

O-083-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION 3021401
BY DESIGNCOM UK LIMITED**

FOR THE TRADE MARK



AND

**THE OPPOSITION THERETO UNDER NUMBER 401258 BY
SPECIALIZED BICYCLE COMPONENTS, INC**

Background

1. Designcom UK Limited (“the applicant”) applied for the trade mark shown below on 10 September 2013:



2. The applicant seeks registration of the trade mark for the following goods in Class 16:

Adhesive labels; Adhesive lettering; Adhesive printed labels; Adhesive stickers; Adhesive transfers; Adhesive wall decorations of paper; Adhesive-backed letters and numbers; Art prints; Bumper stickers; Car stickers; Decalcomanias; Decals; Graphic art prints; Graphic art reproductions; Graphic drawings; Graphic prints; Graphic reproductions; Heat transfers; Labels, not of textile; Paper labels; Stickers [decalcomanias]; Stickers [stationery]; Transfers; Transfers [decalcomanias].

3. The application was accepted and published in the *Trade Marks Journal* for opposition purposes on 27 September 2013. Specialized Bicycle Components, Inc (“the opponent”) opposes the trade mark application under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act (“the Act”). For sections 5(2)(b) and 5(3), the opponent relies upon its earlier Community trade mark 3721578 for the trade mark ALLEZ, in respect of “Bicycles and tricycles; frames and cycle components; parts, fittings and accessories for bicycles and tricycles”, registered¹ on 20 April 2006. The opponent’s claims are:

(i) Under section 5(2)(b) of the Act:

“The Applicant has applied to register the mark ALLEZ CYCLE, which wholly contains the word ALLEZ, which is the Opponent’s Mark in its entirety. Because the marks are visually, phonetically and conceptually similar, the addition of the word ‘cycle’ is not enough to distinguish between the marks, because it is descriptive in that the goods of the Applicant are intended to be applied to bicycles.

The Applicant has applied for a range of stickers and labels in class 16, which are similar and identical to the goods protected by the Opponent’s Mark in class 12 because they are an accessory for a bicycle and intended to be applied to bicycles. Therefore, the goods applied for by the Applicant are clearly similar in nature and purpose to the ‘parts, fittings and accessories for bicycles and tricycles’ as protected by the Opponent’s earlier registration. The Applicant markets decals for bicycles. The stickers/decals are placed on

¹ The completion of the registration procedure.

bicycles and the end result is that if an ALLEZ sticker is placed on any bicycle, there will be a misrepresentation that this bicycle emanates from the Opponent. The goods are therefore clearly in conflict. Equally, if the Applicant is marketing its bicycle stickers/decals under the Opponent's ALLEZ trade mark, the average consumer may believe incorrectly that the Applicant is economically linked with the Opponent.

Because the marks and the goods are similar, there is therefore a likelihood of confusion, including a likelihood of association with the Opponent's Mark."

(ii) Under section 5(3) of the Act:

"If the Applicant is allowed to secure a registration then the Applicant will benefit through the use of the Applicant's Mark because the average consumer will be confused into thinking that the undertakings are economically linked, given the strong similarity between the marks and the extent that the Earlier Mark is well-known in the United Kingdom. Such confusion as to origin is likely to take unfair advance [sic] of and be detrimental to the distinctive nature and repute of the Earlier Mark"

"The Opponent, Specialized Bicycle Components, Inc...is a worldwide brand of bicycles, bicycle component and equipment, apparel and related products and sponsorship within the cycling profession. The Opponent was founded in 1974 by Mike Sinyard, a cycling enthusiast, who started out by importing bike parts from Italy to the USA. In 1976, the company started to produce its own bike parts and then bicycles, and are considered pioneers in the cycling scene. In 1981, they revolutionised the history of cycling by developing the first ever mountain bike, called The Stumpjumper. Specialized is now one of the largest bicycle brands in the world, producing a vast range of bicycles and associated products internationally. Specialized are also a famous sponsor of cyclists and bicycle teams and many riders used Specialized bicycles in the European professional cycling circuits. In Europe they sponsor the following teams: Team IG-Sigma Sport (GBR), Blue Water Cycling (Den), Team Saxo Bank (Den) and Omega Pharma-Quick Step (Belgium). Specialized manufactures bicycles under the mark ALLEZ. They first started selling the ALLEZ bicycle in the UK in 1986 under the mark ALLEZ EPIC, and the ALLEZ model was first sold in the UK in 1989 and has been sold continuously since that date".

