

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2112634
BY LUCENT TECHNOLOGIES INC
TO REGISTER THE TRADE MARK LUCENT
IN CLASSES 9, 14, 16, 18, 21, 25, 26, 28, 37, 38 AND 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 47695
BY LUCENT LIGHTING UK LIMITED**

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**IN THE MATTER OF Application No. 2112634
by Lucent Technologies Inc to register the trade mark LUCENT
in Classes 9, 14, 16, 18, 21, 25, 26, 28, 37, 38 and 42**

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**IN THE MATTER OF Opposition thereto under No. 47695
by Lucent Lighting UK Limited**

Background

1. On 11 October 1996 Lucent Technologies Inc applied to register the trade mark LUCENT for the specification of goods and services shown in the Annex to this decision.
2. The application is numbered 2112634.
3. On 28 October 1997 Lucent Lighting UK Limited filed notice of opposition to this application. They are the proprietors of the following registration:

| No. | Mark | Class | Specification |
|------------|---|--------------|--|
| 2028757 |  | 11 | Electrical lighting and parts and fittings therefor. |

4. They say they have made extensive use of the mark LUCENT in connection with their range of electrical products including lighting. On the basis of these circumstances they raise objections under Section 5(2)(b), 5(3) and 5(4) of the Act. They have also raised an objection under Section 3(6) but this was withdrawn shortly before the hearing.
5. The applicants filed a counterstatement denying the above grounds. They suggest too that the opposition is frivolous insofar as it applies to certain of the goods applied for and that there is no case to answer in respect of the goods in Classes 14, 18, 21, 25, 26 and 28.
6. Both sides ask for an award of costs in their favour.
7. Both sides filed evidence. The matter came to be heard along with two other related actions between the parties on 17 September 2002. The applicants were represented by Mr J Mellor of Counsel instructed by Grant Spencer Caisley & Porteous and the opponents by Mr M Krause of Haseltine Lake Trademarks.

Opponents' evidence

8. Two statutory declarations have been filed on the opponents' behalf. The first, by James Clifford Setchell, their professional representative in this matter is simply for the purpose of introducing a certified copy confirming details of their registration No. 2028757. I take this opportunity to record that, by virtue of the filing date of 29 July 1995, it is an earlier trade mark for the purposes of these proceedings.

9. The opponents' main evidence comes from Michael Dunk, their Managing Director. Mr Dunk says this of the history of his company's activities:

“Before I provide specific details relating to my company's activities, I believe it would be helpful to outline the history of my company. In May 1990 I set up and incorporated a company under the name Lucent Lighting Limited. This company was liquidated in early 1993 and I set up a successor company named Lucent Lighting UK Limited which was incorporated on 19th April 1993. For the purposes of this Statutory Declaration further reference and use of the term “My Company” means the business activities of both my companies stated above. Since 1990 my company has developed links with a number of lighting manufacturers and is the exclusive representative and distributor for several renowned foreign lighting companies products for the UK. My company also design, manufacture and distribute its own ranges of lights, lighting apparatus, electronic lighting control systems and other electrical goods which may be specified by the client for example transformers, sockets, plugs, wires and connectors.”

10. He goes on to say that “My company's goods and services have always been distributed and sold under the mark LUCENT and device and my company's name throughout the United Kingdom and worldwide.” In support of this he exhibits (MD1) his company's current brochures and draws particular attention to the fact that it is a project lighting company dealing with all aspects of design and the provision of complete lighting systems including the supply of electrical fixtures and fittings to clients. Also exhibited (MD2) is an example of company stationery showing use of the mark.

11. The company has been involved in a number of extensive lighting projects for a wide range of clients. Examples are given. I do not propose to record individual client names. Suffice to say that many are likely to be organisations of significant size. They fall under the following main headings:

- business
- retail
- shopping centres
- exterior lighting projects (town centres etc.)
- restaurants and hotels

12. Turnover is said to have been:

| Year | Approximate Turnover (£) |
|-------------|---------------------------------|
| 1991 | 877,000 |
| 1992 | 848,000 |
| 1993 | 750,000 |
| 1994 | 751,000 |
| 1995 | 1,494,790 |
| 1996 | 1,318,327 |
| 1997 | 1,893,000 |

Examples of invoices are exhibited at MD3.

