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THE PATENT OFFICE

Harmsworth House,
13-15 Bouverie Street,
London EC4.

Friday, 3rd March 2000

Before:

MR. S. THORLEY QC
(The Appointed Person)

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In the matter of THE TRADE MARKS ACT, 1994.

and

In the matter of Application No. 2028983 by Classic Mineral
Water Company Limited to register the mark
SILVERWOOD SPRING WATER & DEVICE in Class 32

and

In the matter of Opposition No. 44937 thereto by the Silver
Spring Mineral Water Company Limited

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Appeal of the Applicants from the
Decision of Mr. G.W. Salthouse

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(Transcript of the Stenograph Notes of Marten Walsh Cherer
Ltd., Midway House, 27/29 Cursitor Street, London EC4A 1LT.
Telephone No: 020 - 7405 5010 Fax No: 020 - 7405 5026)

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MR. GEORGE HAMER (instructed by Messrs. Maguire Boss) appeared for
the Applicants/Respondents.

MISS DENISE McFARLAND (instructed by Messrs. J.Y. & G.W. Johnson)
appeared for the Opponents/Appellants.

MR. M. KNIGHT appeared for the Registrar.

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P R O C E E D I N G S
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1 MR. THORLEY: Let me tell you, I have read both of your skeletons,
2 for which I am grateful; I have read the decision; I have
3 flicked through the evidence.

4 MISS McFARLAND: Sir, I have just been asked to bring to your
5 attention that your exhibit JML1 to Mr. Ludlow's February
6 declaration may be a very poor photocopy. If it is, and in so
7 far as you wish to see the originals

8 MR. THORLEY: JML1?

9 MISS McFARLAND: There are a lot of labels from bottles of ginger
10 beer, etc.

11 MR. THORLEY: I only have one page attached to my JML.

12 MISS McFARLAND: JML1 to the 10th February 1999 declaration.

13 MR. THORLEY: Sorry, I am looking at the 21st April 1997. Let me
14 find the other one. 2nd April 1997?

15 MISS McFARLAND: No, this is a 1999.

16 MR. THORLEY: I do not have that one. Tell us where that comes
17 from.

18 MISS McFARLAND: I am sorry. We are not sure why it is not in
19 your bundle, sir.

20 MR. THORLEY: It is not. Do have you have it, Mr. Hamer?

21 MR. HAMER: I have **this**.

22 MR. THORLEY: No, that is JML1 from the earlier declaration of
23 1997.

24 MR. HAMER: I do not think I have any others.

25 MR. THORLEY: I have one that is 21st April 1997 and the other one
26 I have is 2nd April 1997, dealing with sales figures. I do

1 not have anything in 1999.

2 MR. HAMER: Nor have I.

3 MR. THORLEY: We had better sort this out first of all.

4 MR. KNIGHT: Certainly the only JML1 that the hearing officer had
5 was the attachment to the statutory declaration of 2nd April
6 1997. That is the only JML1 we have. As far as I can see,
7 there were no statutory declarations filed in 1999.

8 MISS McFARLAND: Sir, we have identified a potential problem.

9 I have just taken instructions and it seems to us that we
10 cannot shed any light on why it has not appeared in anybody's
11 file but, in so far as my learned friend does not have it, the
12 registry do not have it and you do not have it, and it was an
13 additional declaration that was really just sweeping up some
14 earlier ambiguities and exhibiting more material relating to
15 Silver Spring's publicity, it is probably easiest if it is
16 deemed not to be part of this appeal.

17 MR. THORLEY: That is a matter for you, Miss McFarland. If you do
18 not want to refer me to a document which I do not have, I am
19 only too happy.

20 MISS McFARLAND: I am saying that, sir, so that there is no
21 difficulty or ambiguity and I am saying it on instructions, so
22 it will not be referred to.

23 MR. THORLEY: Fine. That gets rid of that one, then.

24 MISS McFARLAND: Sir, you have read our skeleton and that of my
25 learned friend. I am grateful for that.

26 As you will have appreciated, sir, this really is a very

1 short point on the appeal. There is no dispute but that the
2 hearing officer approached matters correctly on the law. He
3 also did not materially err in setting out the facts as he
4 discerned them from the evidence and there does not appear to
5 be any dispute between my learned friend and I on the basic
6 facts. This appeal essentially turns on one issue, and that
7 is whether, in assessing the facts, the learned hearing
8 officer addressed himself correctly to the fundamental
9 question of likelihood of confusion.

10 We have suggested and we again submit, sir, that,
11 effectively, this is a matter of first impression for you.
12 You have seen the two marks and you have considered them
13 visually, side by side. We urge you to consider, however, as
14 a more powerful point, the fact that, when orally used, the
15 two marks are inevitably confusingly similar; in particular,
16 in that SILVER is the dominant and distinctive part of the
17 registered and common law mark enjoyed by my clients and there
18 is an inevitable likelihood of truncation, which is common in
19 many trades; in particular in trades wherein the product in
20 question, as Jacob J would call it, is a bag of sweets -- the
21 rushed or simple purchase without very much forethought.