4. The opponent's claim under section 5(4)(a) of the Act is based upon its sign ALLEZ, which it claims was first used throughout the UK on 1 January 1989, in relation to the same goods as those relied upon for its other two grounds. The opponent claims that use of the applicant's mark would amount to an actionable passing off:

"The Opponent enjoys goodwill in the trade mark ALLEZ due to its sales to customers in the UK and has built up a reputation through sales of its bicycles under this sign. If the Applicant is allowed to use a mark containing reference to the word ALLEZ then the Opponent is likely to be damaged for a variety of potential reasons, which could include dilution in its goodwill or harm to its

reputation if the goods of the Applicant are affixed to 'bicycles' where there would be a misrepresentation because the average consumer would incorrectly believe that the bicycles are ALLEZ bicycles manufactured and sold by the Opponent. The Opponent would also suffer a misrepresentation if the public is misled into believing that the undertakings are economically connected."

5. The applicant's defence and counterstatement was filed by Mr Hugh Thornton. The opponent's earlier mark had been registered for more than five years on the date on which the application was published, which means that it is subject to proof of its use, as per section 6A of the Act. The applicant puts the opponent to proof of use, but its counterstatement asked not only for proof of use of class 12 goods, but also for Class 16 goods (decals, labels, stickers and transfers). The opponent has not relied upon any class 16 goods, so is not required to prove use on such goods. The remainder of the applicant's request for proof of use is put like this:

"Class 12 goods – cycle parts and fittings therefor, but excluding bicycles and bicycle frames and goods of the same description as bicycles and bicycle frames – and whether its usage, if any, was under licence from the owner of the mark "Allez" (trade mark UK00001134087 – see Attachment 5) or in violation of the owner's intellectual property rights".

6. The registration referred to, UK1134087, is for the mark ALLEZ, in class 12 for cycles and parts and fittings therefore. The mark has been part-cancelled for bicycles and bicycle frames and goods of the same description as bicycles and bicycle frames. The owner of the trade mark registration is Tradewinds United Kingdom Limited.

7. The applicant attached other documents to the counterstatement, but they were not, at that stage, in evidential form. The applicant states:

Claim 1 - That there is a similarity between Class 12 goods and Class 16 goods

Class 12 goods contain bicycles and components thereof. Class 16 goods as marketed by the Applicant are sticky labels. They are applied to bicycles, but the Intellectual Property Office agrees that they are not Class 12 goods – the Applicant was involved with the registration of a mark for a similar business, World Cycle Decals Ltd, and submitted the application as Class 12. The Intellectual Property Office declared that they were not Class 12 goods and the application could only proceed if the application were revised to Class 16, which it was, and it was subsequently approved.

Claim 2 - That an ALLEZ sticker might be placed on a bicycle and that it would result in a misrepresentation that the bicycle emanates from the Opponent

The application is for a specific design containing the words ALLEZ CYCLE. This design in no way looks like any design that Specialized use. As the Opponent well knows, Allez Cycle is a marketing brand of reproduction bicycle stickers and will never be used on a label to stick to a bicycle anyway

Claim 3 - That there is a likelihood of confusion with the Opponent's mark

There is no likelihood of confusion between a round circle containing the words ALLEZ CYCLE and a Specialized Allez. As will be pointed out later, ALLEZ is a very common word in the cycling community, not generally associated with the Opponent, Specialized

Claim 4 - That the consumer will be confused into thinking that the undertakings are economically linked

There is no possibility of this happening. Allez is such a common word in the cycling community (see Attachment 2) that it is not understood as a model of bicycle unless associated with the brand name Specialized. The Applicant has been selling decals through an eBay shop named Allez Cycle Decals (see Attachment 4) for over a year and the Opponent has not been able to offer any evidence of confusion or passing off.

Claim 5 - That the Applicant's mark would take advantage of or be detrimental to the distinctive character of the Opponent's mark

This again is based on the false premise that ALLEZ is specifically associated with Specialized. As stated above, Allez is a very common word in the cycling community and the Applicant conducted an informal survey of 14 cyclists as to their understanding of 'Allez'. Most associated it with shouts of encouragement to riders by spectators at a bicycle race (which is the origin of its use in this country, imported from France where cycle racing is a more significant activity); others associated it with non-cycling expression "Allez les Bleus" (Go the Blues – French team shirt colour); only one person thought of the Specialized Allez bicycle. Attachment 2 shows a few of the many uses of the word Allez in a cycling context that are nothing to do with Specialized. There is in fact NO 'distinctive character' of the Opponent's mark – they have taken a common cycle-racing word and put it on a bicycle in the hope that it would provide a halo effect for their brand. They have no basis for now saying that their brand provides a halo effect for the common word 'Allez'.