13. Mr Dunk says that the company's goods and services have been advertised in a number of trade magazines in the UK and Europe, mainly FX Magazine, Theme Magazine, Design Week, Light, Designer's Journal, IDH Handbook and Lighting Equipment News. A selection of advertisements is exhibited at MD4. The magazines are said to be read by a wide range of companies involved in the fitting out and design of premises including architects, interior designers, building consultants and contractors. The company has also attended a number of lighting and design exhibitions (whether as an exhibitor is not clear).

14. The amount spent on advertising the company's goods and services under the trade mark LUCENT and device in the UK over the years 1991 to 1997 is said to be as follows:

| Year | Approximate Advertising Expenditure (£) |
|-------------|--|
| 1991 | 6,000 |
| 1992 | 27,876 |
| 1993 | 8,376 |
| 1994 | 3,280 |
| 1995 | 23,777 |
| 1996 | 23,857 |
| 1997 | 19,831 |

15. Mr Dunk goes on to address the issue of likelihood of confusion and sets out the following areas of goods and services where he considers there is or would be a commercial overlap of interests between the parties.

“Class 9

“Apparatus and instruments for the input, output, recording, transmission ... storage, display, reproduction or processing of information ... or data”

“computer software and computer programs”

“adaptors”

“cables, wires and connectors”

“parts and fittings for all the aforesaid goods”

My company provides lighting control systems which involve all the goods listed above.

Class 16

As exhibited in exhibits "MD1" and "MD2" above, my company produces a wide range of brochures, manuals and promotional literature as well as stationery bearing the Trade Mark LUCENT and device and my company's name.

Class 18

My company produce and distribute bags for promotional purposes from time to time.

All bearing the mark LUCENT and LUCENT and device.

Class 25

My company distribute articles of clothing and caps bearing the mark LUCENT to clients and prospective clients from time to time on a promotional basis.

Class 37

My company provides an ongoing maintenance and repair service to all our clients which will involve maintenance and repair of lighting systems generally including electrical components, cables, wires and transformers and computer software, computer systems and data recordal and transmission apparatus.

Class 42

My company's services include design and consultancy services for electrical lighting management and analysis. My company also provides advisory services in respect of electrical and computer controlled lighting systems to suit the needs and specifications set down by each client."

16. Mr Dunk exhibits (MD6) a copy of the applicants' website drawing attention particularly to the page headed 'Product Overview' which shows the specific nature of the goods and services supplied. He suggests, by reference to this material, that the applicants do not have a bona fide intention to use the mark LUCENT on or in relation to all the goods and services claimed.

17. Furthermore he suggests that the opponents' goods and services are provided to a wide range of clients including architects, building consultants and interior designers who would also be prospective clients of the applicants as these people would be involved in commissioning or installation of telecommunications products and systems for new premises and building projects.

18. Finally Mr Dunk says that there have already been instances of confusion. He exhibits:

MD7 - a copy of a delivery note dated 29 August 1997 indicating that supplies of light fixtures ordered by his company were delivered to Lucent Technologies in Malmesbury;

- MD8 - a copy of a fax dated 23 September 1997 from a client, Planet Hollywood (Moscow), addressed to Lucent Technologies but intended for his company (it concerns a replacement bulb);
- MD9 - a copy of an invoice dated 9 December 1997 from Concordia International Forwarding Ltd (a shipping company) addressed to Lucent Technologies in Malmesbury rather than his company.

Applicants' evidence

19. The applicants filed an affidavit by William Drew Kastner, their Corporate Counsel, Copyrights and Trademarks. A significant part of Mr Kastner's affidavit deals with events after the material date in these proceedings or circumstances outside the UK. I do not propose to record this material. His comments on the nature of the applicants' business are relevant:

“My Company was formed in November 1995 from the former systems and technologies arm of AT & T (the hardware division). My Company is one of the world's leading designers, developers and manufacturers of telecommunication systems, software and products. My Company is a global market leader in the sale of public telecommunication systems, and is a supplier of systems or software to the majority of the world's largest network operators. My Company is also a global market leader in the sale of business communication systems and in the sale of microelectronic components for communications applications to manufacturers of communications systems and computers. Furthermore, my Company is the largest supplier in the United States of telecommunications products for business consumers.

