that I believe confusion is likely. The similarity is such that BALCO and ALCO would be presented to others as related. This is deceptive.'

### 30           The Decision

The first ground pleaded by the Opponents are s 9 and s 10 of the Act, which state:

'9.-(1) In order for a trade mark (other than a certification trade mark) to be registrable in Part A of the register, it must contain or consist of at least one of the following essential particulars:-

          (a) the name of a company, individual, or firm, represented in a special or particular manner;

35           (b) the signature of the applicant for registration or some predecessor in his business;

(c) an invented word or invented words;

(d) a word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or a surname;

5 (e) any other distinctive mark, but a name, signature, or word or words, other than such as fall within the descriptions in the foregoing, paragraphs (a), (b), (c) and (d), shall not be registrable under the provisions of this paragraph except upon evidence of its distinctiveness.

10 (2) For the purposes of this section “distinctive” means adapted, in relation to the goods in respect of which a trade mark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trademark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(3) In determining whether a trade mark is adapted to distinguish as aforesaid the tribunal may have regard to the extent to which-

15 (a) the trademark is inherently adapted to distinguish as aforesaid;  
and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish as aforesaid.

20 10.-(1) In order for a trade mark to be registrable in Part B of the register it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

25 (2) In determining whether a trade mark is capable of distinguishing as aforesaid the tribunal may have regard to the extent to which-

(a) the trademark is inherently capable of distinguishing as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

30 (3) A trade mark may be registered in Part B notwithstanding any registration in Part A in the name of the same proprietor of the same trade mark or any part or parts thereof.’

35 The Opponents plead this ground, in particular they say, because the Applicants’ mark lacks the distinctiveness which is required for registration. This is not expanded on in evidence and I see no reason why it should apply to the Applicants’ mark. The latter have explained how the mark was chosen (see page 3, line 16) and it seems, in my view, inherently distinctive and fully adapted to distinguish the Applicants’ good - oil filters, air filters, fuel filters and hydraulic filters for vehicle engines. The mark also conforms with, at least, ss 9(1)(c) and (d). This ground fails.

The Opponents also claim that registration of the Applicants' mark is not lawful under s 11, and, further, that the Applicants' mark is confusingly similar to their registration No. 1123985, citing s 12. This, I take, as a reference to s 12(1). Section 11 and 12(1) of the Act read as follows:

- 5            '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.'
- 10            '12.-(1) Subject to the provisions of subsection (2) of this section no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of-
- (a) the same goods,
- (b) the same description of goods, or
- 15            (c) services or a description of services which are associated with those goods or goods of that description.'

The reference in this latter section to a near resemblance is clarified by Section 68(2B) of the Act which says that: '[r]eferences in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion', and that would be as regards origin of the goods or services.

20            In opposition proceedings it is normal to apply the following tests, from the Smith Hayden case<sup>2</sup>. In this instance, these tests read as:

                 (Under s 11) 'Having regard to the user of the mark BALCO and device is the tribunal satisfied that the mark applied for, ALCO, 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

25            deception and confusion amongst a substantial number of persons?'

                 (Under s 12(1)) 'Assuming user by the opponents of their BALCO and device mark in a normal and fair manner for any of the goods covered by the registration of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception among a number of

30            persons if the applicants use their mark ALCO normally and fairly in respect of any goods covered by their proposed registration?'

I wish to deal first with the s 12(1) ground. The marks are similar and I need to consider whether the goods are 'goods of the same description'. The respective specifications are:

**Applicants:** 'Oil filters, air filters, fuel filters and hydraulic filters, all for vehicle engines; all included in Class 7, excluding fittings, parts and spares for the refrigeration systems of

35            motor vehicles.'

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<sup>2</sup> SMITH HAYDEN & CO LTD'S APPLICATION [1946] 63 101.



**Opponents:** ‘Rotor arms (electrical) voltage regulators; insulated ignition leads; thermostats; electrical contact points; electrical distributor caps. (Class 9).’, and

5 ‘Steering base joints, hydraulic master and slave cylinders, cylinders, fan belts, clutch covers, clutch drive plates, caliper brakes, brake shoes and brake pads, all for land vehicles, release bearings being parts of clutches for land vehicles. (Class 12).’

