

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2160132
BY IDG COMMUNICATIONS LIMITED**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No 49167
BY DEUTSCHE TELEKOM AG**

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IN THE MATTER of Application No 2160132
by IDG Communications Limited

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IN THE MATTER OF Opposition thereto under No 49167
by Deutsche Telekom AG

BACKGROUND

1. On 7 March 1998 IDG Communications Limited applied under the Trade Marks Act 1994 to register the trade mark DIGIT in respect of a specification of goods which reads:

Class 16

“Magazine, publications.”

2. The application is numbered 2160132

3. The application was accepted and published and on 12 November 1998 Deutsche Telekom AG filed notice of opposition to the application. The statement of grounds accompanying the notice of opposition set out various trade marks on which the opponents sought to rely. However, in their evidence the opponents restricted their grounds of opposition and sought to rely on only one of their trade marks. Therefore, at the time of the Hearing, the grounds of opposition can, in summary, be stated as follows:

- (a) under section 5(1) of the Trade Marks Act 1994 in that the trade mark the subject of the application is identical to the opponents’ trade mark ‘digits’ (Community Trade Mark (CTM) registration number 213835) and is to be registered for goods identical to those for which the earlier trade mark is registered; or
- (b) under section 5(2)(a) or (b) of the Act in that the trade mark the subject of the application is identical or similar to the opponents’ earlier registered trade mark CTM 213835 and is to be registered for goods identical or similar to those for which the earlier trade mark is protected.

4. The applicants filed a counterstatement denying the grounds of opposition. Both sides seek an award of costs.

5. The matter came to be heard on 20 April 2001. The applicants were represented by Mr Bruce Marsh of Wilson Gunn M’Caw, the opponents were represented by Mr Max Stacey of Baron & Warren.

Evidence

6. Both parties filed evidence in the proceedings. The opponents filed a statutory declaration dated 30 July 1999 by Mr James Maxwell Stacey of Baron & Warren, the opponents' representatives in this matter. Attached as an exhibit to that declaration is a declaration dated 9 January 1998 by Mr Reinhard Waschke an executive of Deutsche Telekom. The applicants' evidence consists of a single statutory declaration dated 6 March 2000 by Mr Guy Eaton of IDG Communications Limited, the applicants in this matter. The opponents filed a further statutory declaration by Mr Stacey dated 12 June 2000 in reply to the applicants' evidence.

7. I need not summarise the evidence filed in these proceedings but will refer to it where necessary as part of my decision. However, the basic facts can be briefly stated as follows.

8. The opponents Deutsche Telekom are one of the world's largest telecommunications companies. It operates globally and provides telecommunications goods and services to international business, network operators and the like. The vision which drives Deutsche Telekom is said to be "To provide a global single source solution to meet the requirements of our customers". The company has a large number of trade mark registrations covering a wide range of goods and services.

9. The applicants produce a magazine DIGIT. It was first launched on 2 April 1998 and it is claimed that it has been in continuous use since that date. The number of goods sold during the period April 1998 to December 1998 are said to have been 20,063 per month. Some of these were sold at newsstands, others by subscription with around 10,500 being distributed free of charge.

DECISION

10. As stated above the opponents' grounds of opposition pursued at the Hearing were in respect of section 5(1) and 5(2) of the Trade Marks Act 1994. The relevant provisions read as follows:

"5.- (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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 trade 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."

11. The term 'earlier trade mark' is defined in section 6 of the Act as follows:

- "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,"

12. The opponents' trade mark CTM 213835 is an earlier trade mark within the meaning of section 6 of the Act. For ease of reference, the applicants' and opponents' trade marks are reproduced below:

Applicants' trade mark	Opponents' trade mark
DIGIT	digits
Class 16	Class 16
Magazine, publications.	Printer matter; instructional and teaching material (except apparatus); office requisites (other than furniture); all the aforesaid goods included in class 16.

13. I will deal first with Mr Stacey's submissions in relation to an objection under section 5(1) of the Act. Mr Stacey in his skeleton argument argued that the trade marks DIGIT and digits were identical. Having seen the skeleton arguments put forward by each party I arranged for both representatives to be made aware of two recent decisions, the judgment of Mr Justice Pumfrey in *Decon Laboratories Limited v. Fred Baker Scientific Limited & another* [2001] R.P.C. 17 and a decision of Mr Simon Thorley Q.C., sitting as the Appointed Person, in *Gananath Wimalal Ediriwira v. The Baywatch Production Company* (unreported SRIS O-051-01). Although Mr Marsh had left the office before this information was conveyed to him he was happy to proceed with the hearing. Mr Stacey took me to both decisions and sought to argue that the test put forward by Mr Pumfrey was the test to be preferred. Mr Marsh suggested that I should adopt the test set out by Mr Thorley.