22 We believe, sir, that Silver Spring and Silverwood
23 Spring (particularly if there is an allusion to some sort of
24 product on a shelf or on pallets in a warehouse, or whatever)
25 that the SILVER element is undoubtedly that which will
26 dominate the recollection of the party speaking and the fact

1 that there has apparently been little or no confusion that has
2 manifested itself is neither a bar to you concluding, as we
3 urge you to do, nor is it a persuasive point in the context of
4 this case, for the reasons that we have outlined in our
5 skeleton; namely, that there appears to have been no actual
6 overlap (or no overlap of more than a de minimis level) of
7 products in the UK market. In any event, even if my learned
8 friend persuades you that the evidence suggests otherwise,
9 that there has been something more than de minimis overlap, we
10 urge you, sir, the common sense approach is that the
11 likelihood of confusion actually coming to the attention of
12 the manufacturers in cases of this sort is effectively very
13 slight.

14 I recognize that the learned hearing officer challenged
15 quite considerably the reliability of the survey
16 questionnaires. We do not urge a difference of opinion for
17 the purposes of this appeal, sir. You have seen that
18 evidence. We say it is persuasive but that, at the end of the
19 day, it does not really go much further than what we commend,
20 which is the first impression and the common sense approach.

21 Sir, I do not wish to repeat anything that I have put in
22 my skeleton, and you will doubtless wish me to reply, so,
23 unless I can assist you particularly on any aspect of that
24 skeleton, or any aspect of the judgment which is troubling
25 you, then I will probably shut up at this stage and reserve my
26 position on reply.

1 MR. THORLEY: You are appealing both under section 5(2) and
2 section 4.

3 MISS McFARLAND: Yes.

4 MR. THORLEY: As I gather it, the burden of your address and your
5 skeleton is on section 5(2).

6 MISS McFARLAND: Yes.

7 MR. THORLEY: Are you suggesting that you can succeed on section
8 5(4) if you do not succeed under section 5(2)?

9 MISS McFARLAND: No, sir, we are not.

10 MR. THORLEY: Thank you very much. I follow exactly what you are
11 saying to me, which is, "Look at this afresh and take a first
12 impression", and so on, but I am not entirely sure where you
13 suggest it is that the hearing officer got it wrong. Where
14 did he give overemphasis to one aspect and not enough emphasis
15 to another aspect? I am really looking at pages 7 and 8 of
16 his decision, because he deals with both the arguments of
17 comparing what he sees as being the two nearest marks and then
18 as dealing with the family of trade marks.

19 I would be grateful if you could help me a little bit
20 as to where it is you think he went wrong, because plainly you
21 are saying he is wrong. Which aspects of his reasoning are
22 open to question?

23 MISS McFARLAND: Can I start by saying that the beauty of an
24 appeal of this nature is that you are entitled, sir, to come
25 to your own views irrespective of a challenge or criticism of
26 the learned hearing officer. I appreciate that, for the sake

1 of completeness, it is always helpful to look at what the
2 learned hearing officer did, but I do, if you like, make that
3 cautionary caveat before responding to your specific
4 invitation.

5 Sir, I think really the nub of where we believe the
6 learned hearing officer went wrong is in his conclusion at the
7 end of the paragraph spanning lines 35-40 on page 7, where he
8 says: "Even allowing for imperfect recollection and the
9 slurring of word endings, it is my view that the marks are
10 unlikely to be confused through oral use." In concluding
11 there, in his imperfect recollection, he does not seem to have
12 accepted what we say is the very strong evidence of "house
13 mark" or "root mark" (i.e. Silver), such that a reasonable
14 approach to imperfect recollection in a case of this sort
15 would be that the members of the public imperfectly recalling
16 would be likely to focus on that root or house mark in respect
17 of which my clients enjoy a broad ranging scope of goodwill,
18 repute, etc. That, of course, is accepted on the evidence and
19 is exemplified by the fact that my clients have a range of
20 registered marks all enjoying the same root.

21 I appreciate that the learned hearing officer appears to
22 have given some credence to the argument, but he seems to have
23 put that argument in a pigeonhole of the **W&G** consideration
24 (this is on the next page, towards the top of page 8), rather
25 than giving it sufficient weight, or perhaps any weight at
26 all, in considering imperfect recollection. He also seems to

1 have given an overemphasis to his conclusion at line 22 on
2 page 8 that there was no evidence of actual confusion, despite
3 the Budgens sales.