My Company has provided engineering, installation, maintenance or operation support services for at least 250 network operators in more than 75 countries, and to at least 1.4 million business locations in the United States. My Company's switching, transmission and cable systems and packaged and customised with application software, operations support systems and associated professional services, and range in size from small rural telephone systems to some of the world's largest wire line and wireless networks.

My Company's network operator customers include local, long distance and international telecommunications companies and cable television companies. My Company manufactures, installs and maintains switch gear for telecommunications systems extending to more than 110 million telephone and data lines, representing approximately 13% of the world-wide market for such goods.”

20. Mr Kastner says that his company uses the mark LUCENT in relation to all products and services provided. He exhibits, at WDK1, sample pages from the company's website and, at WDK2, sample advertisements placed with a variety of leading UK newspapers and trade magazines during 1996 including The Sunday Times, The Times, The Sunday Telegraph, The Daily Telegraph, The Independent on Sunday, The Independent, The London Evening Standard, Electronics Product Design, New Electronics, Electronics Times, Electronics

Weekly and Communications News. The total expenditure on advertising in these newspapers and publications amounted to not less than £460,000. Further sums were spent on advertising in what Mr Kastner calls Pan-European publications, such as the Economist, Business Week and various (primarily) telecommunications publications.

21. Sales of telecommunication products and services under the mark are said to have been

| | |
|------|--------------|
| 1996 | £230 million |
| 1997 | £258 million |

The remainder of Mr Kastner's affidavit is largely a commentary on the opponents' evidence. The main points to emerge are that:

- a number of the projects referred to by Mr Dunk took place outside the UK or after the relevant date and should be discounted;
- earlier years' sales figures should be disregarded as they relate to a predecessor company;
- the opponents' invoice evidence also covers non UK sales or were not issued by the opponents. In any case they do not show a broad range of clients;
- the respective sets of evidence demonstrate that the parties do not advertise in the same publications or attend the same exhibitions;
- the respective goods and services are sophisticated and high cost items;
- additionally the customer groups identified by the opponents are not the same as those targeted by the applicants and are in any case sophisticated commercial organisations in different fields of activity;
- the opponents' claims in relation to goods in Classes 16, 18 and 25 relate to promotional items.

Opponents' evidence in reply

22. The opponents filed a witness statement by Michael Dunk. He makes the following main points in response to Mr Kastner's evidence:

- Lucent Lighting UK Ltd acquired the goodwill of Lucent Lighting Ltd and is entitled to benefit from that goodwill;
- the applicants sell consumer products such as mobile phones and not just sophisticated, high cost equipment;
- there is a clear link between lights, lamps etc and items such as switches, cables, transformers, controllers and related services;

- goods such as adaptors, computer software, connectors and integrated circuits in the applied for specification are used in relation to lighting systems;
- exhibited at MD10 is a copy of a search of the online Registry classification database showing goods in Class 9 which are for use in relation to lighting;
- exhibited at MD11 and 12 are extracts from a Maplin Electronics catalogue (2001/2) and Farnell catalogue (2001/2) on the basis of which it is suggested that both telecommunications apparatus and lighting apparatus can be purchased through the same trade channels;
- exhibited at MD13 is an extract from Royal Philips Electronics NV website showing that electrical/electronics companies provide both lighting and telecommunications products;
- exhibited at MD14 are two further instances of confusion. The first is a copy of a leaflet received from 'Retail Interiors' addressed to Mrs V Dunk identifying the company's name as Lucent Technologies. The second is a fax from a company called WF Electrical Plc requesting quotations for products supplied by Lucent Technologies Inc.

23. That completes my review of the evidence.

24. The relevant parts of Section 5 of the statute read as follows:

“(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.

(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.

(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, 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.”

Section 5(2)(b)

25. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik 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.

Distinctive character of the opponents’ mark

26. The distinctive character of an earlier trade mark is a factor to be borne in mind in coming to a view on the likelihood of confusion (*Sabel v Puma*, paragraph 24). That distinctive character can arise from the inherent nature of the mark or be acquired through use.

