

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2167138 TO REGISTER A TRADE MARK IN THE NAME OF PAULA GRACE CONSULTING & TRAINING, INC IN CLASS 41

AND IN THE MATTER OF OPPOSITION THERETO UNDER No 50233 BY W R GRACE & Co-.CONN

BACKGROUND

On 20 May 1998 Paula Grace Consulting & Training, Inc. of 576 Wisconsin street, San Francisco, California 94107, USA applied under the Trade Marks Act 1994 to register the trade mark **GRACE TRAINING**.

The application was published in respect of the following goods:

Class 41: “Educational, instructional and training services, all relating to business, personnel, vocational testing and guidance, personality testing, psychological examination and career development; arranging and conducting educational and training conferences, workshops and seminars in the fields of employee management, development and training; production of sound and video recordings; lease, hire and rental of instructional and teaching materials; information and advisory services, and preparation of reports, all relating to the foregoing; provision of information relating to the above on-line from a computer network or via the Internet.”

Following publication of the application opposition to the registration was filed by W R Grace & Co-.Conn on 29 September 1999. The grounds of opposition in summary are:

- 1 Registration of the applicants’ trade mark would be contrary to the provisions of Sections 1(1) and 3(1)(a).
- 2 Registration of the applicants’ trade mark would be contrary to the provisions of Section 3(3)(b).
- 3 Registration of the applicants’ trade mark would be contrary to the provisions of Section 3(6).
- 4 The trade mark applied for is identical, or similar, to the opponents’ earlier trade marks and is for services which are similar to the goods and services for which the earlier trade marks are registered. The application therefore offends against Section 5(2).
- 5 The applicants’ trade mark is identical or similar to the opponents’ earlier trade marks and is for services which are which are not similar to those for which the

opponents' trade marks are registered. Use of the applicants' trade mark would take unfair advantage of, or be detrimental to, the distinctive character of the opponents' trade marks and so offends against Section 5(3).

- 6 The opponents' trade mark is entitled to protection under the Paris Convention as a well known trade mark in accordance with the provisions of Section 6(1)(c).

The applicants filed a counterstatement denying all the grounds. Both side ask for an award of costs. Only the opponents filed evidence. Neither party wished to be heard in this matter. My decision will therefore be based on the pleadings and the evidence filed.

OPPONENTS' EVIDENCE

The opponents' evidence is in the form of a Statutory Declaration dated 28 August 2000 by Mr Robert A Maggio. Mr Maggio states that he is the Assistant Secretary of W R Grace & Co.-Conn, the opponents in this matter. He further states that he is authorised to make this declaration on their behalf and that the information contained within this declaration has been obtained from company records or from his personal knowledge.

Mr Maggio states that the opponents are an international company which was founded in 1854. Since the 1950's the opponents have been leaders in the personal care and healthcare fields and that the house mark GRACE has been used in the United Kingdom and throughout the rest of the world. Mr Maggio goes on to provide details of the opponents' business activities since the 1950's. The main points are as follows:

- 1 In the 1960's businesses owned by the opponents offered medical disposals, hospital supplies and automated laboratory facilities.
- 2 In the 1970's businesses owned by the opponents offered disposable medical supplies and provided inhalation therapy and equipment to hospitals and other healthcare institutions in the USA.
- 3 In 1979 the opponents conducted research and produced products that fight Legionnaires Disease.
- 4 In 1983 the opponents became involved in the development of the artificial pancreas, artificial liver-assist devices and immobilised enzyme bioreactors. The opponents also produced liquid chromatography equipment and technology for the pharmaceutical and biotechnology industries. The opponents became the leading provider of kidney dialysis service together with activities in the medical products field, manufacturing and distribution, dialysis laboratory services and home care services.
- 5 Since the 1950's the opponents have produced a wide range of chemical products in the medical and personal care fields.

Mr Maggio states that the trade mark GRACE is well known by the leading manufacturers of toothpaste because the trade marks GRACE and GRACE DAVISON are prominently

displayed on dentifrice abrasives and thickeners. The trade mark GRACE also features prominently on the packaging of the product SODASORB which, he claims, is the leading sodalime product for the removal of carbon dioxide from gas streams.