Claim 9 - That the Opponent enjoys goodwill in the trade mark ALLEZ due to its sales to customers in the UK and has built up a reputation through sales of bicycles under this sign.

The goodwill enjoyed by the Opponent ONLY extends to bicycles that are also branded Specialized or S-Works. They have not provided any evidence to suggest that their goodwill extends further. Their registration of the ALLEZ mark might be seen as opportunistic in that it was an appropriation of a mark used by a UK supplier of bicycles, parts and accessories since the 1940s (see Attachment 3). It should be pointed out that the Opponent is not the owner of the UK trademark ALLEZ for Class 12 goods that are an "accessory for a bicycle and intended to be applied to bicycles" (see Attachment 5), but they are claiming, erroneously, that the goods supplied by the Applicant fall into that category.

Summary

- None of the Opponent's claims has substance
- One of their claims is that the Applicant's goods are similar to a class of goods for which they do not even hold the UK mark

Request by the Applicant:

1. That the Applicant's mark be approved
2. That costs be awarded against the Opponent

8. The opponent is professionally represented, whilst the applicant represents itself. Rather than attend a hearing, both sides chose to have a decision made from the papers. Both parties filed evidence, submissions during the evidence rounds, and

written submissions in lieu of a hearing. All the evidence and the submissions have been borne in mind in making this decision.

The opponent's evidence

9. The opponent's evidence comes from Ms Kim Arca, who is the opponent's Intellectual Property Manager, and from Andrew Love, who works for the opponent in its department of brand security, global investigations and legal enforcement. Both state that the facts contained in their witness statements are comprised of information known personally to them, of information gleaned from the internet and general media, and from the opponent's records.

10. The first part of Ms Arca's statement reproduces the information about the opponent's beginnings which is contained in the notice of opposition, as summarised above. In relation to the mark ALLEZ, Ms Arca gives the following facts:

- The first ALLEZ bicycle to be sold in the UK was the ALLEZ EPIC, in 1986.
- In 1989, the bicycle was marketed under the name ALLEZ and has been sold continuously in the UK since then. There are a number of different bicycles and cycle frames in the ALLEZ range.
- ALLEZ is the number one family of the opponent's bicycles in the UK. Exhibit KA1, which is confidential in respect of some of the content (as to which, see below) includes pages of specification details for ALLEZ bicycles, with 1993 prices.
- The opponent sells the ALLEZ bicycle throughout its UK stores at its 'Concept' Specialized stores in Newbury, Chelmsford, London (Ruislip, Kingston, Covent Garden), Birmingham, Stafford, Nottingham, Chester, Harrogate and Plymouth. There are also over 30 other UK-wide dealers selling ALLEZ cycles. Exhibit KA1, the confidential part of it, contains a list of European (including French, Dutch, Eastern European and German ALLEZ dealers).
- UK Sales figures, which are subject to a confidentiality order, are shown below (redacted in the public copy of this decision):

Year	Amount (UK) £
2006	Redacted
2007	Redacted
2008	Redacted
2009	Redacted
2010	Redacted
2011	Redacted
2012	Redacted
2013	Redacted

- European sales figures (again, confidential) show sales revenue figures for these years were roughly on a par with the UK sales figures.
- Exhibit KA2, also subject to a confidentiality order, includes UK invoices showing the sale of ALLEZ bicycles in the UK from 2009 to 2013. The invoices list the following model names: ALLEZ, ALLEZ ELITE and ALLEZ SPORT.
- In the UK, ALLEZ bicycles retail for between £600 and £6000, depending on the model. Exhibit KA3 is a print from the current website showing various ALLEZ models and their prices:

Model	Price
S-WORKS ALLEZ 2014	£6000
S-WORKS ALLEZ FRAMESET 2014	£1500
ALLEZ RACE 2014	£1300
ALLEZ ELITE 2014	£900
ALLEZ SPORT 2014	£750
ALLEZ 2014	£600