4 Sir, we feel that, in the context of his overall
5 decision, it is clear that he had given great emphasis to that
6 to allow himself a springboard, thereafter, to conclude that
7 likelihood of confusion was either low or non-existent. This
8 theme of his negative conclusions continues right to the top
9 of page 9, when he suggests that it is unlikely that the
10 applicant's mark would be taken as a member of the SILVER
11 SPRING family of trade marks and we say that he was not in a
12 position to safely reach that conclusion having given no
13 consideration to the fact that, in an imperfect recollection
14 situation where the goods are the same, that is exactly the
15 conclusion that he ought to have reached; that that likelihood
16 of association is one which is both strong and clear.

17 MR. THORLEY: Thank you. Is there anything else you wish to say?

18 MISS McFARLAND: Not at this juncture, unless there is anything
19 else troubling you, sir.

20 MR. THORLEY: I do not think I need trouble you, Mr. Hamer.

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D E C I S I O N

This is an appeal to the Appointed Person from a decision of Mr. Salthouse, dated 5th May 1999. It arose in an opposition to registration of a trade mark applied for in class 32 in respect of still and sparkling spring waters. It is a device mark containing the word SILVERWOOD in block letters over a picture which contains, in smaller letters, the words "Spring Water", all contained in an oval.

Registration was opposed by the Silver Spring Mineral Water Company on 17th July 1996, both under section 5(2) and section 5(4) of the Act.

In respect of the objection under section 5(2), the opponents relied upon a number of registered trade marks, all owned by them, the nearest of which was number 1466447, a registration of the words SILVER SPRING with a device like a cascade of water coming out of the top of the "V". Both marks are clearly shown in Mr. Salthouse's decision.

Mr. Salthouse concluded that there was not the requisite likelihood of confusion between the mark applied for and any of the opponents' marks. Nor was there, in his view, relevant confusion on the basis that all of the opponents' marks were to be treated as a family of trade marks and, following the BECK KOLLER case, that he could take that into account.

He went on to consider the objection under section 5(4) and concluded that that failed too.

Miss McFarland, who appeared on behalf of the appellants

1 (the opponents) accepted that, if the appeal could not succeed
2 under section 5(2), it could not succeed under section 5(4).
3 She also accepted, both in her skeleton argument and before
4 me, that there was no suggestion that Mr. Salthouse had
5 wrongly instructed himself on the law; nor that he had made
6 any material error on the basic facts.

7 As Miss McFarland put it before me, the matter that I
8 should approach was the question of first impression; first
9 impression comparing, as I understand it, the SILVERWOOD mark
10 with the SILVER SPRING mark and the other marks, and to ask
11 myself whether, visually or orally, there was the necessary
12 likelihood of confusion. She suggested that it was my
13 function to consider the matter de novo and that, therefore,
14 the task to her of seeking to show that the hearing officer
15 was wrong could be approached on the basis of saying, in
16 effect, he was wrong right from the start by having the wrong
17 first impression. She did, however, specifically challenge
18 the finding of Mr. Salthouse that, even allowing for imperfect
19 recollection and the slurring of word endings, it was his view
20 that the marks were unlikely to be confused through oral use.
21 She suggested that I should be more willing to find confusion
22 because, in oral use, the likelihood was that the imperfect
23 recollection would be of the word "silver", or the initial
24 syllable of "silver" in the word SILVERWOOD which would then
25 lead to an association with her client's products. She also
26 criticized Mr. Salthouse for placing weight on the fact that

1 there was no evidence of actual confusion.

2 I have had my own first impression and I have to
3 say that my first impression coincided with the concluded view
4 of Mr. Salthouse. The trade mark opposed consists very
5 prominently of the word SILVERWOOD. The trade marks owned by
6 the opponents consist of two words or more, the word SILVER
7 being separate from the word SPRING. I think that this is a
8 significant difference.

9 I do not propose, in this decision, to go into detail as
10 to why I believe that Mr. Salthouse was right. On pages 7, 8
11 and 9 of his decision, he sets out fully the criteria that he
12 has addressed in considering similarity and dissimilarity. I
13 am wholly unable to discern any error in his approach and I do
14 not think that Miss McFarland suggested there was an error in
15 approach. What she suggested was that he had come to the
16 wrong conclusion. I do not think he did and I am content to
17 adopt his reasoning as my own. This appeal will be
18 dismissed.

19 Mr. Hamer?

20 MR. HAMER: I would seek the costs of the hearing.

21 MR. THORLEY: I thought perhaps you would. Miss McFarland, you
22 cannot really oppose that can, you?

23 MISS MCFARLAND: I do not oppose them on the normal standard scale
24 basis.

25 MR. THORLEY: It has always been my practice, unless somebody
26 argues to the contrary, to do the same as what has happened

1 down below? Do you have any submission contrary to that?

2 MISS McFARLAND: No.

3 MR. THORLEY: £1,135, Mr. Hamer. Thank you all very much

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