Mr Maggio considers that the opponents possess a significant reputation in the fields of training and education and have used their trade mark GRACE in respect of these services within the United Kingdom and worldwide. They have been involved in the provision of training and education to it's own staff and been involved in sponsoring scientific and non-scientific educational fairs, conferences and other events. He further states that the opponents are also involved in the provision of internships and funding to students and gives lectures at universities worldwide. In support of these claims he exhibits:

Exhibit RAM/1 which relates to the use of the trade mark GRACE in relation to training and educational services.

Exhibit RAM/2 which is a collection of documents which bear the trade mark GRACE TRAINING and show the extent and nature of the opponents' training programmes within the United Kingdom.

Exhibit RAM/3 which is a translation of a decision of the Brazilian authorities which held that the trade mark GRACE a well-known mark in Brazil under the terms of the Paris Convention.

Exhibit RAM/4 which comprises copies of the registration or renewal certificates for all of the registrations held by the opponents as set out in Annex A.

As the applicants did not file any evidence that concludes my review of the evidence. I now turn to the decision.

DECISION

I consider first the grounds of opposition under Sections 1(1) and 3(1)(a) of the Act. Section 1(1) of the act is in the following terms:

“1.(1) In this Act a “trade mark” means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings”.

“A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

Section 3(1)(a) of the Act is in the following terms:

3 (1) The following shall not be registered _

(a) signs which do not satisfy the requirements of Section 1(1),

In Phillips Electronics NV v Remington Consumer Products [1998 RPC page 283], Jacob J said (at page 301) that the appropriate test is:

“Whether no matter how much the sign may be used and recognised, it can only serve to convey in substance only the message: “here are a particular traders goods”.”

The opponents have offered no evidence as to why the applicants’ trade mark cannot function as a trade mark but I speculate that their objection may be based upon the fact that the word GRACE may be a surname. However, the Act specifically lists in Section 1(1) “personal names” as examples of the signs that may constitute a trade mark under Section 1(1). The grounds of opposition under Sections 1(1) and 3(1)(a) of the Act fail.

I next turn to the ground of opposition under Section 3(3)(b) of the Act which states:

- (1) *A trade mark shall not be registered if it is_*
- b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).*

The opponents’ evidence does not contain any submissions that the public would be deceived as to the nature, quality or geographical origin of the products if the applicants’ trade mark was applied to any of the applicants’ goods. Any deception arising from the applicants’ use of their mark must fall to be considered under Section 5. The ground of opposition under Section 3(3)(b) of the Act therefore fails.

I next turn to the ground of opposition under Section 3(6) of the Act which is as follows:

- “3(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”*

Again the opponents have offered no evidence in support of this pleading, therefore I dismiss the opposition on this ground.

I next turn to the grounds of opposition under Section 5(2) of the Act which states:

- 5.- (2) A trade mark shall not be registered if because -*
- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or*
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier mark is protected,*
- there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”*

An earlier right is defined in Section 6, the relevant parts of which state:

- 6.- (1) In this Act an “earlier trade mark” means-*
- (A)...a registered trade mark, international trade mark(UK) or Community*

trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

I have to determine whether the marks and goods are so similar that there exists a likelihood of confusion on the part of the relevant public. In deciding this issue I rely on the guidance of the European Court of Justice in *Sabel Bv v Puma AG* [1998 RPC 199 at 224], *Canon v MGM* [1999 ETMR 1] and *Lloyd Schfabrik Meyer & Co. GmbH v Klijsen Handel BV* [1999 ETMR 690 at 698]. It is clear from these cases that:-

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer, of the goods/services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2);
- (h) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section.

I also take into account the recent case of *Marca Mode CV v Adidas AG and Adidas benelux BV* [2000 ETMR 723]. The European Court of Justice said of Article 4(1)(b) (transposed into UK law in Section 5(2)(b):

“The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character.....Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in

the strict sense.”

The court felt that the concept of association of marks in the global assessment of the likelihood of confusion was over emphasised. It is not sufficient for the average consumer to merely associate marks in the sense that, if prompted, a consumer will call to mind another mark. Thus a mere possibility of confusion, even in situations where a mark clearly has a strong reputation, is not a valid ground for opposition to a trade mark under Section 5(2) of the Act.