27. Mr Krause submitted that the opponents’ mark was entitled to claim a broad penumbra of protection as a result of a high level of inherent distinctiveness and the use made of it. The opponents’ earlier trade mark (No. 2028757) consists of the word LUCENT (strictly it is in lower case lettering) and an elliptical device. As the exhibits showing use of the mark are black and white photocopies it is a little difficult to judge the true visual impact of the device. It has something of the appearance of a downlight. Whether, in context, it is seen as such is debatable. I am prepared for present purposes to work on the assumption that it has a measure of distinctive character in its own right. However, the dominant and memorable element of the earlier trade mark is, in my view, the word LUCENT. This is a dictionary word. It can mean brilliant or shining. It is not without descriptive significance when used in relation to lighting products. But on the whole I think it is a somewhat uncommon and not often used word. To the extent that it alludes to the goods it does so obliquely.

28. The claim to an enhanced degree of distinctive character does not in my judgment get off the ground. The test is a relatively high one as indicated in the following passage from

Mr S Thorley QC's decision in DUONEBS [O-048-01]. He said, referring to the ECJ guidance in *Sabel v Puma*:

“In my judgment, I believe what the ECJ had in mind was the sort of mark which by reason of extensive trade had become something of a household name so that the propensity of the public to associate other less similar marks with that mark would be enhanced. I do not believe that ECJ was seeking to introduce into every comparison required by section 5(2), a consideration of the reputation of a particular existing trade mark.”

29. The opponents' earlier trade mark is registered in respect of electrical lighting goods. The evidence suggests that their main business is as a project lighting company specialising in the design and supply of lighting systems. The overwhelming impression conveyed by the material exhibited to Mr Dunk's evidence is that the goods supplied by the opponents are predominantly third party brands or, to put the matter the other way round, they are not clearly LUCENT branded goods. Having said that there are indications in the evidence that Lucent produce some goods of their own. An example is the reference to 'technical luminaires' in the product catalogue at MD1. I am not clear whether such goods bore the LUCENT brand or were simply unbranded. There are also invoices showing product codes commencing with LUC and descriptions which also refer to Lucent (MD3). The difficulty is that the turnover figures and evidence generally do not separate out and identify the main strands of the opponents' business that is to say design services, the service of distribution and supply of third party goods and the trade in LUCENT branded goods (if they are so branded). In the circumstances I am unable to accept that the opponents can claim an enhanced degree of distinctive character for their mark through use in relation to their Class 11 goods. Their position, therefore, rests on the inherent merits of the mark as discussed above.

Similarity of marks

30. I do not think the normal detailed analysis of the visual, aural and conceptual similarities is called for. In terms of their principal or sole elements they are closely similar, LUCENT being the dominant and distinctive component in each case. The fact that the word is presented in lower case and with a device in the opponents' case does not affect the position to a material extent.

Similarity of goods and services

31. This case turns primarily on the similarities (or otherwise) between the respective sets of goods. I have recorded verbatim in my evidence summary the position taken by Mr Dunk in relation to the perceived conflict.

32. He does not specifically refer to the issue of similarity but rather identifies examples of where there is or could be commercial overlap. Those comments nevertheless represented the clearest statement of the position being adopted by the opponents going into the hearing.

33. In his skeleton argument Mr Krause developed the similarity of goods argument by suggesting that: “The goods in class 9 are similar to the goods for which the Opponent's

registration is protected. All of the products are electrical or electronic goods and it will be argued that the similarity arises through the use or possibility of use of these goods with the goods covered by the Opponent's registration or the sale and marketing of the goods in class 9 together with the goods covered by the Opponent's registration." He further suggested that many of the goods in Class 16 and many of the services in Classes 37 and 42 are similar to the products covered by the opponents' registration. Thus the Section 5(2)(b) objection is maintained only in relation to Classes 9, 16, 37 and 42. This position was further refined and explained in Mr Krause's oral submissions. In relation to Class 9 the following items were said to be very similar to the opponents' goods:

battery power plants, adaptors, transmitters, electric emergency call units, cables, wires and connectors, integrated circuits and microprocessors.

34. As I understand it the main defining characteristic that is said to make such goods similar is the fact that they are items that are used in conjunction with the opponents' goods and share common users and channels of trade.

35. In addition to the above, computer software and computer programs were said to be similar. A third category of goods including a range of electrical products and telephones was said to share a lower level of similarity with the opponents' goods. Again it is said that users and channels of trade are the same.

36. In relation to Class 16 the objection was maintained against printed matter, printed publications, instructional and teaching materials (except apparatus) and manuals but not the other five items in the specification applied for.

37. In relation to Class 37 the objection was maintained against installation, maintenance and repair of electrical and electronic apparatus and instruments, cables wires and connectors along with information, consultancy and advisory services relating to the aforesaid services.