- The opponent promotes its ALLEZ bicycles and cycle frames through its dealers and through, e.g. social media. Exhibit KA4 contains examples of UK promotions, such as RIDE MORE FOR LESS which reduced certain bicycles, including the ALLEZ range. The promotion took place in April 2014, which is after the relevant date. Other prints in exhibit KA4 do fall within the relevant period. A promotion of ALLEZ, ALLEZ SPORT, ALLEZ COMP and ALLEZ ELITE bicycles in June 2011 is entitled “ALLEZ! GET FIT PROMOTION! Mailshots say “Allez-Allez! It’s time for you to get fit. Specialized are offering you the best possible excuse with seasonal reductions on all 2011 Specialized Allez bikes”. References to the opponent’s UK address place this promotion within the UK.
- Exhibit JA4 also includes a print showing a S-Works ALLEZ bicycle bearing the word “allez” across the cross-bar. This is described as a concept store home page banner, and is dated 18 March 2013.

11. Ms Arca says that the defence shows that the applicant is producing stickers which are clearly intended to be used for, or on, bicycles. Exhibit KA5 is a print from what she states to be the applicant’s cached website worldcycled decals.com, which shows that the opponent was until recently included in the list of manufacturers for which stickers are available to buy from the website (the date on the print is 30 October 2013): The website says:

“List Of Manufacturer Decals/Transfers Available

This is the index to the World Cycle Decals catalogue of Bicycle Decals and Transfers. Click on the name of the bicycle brand that you want decals for and you will be transported to the relevant page of our bicycled decals.net website, where you can see all the decals and transfers that we have for that

brand. General and miscellaneous decals used across brands (for example, World Champion stripes and tubing decals) are at the end of the list.”

12. Shown below is a page offering stickers for sale relating to the opponent’s trade marks:





Home ? Decal Catalogue ? Decal Application ? About Us ? Contact Us

Specialized Decals

[View Cart](#)

Click on thumbnail to view larger image

[Click HERE to see our full range of Decals](#)

	Specialized S-Works Metal Matrix Decal Set	Specialized_SET_1 £29.00 Add to Cart
	Specialized S-Works M2 Duralcan Decal Set	Specialized_SET_2 £29.00 Add to Cart
	Specialized S-Works E5 Aerotec Decal Set	Specialized_SET_3 £29.00 Add to Cart
	Specialized Rockhopper Decal Set - Black	Specialized_SET_4 £29.00 Add to Cart
		Specialized_SET_5

http://bicycled decals.net/specializeddecals.htm[10/30/2013 6:02:56 PM]

75

13. Mr Love gives evidence from the perspective of brand enforcement and anti-counterfeit measures for the opponent. One of Mr Love’s roles is to monitor eBay. He refers to eBay’s VeRO Program (Verified Rights Owner) which offers a measure of protection to intellectual property rights holders. For instance, eBay will take down an infringing listing when it is reported. Mr Love states that his department also monitors other ecommerce websites.

14. Mr Love states that carbon fibre bicycle counterfeiters have a massive infrastructure investment in fake items and moulds. Mr Love exhibits printouts from

what he states to be the applicant's website, worldcycledecals.com. The screenshots say:

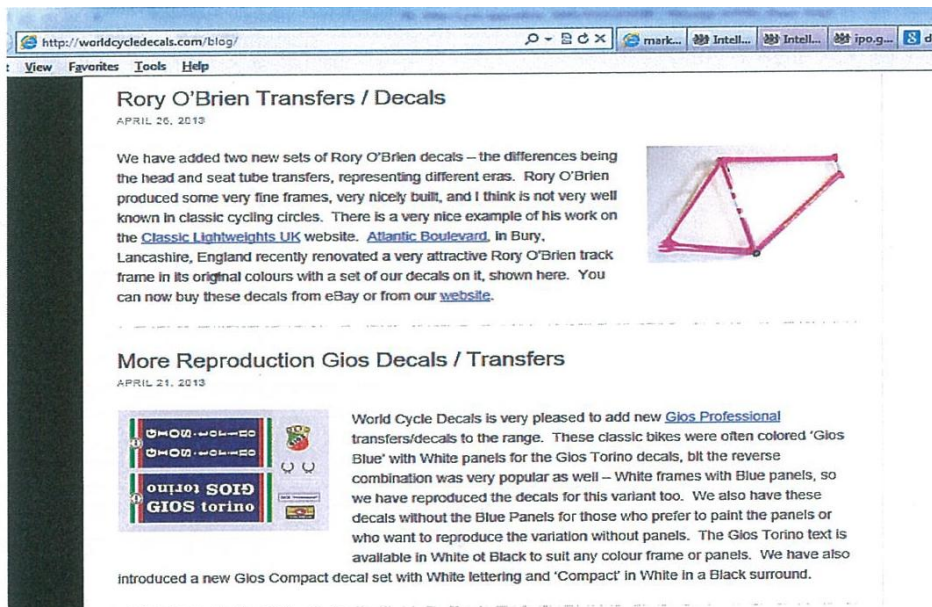
"In a short period of time World Cycle Decals has become the premier manufacturer and supplier of bicycle decals (also known as transfers or stickers) for the renovation and restoration of vintage, classic and contemporary bicycle frames".

