

TRADE MARKS ACT 1994
And
THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

IN THE MATTER OF APPLICATION NO M740106
IN THE NAME OF WOLF (ASIA) LTD

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 70536 IN THE NAME OF
WATCHES OF SWITZERLAND LIMITED

**TRADE MARKS ACT 1994 and
The Trade Marks (International Registration) Order 1996**

**IN THE MATTER OF application No M740106
in the name of Wolf (Asia) Ltd**

and

**IN THE MATTER OF opposition thereto under No 70536
in the name of Watches of Switzerland Limited**

Background

On 26 July 2000, Wolf (Asia) Ltd registered a trade mark under the Madrid Protocol and sought to extend protection to the United Kingdom. The trade mark is protected in Class 14 in respect of the following goods:

Clocks of all kinds of Swiss origin.

The mark protected is as follows:



SWISS WATCH COMPANY

On 23 February 2001, Watches of Switzerland Limited filed notice of opposition to this application. The grounds of opposition are in summary:

- 1. Under Section 5(4)(a)** because use of the mark is liable to be prevented by the law of passing off.

The applicants filed a Counterstatement in which they deny the ground on which the opposition is based. Both sides request that costs be awarded in their favour.

Only the opponents filed evidence in these proceedings. Neither party took up the offer to be heard, instead accepting a decision from the papers. The applicant's representatives in a letter of 15 January 2002 stated that they did not have anything to add to the comments in their letter of 23 November 2001, although go on to make some observations on the substance of the proceedings, and I take both into account in this decision.

Opponent-s evidence

This consists of a Witness Statement dated 17 October 2001 from Kathleen Rose O'Rourke, a solicitor and trade mark attorney employed by Dechert, the opponent-s representatives in these proceedings. Ms O'Rourke says that the trade mark WATCHES OF SWITZERLAND has been used by the opponents in the United Kingdom since 1924. She refers to Appendix 1 to her Statement which consists of extracts from the opponent-s web site taken on 27 June 2001, each page headed with WATCHES OF SWITZERLAND. The exhibit indicates that the company is involved in the sale, repair, servicing and valuation of watches, and includes the reference WATCHES OF SWITZERLAND B HOROLOGISTS 1924 B 2000. It also refers to the company having been founded in 1924, although does not say that this was under its current name. One page states that the company has showrooms in London, Glasgow, Birmingham, Manchester and Cardiff.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

The opposition is founded solely on Section 5(4)(a). That section reads as follows:

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 trade mark or other sign used in the course of trade,

The opponents contend that they would succeed in an action for passing off against the applicants should their mark be used in the United Kingdom. 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 Erven Warnik 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.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that;

To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

To the above I add the comments of Pumfrey J in the *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenmy Gary Stringer* (a partnership) case, in which he said:

There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirement of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See Smith Hayden (OVAX) (1946) 63 RPC 97 as qualified by BALI [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on

Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.

The evidence in this case is by any standards thin and provides little, if any assistance in determining the substance of the opponent's case. They claim use of the name or mark WATCHES OF SWITZERLAND in the United Kingdom dating from 1924 but give no information with respect how they may have used the name, whether there have been any sales under, or promotion of the mark, and if so, to what extent. The only clue is a reference to them being the largest UK retailer of Patek, Phillipa, Jaeger-le Coultre and IWC watches, a statement so lacking in the necessary detail as to be of no practical use. What is known is that on the date that the prints were taken from their web site, that is 26 June 2001, the opponents had outlets in five cities in the United Kingdom, but this is nearly a year after the relevant date, and I see no reason to infer that this was the position at the relevant date.

In any event, where a mark is composed of matter of a descriptive nature, I take the view that a later mark will have to be much closer for there to be a finding of misrepresentation, and the more descriptive, the closer the similarity will have to be. But there reaches a point where the words are so obviously a description of a characteristic of the goods that this is how the public will see them, and as a consequence, the use of similar words by another trader will not lead them to mistakenly infer that the goods come from the same source or are connected. This view is in accord with the Office Cleaning Services Ltd case, (1946) RPC 39, in which it was held that where a trader adopts a trading name containing words in common use, some risk of confusion may be inevitable, but that risk must be run unless the first trader is allowed an unfair monopoly, and in such cases the Court will accept comparatively small differences as sufficient to avert confusion.

In my view the opponent's mark WATCHES OF SWITZERLAND is such an obvious description of the goods, namely, watches from Switzerland, that use of another description SWISS WATCH COMPANY cannot be said to be a misrepresentation, and I believe it follows, how the opponents will suffer damage should the applicants use their mark. The onus

is very much upon the opponents. I do not consider that they have even come close to establishing their case, and the opposition fails

The opposition having failed on all grounds I order the opponents to pay the applicants the sum of , 635 as a contribution towards their costs. This sum 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 25TH day of February 2002

**Mike Foley
For the Registrar
The Comptroller General**