38. In relation to Class 42 the objection was maintained against computer services, the provision of on-line access to computer databases and databanks and advisory, information and consultancy services relating to the aforesaid.

39. I will take the above as my starting point for consideration of the issue of similarity of goods and services.

40. Guidance on the approach to be adopted in comparing goods and services can be found in two main authorities. The first is *British Sugar Plc v James Robertson & Sons Ltd (TREAT)* [1996] RPC 281 at page 296. Adapted to the current case the test proposed by Mr Justice Jacob involved consideration of the following:

- (a) the uses of the respective goods or services;
- (b) the users of the respective goods or services;
- (c) the physical nature of the goods or services;
- (d) the trade channels through which the goods or services reach the market;

- (e) in the case of self-serve consumer items, whether in practice they are respectively found or likely to be found on the same or different shelves; and
- (f) the extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods or services, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

These factors were referred to in the opinion of the Advocate General in *Canon*; page 127, paragraphs 45 - 48. In its judgment, the ECJ stated at paragraph 23:

“23. In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.”

41. A number of other authorities have dealt with the proper approach to the meaning of particular terms. Terms are to be given their ordinary and natural meaning. In the *OFREX* case [1963] RPC 169 Pennycuik J said:

“What is said is that staples do not come within class 39 as an item of stationery..... In order to answer that question, the first step I think is to look at the ordinary meaning of the word “stationery”, which as defined in the Oxford English Dictionary is: “the articles sold by a stationer; writing materials, writing table appurtenances, etc”. I feel no doubt that staples are stationery, according to the ordinary meaning of the word”.

42. That was, of course, a case under the preceding law. The following passage from *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 puts a more recent gloss on the point:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations” or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

43. The need to have regard to the practical application of terms in specifications was referred to in the *TREAT* case:

"When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all, a trade mark specification is concerned with use in trade."

and the particular considerations to be borne in mind in relation to services was referred to in *Avnet Incorporated v Isoact Limited* [1998] FSR 16:

"... definitions of services.... are inherently less precise than specifications of goods. The latter can be, and generally are, rather precise, such as "boots and shoes".

In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

44. There is one other matter that I need to comment on before applying the above principles. That is the scope of the opponents' specification. "Electrical lighting" does not cause any particular difficulties in interpretation. A question may arise as to what is covered by the term 'parts and fittings'. The Registrar is entitled to treat the Class number as relevant to the interpretation of the scope of the specification of goods (*Reliance Water Controls Ltd v Altecnic Ltd* [2002] RPC 34). The parts and fittings are, therefore, those parts and fittings for electrical lighting which fall within Class 11. It is reasonable to infer that this will cover items such as light diffusers, reflectors, lighting transformers, light bulbs, filaments etc. No doubt there are other items. I have not attempted to draw up an exhaustive list. Other items which may be used in connection with lighting systems may be found in other Classes. Lighting control gear and dimmers for instance are in Class 9.

Class 9

45. With these considerations in mind I turn firstly to the applicants' Class 9 goods and in particular the first of the three categories which identifies what the opponents consider to be very similar goods. The first group of products (battery power plants etc) are said to have in common the fact that they are, or can be, used in conjunction with electrical lighting systems. It is not immediately obvious to me that transmitters and electric emergency call units have even a tenuous connection with electrical lighting. I accept that electrical lighting may have, or be used in conjunction with, battery power plants, adaptors, cables wires and connectors. It can equally be said that such goods are not usually adapted for use with electrical lighting or, at least, this has not been specifically shown to be the case. Rather, the position seems to me to be that these goods find general use in relation to a range of electrical goods of which electrical lighting is simply one example. In this respect uses and users are only likely to be the same at a high level of generality. The physical nature of the goods is different to electrical lighting. There may be some coincidence of trade channels, perhaps at the wholesale/distribution level as the Maplin and Farnell catalogues suggest. However, as Mr Mellor suggested, this is in effect applying a hypermarket/supermarket scenario to an area of capital goods. A cursory review of the range of products in the above mentioned trade catalogues suggests that, if the opponents' argument has force, an extremely wide range of goods could be said to share common channels of trade. It is necessary to consider the whole process by which goods are produced, specified and traded. Taking that broader view I am not persuaded that the channels of trade overlap to a significant extent in this case. Furthermore the above terms are not in competition with electrical lighting products nor are they complementary save in the broad sense that they may be used in conjunction with electrical lighting.