"With the availability of quality reproduction transfers and decals like we produce, it is a relatively simple matter to create a replica of a classic bicycle. Is this legitimate? In our view, yes, provided you are open about it and not trying to con anybody into thinking the bike is something that it isn't. Sometimes that bike you yearn for is just not available and you are very happy to own and ride a replica – it looks like the original and gives you pleasure. Nothing wrong in that, provided you don't try to pass it off as the real thing. In which case your replica becomes a 'fake' and you expose yourself to civil or criminal action.

...

A common fake recently has been dressing up a Colnago Super with Eddy Merckx Molteni paint and decals. We would want to see photos of the frame before repainting, or at least to check every feature of the frame to make sure it was of the correct age. Some of the fakes marketed as genuine were very clearly of the wrong age by several years – but they sure looked good and may have sucked in unsuspecting buyers at prices way over their real value."


15. Some further extracts are shown below:




The screenshot shows a web browser window with the URL <http://worldcycledecals.com/blog/>. The page content includes two blog posts:

Rory O'Brien Transfers / Decals
APRIL 20, 2013

We have added two new sets of Rory O'Brien decals – the differences being the head and seat tube transfers, representing different eras. Rory O'Brien produced some very fine frames, very nicely built, and I think is not very well known in classic cycling circles. There is a very nice example of his work on the [Classic Lightweights UK](#) website. [Atlantic Boulevard](#), in Bury, Lancashire, England recently renovated a very attractive Rory O'Brien track frame in its original colours with a set of our decals on it, shown here. You can now buy these decals from eBay or from our [website](#).



More Reproduction Gios Decals / Transfers
APRIL 21, 2013



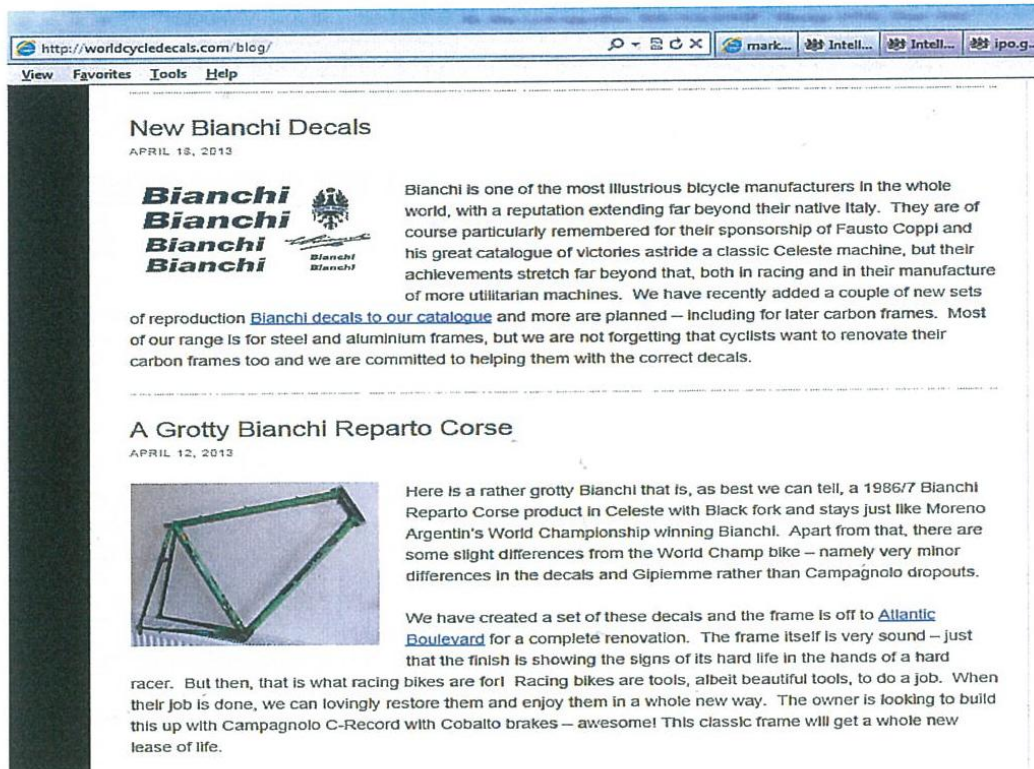
World Cycle Decals is very pleased to add new [Gios Professional](#) transfers/decals to the range. These classic bikes were often colored 'Gios Blue' with White panels for the Gios Torino decals, but the reverse combination was very popular as well – White frames with Blue panels, so we have reproduced the decals for this variant too. We also have these decals without the Blue Panels for those who prefer to paint the panels or who want to reproduce the variation without panels. The Gios Torino text is available in White or Black to suit any colour frame or panels. We have also introduced a new Gios Compact decal set with White lettering and 'Compact' in White in a Black surround.