10 The standard test for deciding if goods are of the same description is that laid down in the JELLINEK<sup>3</sup> application. The Court’s guidance is that consideration should be given under three headings - the nature of the goods, the purpose of the goods and their respective channels of trade. As noted in the Registry’s Work Manual (Chapter 10): ‘In practice, if it is considered that the respective goods coincide in respect of two headings then this is sufficient to justify a finding that the goods are of the same description. (See the FLORADIX CASE 1974 RPC 583)’.

15 It seems to me that the products listed are typically supplied to the trade and the public via the same outlets (for example MOTOR FACTORS retailers) and they are for the repair or replacement of motor vehicle components. Many are of a similar physical nature. In my view they are ‘goods of the same description’.

Similar marks are compared by reference to the guidance set down in the PIANOTIST<sup>4</sup> case:

20 ‘You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say - not necessarily that one will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public, which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case.’

The House of Lords approved the following in the ARISTOC<sup>5</sup> case:

30 ‘The answer to the question whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of Section 12 of the Trade Marks Act 1938 must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word and has perhaps an imperfect recollection of it who is likely to be deceived or confused. Little assistance therefore is to be obtained from meticulous comparison of the

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<sup>3</sup>APPLICATION BY LADISLAS JELLINEK (1946) RPC LXII, page 59.

<sup>4</sup>APPLICATION BY PIANOTIST & COMPANY (1906) 23 RPC 774.

<sup>5</sup>ARISTOC LTD V RYSTA LTD [1945] 62 RPC, page 72.

two words, letter by letter and syllable by syllable pronounced with the clarity to be expected from a teacher of elocution. The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that person's wants.'

Bearing this in mind, and setting the marks, side by side, I have come to the conclusion that they are not confusingly similar. My reasons are as follows.

The logo for ALCO consists of the letters 'ALCO' in a bold, sans-serif font. The letter 'A' is stylized with a triangular shape on its left side.

Obviously the whole of the Applicants' marks is present in the Opponents' mark. But that is not in itself fatal to this Applicants' case and in my view this factor does not stand out on a comparison of the marks. It is well established that the beginnings of words are of particular importance. In the TRIPCASTROID<sup>6</sup> case it was stated:

'But the tendency of persons using the English language to slur the termination of words also has the effect necessarily that the beginning of words is accentuated in comparison, and, in my judgment, the first syllable of a word is, as a rule, far the most important for the purpose of distinction.'

The first syllable of the Opponents' mark is unlikely to be ignored when the marks are spoken and in my view is a strong visual element in the mark-up of the mark. The excess matter in the Opponents' mark - the shapes below the name BALCO and the different font, as well as the latter being predominantly in lower case - is far from overwhelming, but adds to my conviction, when the marks are considered as a whole, that confusion between them is unlikely. The opposition under this ground therefore fails.

In coming to this view, I consider that the respective goods at issue are the sort that would be purchased with some care and not casually, further reducing the risk of confusion.

Under s 11 I must consider the actual user of the Opponents' mark. At the application date of August 1994, I have seen little evidence of actual use, though it is clear that the mark, as a company name, was first employed, at least by 1989 (Exhibit BE1). Though Exhibit RB1 contains information on the products sold under the mark that post-dates the application, it also contains a 'Conditions of Sale' page, carrying the mark, that is dated 'March 1993'. The mark appears to have remained unchanged in all essentials, from that the Opponents

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<sup>6</sup>LONDON LUBRICANTS (1920) LIMITED'S APPLICATION (1925) 42 RPC 264 at page 279 lines 36-40.

registered. As I have already considered the ALCO and BALCO marks, and found that they are not confusable, this determines the issue under this section. The opposition on this ground also fails.

5 The Opponents also plead s 17, because the mark applied for is not the Applicants' mark, and ask that the mark be refused as an exercise of the Registrars discretion. I have seen no evidence that shows the former and see no reason to exercise the latter. The Applicants are successful. They are entitled to an award of costs, and I order the Opponents to pay to them £335.00

**Dated this 17th day of December 1999**

10 **Dr W J Trott**  
**Principal Hearing Officer**  
**For the Registrar**  
**the Comptroller-General**