46. There is an alternative or additional way of testing my prima facie view of the matter and that is through the opponents' own trade brochures and invoices. These documents are likely to be a reasonable reflection of the sort of goods that form the core of the opponents' trade in electrical lighting products and presumably are also not untypical of circumstances generally in this particular area of trade. My conclusion from a review of this material is that, in addition to the lighting systems themselves, the opponents supply reflectors, diffusers, transformers, lamps, control gear and various fittings. That is not an exhaustive list but it is, in my view, a fair representation of the frequently recurring items in the literature and invoices. They are, as one might expect, items that are largely, if not completely adapted for use with electrical lighting equipment. Some, but not all, of these products would be within the term "parts and fittings" in Class 11. There is little, if any, evidence that the opponents' regular trade encompasses the sort of Class 9 goods that are complained of within the applicants' specification.

47. The high point of the opponents' case might be considered to be the cables, wires and connectors in the applicants' specification. Such items could be used in conjunction with a wide range of electrical items. That does not mean they are similar to all such items. If they were, a very wide range of electrical goods would be brought into conflict with cables, wires and connectors. The test proposed by Mr Justice Jacob in *TREAT* is the practical one of how products are regarded for the purpose of trade. Applying that test I do not consider these particular items in the opponents' specification to be similar to electrical lighting and parts and fittings therefor.

48. The remaining items in Mr Krause's first category, integrated circuits and micro-processors, call for separate comment. I do not know whether the opponents' lighting systems are computer controlled and operated. Given that many of the projects with which they are involved are in large buildings, shopping centres and various external lighting projects, it seems quite likely that this is the case. But the essence of an electrical lighting system is what it does, namely provide lighting. I referred at the hearing to two cases under the preceding law where in *ex parte* proceedings the Registry had maintained objections to applications whose specifications contained goods incorporating computers (one was electronic scanning apparatus, the other a machine for assembling components) in the face of *cites* whose specifications covered computers. In *SIGMAGRAPH* (No. 1155155) Robin Jacob QC (as he was then), sitting as the Secretary of State's Tribunal, held that "These dedicated items of equipment [scanning apparatus] are not computers. They are dedicated machines which employ computing power." (Decision dated 12 January 1989). The earlier case which proceeded along similar lines was *CYBERVISION* (decision dated 5 November 1984). I accept that I cannot rely on these decisions in any formal way but they seem to me to illustrate an approach to the issue of similarity of goods that is as appropriate now as it was then (in relation to goods of the same description). It is also in line with Jacob J's view in *TREAT* that "one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade". Thus even if the opponents' lighting systems have a computer at their heart that does not make them similar to integrated circuits and microprocessors. It follows that I am not persuaded that any of the goods in Mr Krause's first category are similar to his client's goods.

49. I will deal rather more briefly with the remaining goods in Class 9 to which objection is raised. These are computer software, computer programs, telephones and electrical goods. As I understand it the opponents' case is heavily reliant on establishing that users and channels of trade are the same. The opponents are reasonably specific about how their goods reach the market. They work through architects, interior designers, building consultants and contractors. In other words professionals who have a role in specifying the requirements for new buildings or the refitting/renovation of existing buildings. It is suggested that such specifiers might equally be involved in the commissioning of telephone systems etc. The applicants, for their part, say that these are not the consumer groups to which their products are promoted. That is largely borne out by the information on advertising though allowance must be made for changing patterns of advertising. What may have been true to date may not be true in the future.

50. Making the best I can of it, I do not think I can readily accept that architects, interior designers etc. would normally involve themselves in specifying telephone systems. It is a point that would require evidence. In general I would have expected the occupants of buildings to decide on their own telecommunications requirements. There may be issues at the margins as to the compatibility of a chosen system with the physical environment and facilities of the building itself but on the whole the channel of trade connection is not made out. Nor can I see any other obvious point of similarity between the applicants' remaining Class 9 goods and the opponents' products.