14. In *Decon* Mr Pumfrey was concerned with an action for infringement of a registered trade mark. In approaching the test under section 10 of the Trade Marks Act he indicated that one of the principles to be applied was that matter added to the sign used by the defendant is to be discounted; see paragraph 8, point 5. He found that this widely stated principle was not absolute but must be judged on the facts of the case. On the facts before him he found that both parties used the trade mark Decon with a descriptive suffix. In considering the question under section 10(1) he found that the suffixes did not change the nature of the principle sign, they were all "Decon plus a suffix" marks and not different signs. Section 10(1) requires use

in the course of trade of a sign which is identical with the trade mark in relation to goods or services which are identical for those for which it is registered. As he found that the goods were also identical, he found that the claimants had made out their case under section 10(1).

15. Mr Thorley in Baywatch considered the meaning of identical in section 5(2)(a) of the Act. In that case, the opponents' earlier registered trade mark was BAYWATCH. The application under opposition was for the trade mark:



BAYWATCH

16. Commenting on whether the two trade mark were identical within the meaning of section 5(2)(a), Mr Thorley stated:

“The next question that arises is whether, under section 5(2), that mark is identical to the earlier mark BAYWATCH. Mr James held that it was, but went on to hold, if he were wrong on that, that it was virtually identical and therefore as similar as it is possible to be without being identical.

I am not satisfied that the marks are identical. I think it is important in the context of section 5(2) that the word “identical” is given its normal English meaning, since under section 5(2)(a)[sic], if the trade mark used is identical and is used in relation to identical goods or services, an absolute monopoly is granted. Just as there is an important distinction between anticipation and obviousness in patent law, so also there is an important distinction between identity and similarity for trade mark law. Here there is a plain difference. The earlier registered mark consists solely of capital letters in the same size. The mark opposed consists of capitals in different sizes. They are therefore not identical. However, I agree that they are virtually identical, certainly orally they are identical, and I cannot dissent from Mr James's conclusion that they are as similar as it is possible to be without being identical.”

17. I should also mention that in seeking to argue that the two trade marks were not identical, Mr Marsh drew attention to the fact that the applicants' trade mark is the word DIGIT in capital letters whilst the opponents' is the word digits in lower case. That is so, but the applicants' evidence shows that on the front page of the applicants' publication the trade mark is shown as 'Digit'; see exhibit A to Mr Eaton's statutory declaration. It seems to me that notional and fair use of the applicants' trade mark could include use in lower case, upper case or a combination of the two, that said, I find that I do not need to decide this point.

18. It seems to me that the comments of Mr Thorley are more relevant to the case that is before me. Mr Pumfrey was dealing with an infringement action and was considering the effect of added matter. If I leave aside the issue of the upper and lower case lettering on the two trade marks, in the instant proceedings the applicants' and opponents' trade marks differ only in that the applicants' trade mark does not contain the letter S. In my view this is not a case of added matter. The question is whether the absence of the letter S on the applicants' trade mark has an effect on whether the trade mark is identical or similar to the opponents' trade mark.

19. Applying the reasoning of Mr Thorley in BAYWATCH, I reach the view that although the two trade marks are clearly very similar, the fact that the applicants' trade mark does not include the letter S leads me to find that the two trade marks are not identical within the meaning of section 5(1) of the Trade Marks Act 1994. I am comforted in my view by the finding of Mr Justice Jacob in *Origins Natural Resources Inc. v. Origin Clothing Limited* [1995] F.S.R. 280 at page 283, where he considered the question of whether use of Origin infringed the trade mark Origins. He considered the matter under section 10(2). As he noted in a later judgment, the two trade marks were slightly different; see *British Sugar Plc v. James Robertson & Sons Ltd.* [1996] R.P.C. 281 at page 293. As I have found that the trade marks are not identical I will not consider whether the goods are identical here but will consider this point under section 5(2).

20. Mr Stacey also relied on his ground of opposition under section 5(2)(a). This section requires that the trade marks are identical. As I have found that the trade marks are not identical I need not consider this ground of objection further.

21. I go on to consider the opponents' ground of opposition under section 5(2)(b). In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, 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; *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 224;
- (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; *Sabel BV v. Puma AG* page 224;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;
- (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; *Sabel BV v. Puma AG* page 8, paragraph 24;

- (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); *Sabel BV v. Puma AG* page 224;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG* page 732, paragraph 41;
- (i) 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; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

22. Before considering the question of the likelihood of confusion I should deal with the parties submissions on the use that has or has not been made of the respective trade marks. Mr Marsh sought to argue that in the light of the applicants' use since 1998 one might have expected instances of confusion to have been reported and therefore introduced in evidence. The absence of such instances of confusion was in his view a factor that I should take into account. Mr Marsh did not seek to rely on the provisions relating to honest concurrent use and he was right not to attempt to do so. The evidence of the applicants shows that all their use occurred after the date of application. Mr Marsh's submissions on the lack of any apparent confusion in the market place presupposes that the opponents are using their trade mark. Mr Stacey, at the hearing stated that they were not, and the evidence does not show any use of the trade mark in respect of the goods for which it is registered. Thus, I find that the lack of any evidence of confusion in this case cannot assist the applicants. Mr Marsh pointed out that the opponents are a large telecommunications company and so would have no interest in the area of magazine publications. As Mr Justice Jacob stated when considering the question of the likelihood of confusion under section 10(2) between the trade mark *Origins* and *Origin* in *Origins Natural Resources Inc* at page 284.