It is clear from Annex A that the opponents are relying on a number of registrations consisting of the word GRACE, either alone, or with additional words and or devices, in a number of classes.

Before making a global assessment on the similarity of the marks it is necessary to consider individual aspects of the question. I propose to firstly consider the similarity of the goods and services of the two parties.

The opponents do not have a registration for services in Class 41. I must consider whether the opponents’ goods or services in Classes 1, 2, 7, 11, 16, 17, 19, 29, 31 and 37 are similar to the applicants’ services in Class 41. In doing so I have regard to the decision by Jacob. J. in *British Sugar Plc v James Robertson & Sons* [“TREAT” 1996 RPC 281]. In that case the court stated:

“The following factors must be relevant in considering whether there is or is not similarity:

- a) The respective uses of the respective goods or services;
- b) The respective users of the respective goods or services;
- c) The physical nature of the goods or acts of service;
- d) The respective trade channels through which the goods or services reach the market;
- e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in the trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors”.

Whilst I acknowledge that in view of the CANON - MGM judgement by the European Court of Justice (C-39/97) the TREAT case may no longer be wholly relied upon, the ECJ said that the factors identified by the UK government in its submissions (which are the factors listed in TREAT) are still relevant in determining the degree of similarity of the goods for the purposes of applying the composite test set out in paragraphs 23 and 24 of the ECJ’s decision in

SABEL v PUMA (1998 RPC page 199).

For ease of reference the applicants' specification is as follows:

Class 41: "Educational, instructional and training services, all relating to business, personnel, vocational testing and guidance, personality testing, psychological examination and career development; arranging and conducting educational and training conferences, workshops and seminars in the fields of employee management, development and training; production of sound and video recordings; lease, hire and rental of instructional and teaching materials; information and advisory services, and preparation of reports, all relating to the foregoing; provision of information relating to the above on-line from a computer network or via the Internet."

The opponents did not file any evidence on any of the aspects that must be considered. I must therefore consider the matter as best I can from the material available i.e. the specifications of goods and services set out in the annexes.

In applying the "TREAT" test to this case it is clear that the uses of the goods and services are dissimilar. The applicants' services are all within the field of educational, instructional and training services, the production of sound and recordings and information and advisory services relating to the aforesaid services. The opponents' registered trade marks are for goods which are not related to the particular services the applicants intend to provide. The respective services are not the same and are different in nature. The opponents' goods and services are not related to the applicants' services and the physical nature of the goods and acts of service are dissimilar. Some of the users of these goods and services will be the same. The goods and services cannot be said to be competitive. Overall therefore I do not consider the goods and services to be similar.

It is clear from the above authorities that in the overall assessment of a likelihood of confusion the similarity of goods is but one aspect. Due regard must be given to the closeness of the respective marks, the reputation the earlier mark enjoys in respect of the goods or services for which it is registered, and any other relevant factors. The applicants' trade mark is for the words GRACE TRAINING and the opponents' registered trade marks are for the word GRACE alone or with other matter. In my view the trade marks are very similar. The word GRACE is a common and dominant feature of all the marks.

Taking account of all of these factors I conclude that whilst there are similarities between the respective trade marks they are more than offset by the dissimilarities between the goods and services which, in my view, will ensure that there is no likelihood of confusion on the part of the public at large and the purchasers of the respective goods and services in particular. Consequently the opposition under Section 5(2) of the act fails.

I next turn to the ground of opposition under Section 5(3) of the Act which is as follows:

- 5 (3) *A trade mark which-*
 - (a) *is identical with or similar to an earlier trade mark, and*

- (b) *is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,*

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

The relevant cases are *Sabel v Puma* [1998] RPC 199, *Premier Brands Ltd v Typhoon Europe Ltd* [2000] 23(5) IPD 23038, *Corgi* trade mark [1999] RPC 549 and *CA Sheimer (M) SDN BHD's* trade mark (the VISA trade mark) [2000] RPC 484. These establish that in considering matters under this head there is no need to establish likelihood of confusion. What has to be determined is that use by the applicants of the trade mark in suit is without due cause and could be termed parasitic, or in some way effect the distinctive character of the opponents' trade mark.