51. I should also comment briefly on a further aspect of the channels of trade argument that was developed during the course of Mr Krause's submissions. If I have understood him correctly, his point was that architects, interior designers etc (who may already be familiar with the opponents' goods) may also be purchasers of the applicants' goods and services for their own businesses. That may be so but I do not think it has a particular bearing on the issue of similarity of goods/services. The position is not made any better or worse according to whether an architect, say, is specifying for a client or purchasing for his own business's use. The latter is no more than a coincidence of trade. The question of similarity must be decided on the basis of the overall application of the CANON/TREAT criteria.

52. The only other point that calls for comment is the position of 'transformers', a specific item referred to by Mr Krause. Lighting transformers are in Class 11. They would arguably come within the opponents' parts and fittings. Electric transformers are in Class 9. The applicants' specification does not refer to electric transformers. To establish an objection in this respect the opponents would need to demonstrate that electric transformers are within either a general term in the applicants' specification or parts and fittings. They would additionally need to persuade me that electric transformers are similar to lighting transformers. The case has not been made out on either account but I would simply comment that for lighting transformers to be in Class 11 there is likely to be a degree of adaptation that reduces the likelihood of a conflict with an electric transformer in Class 9.

Classes 16, 37 and 42

53. I have spent some time dealing with the various objections in relation to Class 9 goods because, from the thrust of submissions at the hearing, I understand that that is the area of

most concern to the opponents. The remaining Classes, 16, 37 and 42, are primarily concerned with goods and services that are strongly associated with the applicants' core goods, particularly the design and installation of such goods. They are further removed from the goods which are at the heart of the opponents' objections. I can see no basis for finding that the generality of goods and services in Classes 16, 37 and 42 are similar having regard to the TREAT and CANON tests when the opponents have failed to establish their position in relation to Class 9.

54. There is one exception to this general finding. Included in the applicants' Class 37 specification is "...installation, maintenance and repair services all relating to.....electrical and electronic apparatus and instruments....". This broad term must, I think, include those services supplied in respect of electrical lighting. The opponents are specialists in the design and supply of lighting systems for large projects. The services identified above would be likely to be required by the end customers for the opponents' goods and would be complementary or ancillary to the provision of the goods themselves. In my judgment the relationship between the goods and services is sufficiently close that they would be considered similar within the meaning of the CANON/TREAT tests.

Likelihood of confusion

55. The likelihood of confusion must be appreciated globally taking all relevant factors into account. In *Raleigh International Trade Mark* [2001] RPC 202 Geoffrey Hobbs QC, sitting as the Appointed Person, said:

“Similarities between marks cannot eliminate differences between goods or services; and similarities between goods and services cannot eliminate differences between marks. So the purpose of the assessment under section 5(2) must be to determine the net effect of the given similarities and differences.”

56. Although my above findings point to a clear conclusion to the Section 5(2)(b) objection I should comment briefly on the claimed instances of confusion brought forward by the opponents. Mr Krause did not place heavy reliance on them at the hearing. For reasons which I will briefly explain I think he was right not to do so. Mr Mellor, for his part, dismissed them as not demonstrating origin confusion; being few in number; and causing only minor administrative inconvenience. Two of the items relied on involve the same company, Concordia International Forwarding. They seem to me to represent either a database error or the result of insufficient care in identifying the correct addressee (or both). Concordia is a freight forwarding company and is not in these circumstances a customer for either side's goods or services. Even if it is an instance of confusion it is not relevant confusion. The second example is an order for a 'flashlamp' from Planet Hollywood Moscow. It is not clear precisely what happened. Certainly the addressee is wrongly recorded as Lucent Technologies. But I note that the fax number is Lucent Lighting's correct number. I infer that the sender of the fax had the correct contact fax number but got the wrong company name. There is no suggestion that there was confusion as to who was the correct supplier of the desired goods. The next item is in a similar vein. It is a mailing from Retail Interiors magazine to Mrs Dunk. This time the Lucent Lighting address is correctly given but again the company name is wrongly recorded as Lucent Technologies. It is not

clear that this has anything to do with origin confusion in relation to relevant goods and services. The final item is, if anything, an example of ‘wrong way’ confusion. It is a fax to Lucent Lighting which, it would seem, should have been directed to Lucent Technologies. To the extent that it is indicative of the type of risk that might occur when companies have similar names, it should not be lightly dismissed. However, without knowing more about the circumstances in which it occurred (and given also the very substantial size of the applicants’ business and likely reputation) I do not think it should unduly influence my decision.