“It is said that the two marks are different in that the plaintiff's mark is in the plural whereas the defendants use the word “Origin” alone, and that the proposed trading circumstances of the plaintiffs are such that there is no likelihood of confusion. It is queried whether the plaintiffs ever will use their mark. If they do not the defendant asks “how can there ever be a likelihood of confusion on the part of the public?” In my judgment this point is misconceived. Section 10 of the Trade Marks Act presupposes that the plaintiff's mark is in use or will come into use. It requires the court to assume the mark of the plaintiff is used in a normal and fair manner in relation to the goods for which it is registered and then to assess a likelihood of confusion in relation to the way the defendant uses its mark, discounting external added matter or circumstances. The comparison is mark for mark.”

23. Therefore, it seems to me, that the test I must apply is a notional and fair use test. I must assume notional and fair use of both the opponents' trade mark and the applicants' trade mark in respect of the goods for which they are respectively registered and proposed to be registered.

24. Both parties made submissions as to whether the goods covered by the applicants' specification were identical or similar to those covered by the opponents' registration. The application is made in respect of 'Magazine, publications'; the opponents' trade mark covers printed matter. Despite Mr Marsh's eloquent submissions, I find that the goods covered by the application fall within the term 'printed matter'. As such, I find that the goods set out in the applicants' specification are covered by the opponents' earlier trade mark.

25. As stated above, the likelihood of confusion must be appreciated globally. The case law tells us that I must take into account the fact that members of the public are unlikely to see the two trade marks side by side but instead must carry around an imperfect picture of them kept in their minds. With that in mind I go on to consider the visual, aural and conceptual similarities between the two trade marks, taking into account the fact that a lesser degree of similarity between the marks may be offset by a greater degree of similarity, between the goods.

26. Visually on a side by side analysis of the two trade marks I have no hesitation in finding that there are clear similarities between the two trade marks. The opponents' and applicants' trade marks contain the same first five letters. The applicants' trade mark is contained within the opponents' trade mark and differs only in that it does not end with the letter S. The opponents' trade mark is the English word digits, the applicants' trade mark is the singular form of that word. When dealing with the opposition under section 5(1), I dealt with Mr Marsh's comments concerning the fact that the opponents' trade mark is registered in lower case, whilst the applicants' is registered in upper case. When assessing the visual similarity between the two trade marks I do not think that anything turns on this. Although the applicants' have applied for the trade mark DIGIT, their evidence shows that in use, they use the trade mark Digit. Notional and fair use of either the opponents' or applicants' trade marks could include use in upper or lower case. As such, I find that there is a clear visual similarity between the two trade marks. Aurally there are again clear similarities between the trade mark digits and DIGIT. They differ only in the letter S at the end of the opponents' trade mark and in my view they could easily be misheard.

27. It seems to me that there is also some conceptual similarity between the two trade marks. The applicants' trade mark calls to mind DIGIT meaning a finger, toe or a numeral and the opponents' is merely the plural form of that word. Mr Marsh pointed out that the applicants' trade mark DIGIT was short for digital; the applicants' magazine covers areas of interest associated with digital technology. Taking into account the applicants' use, that may be so but the applicants' specification is not restricted to use on magazines relating to digital technology. Even if it was so limited, there remains, in my view, some conceptual similarity between the two trade marks.

28. I have referred, to the judgment of Mr Justice Jacob in *Origins Natural Resources Inc.* As noted, the case concerned the likelihood of confusion between the trade mark Origins and Origin when used on clothing. In assessing whether the two trade marks were confusingly similar, he stated:

"I have no doubt that they are. One cannot reasonably expect the public to distinguish between Origin and Origins when used for clothing".

29. I respectfully adopt Mr Jacob's reasoning for the purpose of these opposition proceedings. In my view, one cannot reasonably expect the public to distinguish between the trade marks DIGIT and digits when used on 'Magazine, publications'. As such, I find that there is a likelihood of confusion within the meaning of section 5(2)(b) of the Trade Marks Act 1994.

30. The opponents have been successful and are entitled to a contribution towards their costs. I order that the applicants pay the opponents the sum of £835-00 as a contribution towards their costs. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 29TH day of June 2001

**S P Rowan
For the Registrar
the Comptroller General**