Mr Simon Thorley QC in *Pfizer Ltd v Euro Food-Link (UK) Ltd* as mentioned above said at paragraph 31 of his judgement:

“What is necessary is that the trade mark proprietor should prove the required reputation and should then satisfy the Court that the defendants use of the sign is:

- (a) without due cause; and
- (b) takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.”

Applying that requirement to this case I reach the view that the opponents have not shown either leg of this test to have been satisfied, either through evidence or otherwise, and this ground of opposition is also dismissed.

I next turn to the ground of opposition under Section 5(4) of the Act which states:

5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.

In deciding whether the trade mark in question offends against this section of the Act I intend

to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *Wild Child* case [1998 14 RPC 455]. In that decision Mr Hobbs stated that:

“The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see Section 1(1) of the act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and section 40 of the act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

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

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

- (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

In their evidence the opponents provide details of the extent and nature of their training and educational services both within the United Kingdom and internationally.

Exhibit RAM1 provides details of training and educational services provided worldwide. In 1994 the opponents launched their “Commitment to Care” programme which is intended to fulfill the global implementation of the provision of safe and healthy workplaces and to ensure that safety and environmental values are ensured. The opponents have provided financial support to universities and have sponsored science fairs and have provided lectures in universities and conferences. However, I note that none of the evidence in Exhibit RAM1 relates to any such activity or use within the United Kingdom.

Exhibit RAM2 provides details of training services provided under the trade mark GRACE TRAINING-UK but all of this relates to the provision of training services directed at the opponents’ own employees and functions only as in-house training. Thus, in my view the opponents have failed to demonstrate either goodwill or reputation at the relevant date in respect of training generally.

I have therefore to consider whether there is an established goodwill and reputation in the goods sold under the opponent’s trade marks such that use by the applicants of their trade

mark might result in passing off. I have already held that the respective goods and services are not related but there is, of course, no requirement in a passing-off action that the goods are similar in the sense that the term is used in Section 5(2) of the Act. It is clear from *Lego System Atkieselskab v Lego M Lemelstrich Ltd* [1983] FSR 155 that there is no limitation in respect to the parties' fields of activity. However, it is reasonable to conclude that the greater the distance between the respective goods and services the greater will be the burden on the opponents to demonstrate, in his evidence, that even though different areas of trade are involved, the relevant class of person will incorrectly assume that the goods and services are from the same trade source or are connected in some way. In my view the opponents have failed to show that there has been a misrepresentation by the applicants or that they would be likely to suffer any damage. I therefore find that the opposition fails under section 5(4) of the Act.

Finally, the opponents claim that their mark is entitled to protection under the Paris Convention as a well known trade mark. Section 55 of the Trade Marks act 1994 states:

The Paris Convention: supplementary provisions

55.-(1) *In this act-*

(a) *“the Paris Convention” means the Paris Convention for the Protection of Industrial property of March 20th 1883, as revised or amended from time to time, and*

(b) *a “Convention country” means a country, other than the United Kingdom, which is a party to that Convention.*

The opponents have filed evidence in support of this claim which is in the form of a decision made in Brazil. This is insufficient to support such an allegation in this jurisdiction. In any event my finding under Section 5(2) would be likely to preclude a different finding under Section 56.






The opposition having failed the applicants are entitled to a contribution towards his costs. I order the opponents to pay the applicants the sum of £535. This sum to be paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19 day of June 2001

A J PIKE
For the Registrar
The Comptroller General

ANNEX A

UNITED KINGDOM REGISTRATIONS.

NUMBER	MARK	CLASS	DATE
953049		1	31 December 1968
1507884	GRACE DEARBORN	1	21 July 1992
1566433	GRACE DAVISON	1	31 October 1994
953050		2	31 December 1994
953051		7	31 December 1994
1580737	GRACE COOLANT MANAGEMENT SYSTEM	11	31 October 1994
953052		17	31 December 1994
953053		19	31 December 1994

COMMUNITY REGISTRATIONS.

NUMBER	MARK	CLASS	DATE
196824	GRACE	1, 7, 16, 19	01 April 1996
386490	GRACE PACKAGING	1, 6, 7, 11, 16, 17, 29, 31, 37	4 October 1996