57. In summary, bearing in mind the closeness of the marks but the distance between the opponents’ goods and the vast majority of the applicants’ goods and services I am satisfied that there is no likelihood of confusion. The one exception is installation, maintenance and repair services but only to the extent that these services relate to “electrical and electronic apparatus and instruments”. Applying the composite test I find that there would be a likelihood of confusion if the applicants’ mark is used in relation to these goods. Save in relation to this particular sub-set of goods the opposition fails under Section 5 (2)(b).

Section 5(3)

58. Section 5(3) comes with the underpinning requirement that an opponent must be able to show that his earlier trade mark has a reputation in this country. There is guidance in *General Motors Corporation v Yplon SA* [1999] ETMR 950 on the question of reputation as follows:

“24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

59. It is only the opponents’ reputation arising from use of their mark LUCENT and device in relation to the goods for which the earlier trade mark is registered that can be taken into account.

60. In considering the distinctive character of the opponents’ mark for the purposes of Section 5(2)(b) I found that the opponents’ evidence goes to the totality of their business as a project lighting company. It includes the design of lighting systems, the supply of electrical

lighting goods bearing third party brands and the supply of their own goods. There is no disaggregation of these elements of the opponents' business and it is not even clear whether the 'own goods' are unbranded or carry the LUCENT and device mark. I am in no position, therefore, to judge the reputation attaching to the opponents' earlier trade mark in relation to their Class 11 goods. In these circumstances the opponents' case under Section 5(3) does not get off the ground.

Section 5(4)(a)

61. The conventional test for determining whether the opponents have succeeded under this Section has been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC sitting as the Appointed Person, in *WILD CHILD* Trade Mark 1998 RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponents' 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 applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponents, and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.

62. The opponents can with some legitimacy point to a more broadly based case under Section 5(4)(a) than under Section 5(2)(b). It arises for the very reasons given above that their use and goodwill is in the operation of a project lighting company and in particular the design and supply of electrical lighting systems. Their claim thus extends to services. Mr Krause suggested that there is a likelihood that use of the opposed mark in respect of the goods and services for which protection is sought will misrepresent to consumers and traders that those goods and services emanate from, or are connected with, the opponents. It seems to me that, notwithstanding the somewhat different starting point under Section 5(4)(a), the issues in terms of marks, goods and services and relevant consumer base are substantially the same as those already considered. There is no restriction on the respective fields of activity under Section 5(4)(a) - *Lego Systems A/S v Lego M Lemelstrich Ltd* [1983] FSR 155. But given that the customer base for the provision of goods and services is likely to be the same I am not aware of any particular reason why use of the applied for mark across the full range of goods and services would result in a misrepresentation having regard to the area of the opponents' goodwill (save on the narrow basis on which I have already found in the opponents' favour under Section 5(2)(b)). Although therefore, the opponents' case is different under Section 5(4)(a) they are in no better position.

Conclusion and costs

63. The application will be allowed to proceed if, within 28 days of the expiry of the appeal period, the applicants file a Form TM21 restricting their Class 37 specification by the deletion

of the words “electrical and electronic apparatus and instruments”. If they do not do so the application will be refused in its entirety.

64. The opposition has failed save in relation to a narrow sub-set of goods. The applicants are entitled to a contribution towards their costs. Mr Mellor submitted that such a broadly based opposition displayed ‘hopeless optimism’ and that the lack of focus meant preparation for the hearing had been difficult. He asked for an award above the normal scale. Mr Krause submitted that it had not been a vexatious opposition and the opponents considered that they had a justifiable case. In his view normal scale costs should apply. I do not accept that the opposition can be characterised as vexatious. I do, however, consider that the opponents could have had no reasonable prospect of success in relation to the vast majority of the goods and services applied for. The failure to focus on the goods and services of particular concern until the hearing itself inevitably lead to some uncertainty on the part of the applicants as to the nature and extent of the case they faced. Against that the evidence has been substantially the same across the three related (but not consolidated) cases and a single composite set of submissions was made at the hearing (barring certain submissions in relation to the marks themselves). There have therefore been some resulting savings.

65. Taking all these factors into account I order the opponents to pay the applicants the sum of £1200 (a separate award for each of the three cases). 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 14th day of October 2002

**M REYNOLDS
For the Registrar
the Comptroller-General**

Annex in paper copy only