New Raleigh Transfers / Decals

APRIL 21, 2013



We have been busy adding more [Raleigh transfers](#) to our catalogue, including the very attractive Lenton Grand Prix decal set from the late 1950s. We have not been forgetting later models either with 2 sets of Raleigh Europa decals – they are the same except that one includes a black panel for the seat tube, whereas the other contains separate decals to accommodate a painted panel on the seat tube. We are just introducing a variant of this set for the Team Raleigh Record, similar to the Europa but with Record decals in place of Europa.



The screenshot shows a web browser window with the address bar displaying <http://worldcycledecals.com/blog/>. The browser's menu bar includes 'View', 'Favorites', 'Tools', and 'Help'. The page content features a dark sidebar on the left and a main content area. The main content area has a header for 'New Bianchi Decals' dated 'APRIL 18, 2013'. Below the header is the Bianchi logo, which consists of the word 'Bianchi' in a bold, italicized font, a small crest, and the word 'Bianchi' repeated in a smaller font below. The text of the post describes Bianchi as a world-famous bicycle manufacturer and mentions the addition of new reproduction Bianchi decals to their catalogue. Below this is a section titled 'A Grotty Bianchi Reparto Corse' dated 'APRIL 12, 2013'. This section includes a photograph of a green bicycle frame and text describing it as a 1986/7 Bianchi Reparto Corse product. The text mentions the frame's condition and the restoration work being done, including the application of Atlantic Boulevard decals and the installation of Campagnolo C-Record components.

16. Mr Love states that the use of stickers and decals or other paper-based badges causes huge issues for the cycling industry:

“The problem that these decals reproduction companies create is that their decals are often slapped on bikes that are NOT genuine Specialized bicycles (creating confusion), or the counterfeit frames are produced and sold as blanks, with instructions on how to buy-apply decals from “trusted vendors” so the bike is not illegal during transit. But they become a very convincing counterfeit once decals are applied.

...

There was a law enforcement operation recently that went after someone putting Specialized decals on Bikes that were not Specialized, and selling them for huge margins on Craigslist. I have stopped listings for generic bicycles with Specialized stickers on multiple times on eBay.

Specialized also has a clause that bikes which have been repainted and redecals have voided their warranty. This is because people sometimes try and hide crash damage via a repaint and sell the painted and stickered bike.”

The applicant’s evidence

17. Mr Hugh Thornton, the applicant’s director, has filed submissions in reply to the opponent’s evidence and also a witness statement. I will begin with the latter.

18. Mr Thornton states:

“Designcom UK Limited (“Designcom”) is a marketing and consulting company and does not manufacture bicycle decals. Designcom receives fees and commissions from a decal manufacturing company but has no financial interest in that company, neither do I personally have any financial interest in that company. Designcom does not own or lease any decal manufacturing assets and has very few tangible assets.”

19. Mr Thornton states that “allez” is a French word meaning ‘go’ and that it has long been used on the Continent in connection with cycling as a word of encouragement shouted by spectators at cycle races. He states that since World War II, “all things Continental” have become very popular in British cycling, both in the adoption of language and the importation of bicycles and their components. Mr Thornton states that the word “Allez” became as popular here as in France, and was adopted by the Holdsworth Company for a range of cycle components. Exhibit 4 is a copy of that company’s 1949 advertisement for “Allez!” Pedals. (Mr Thornton states that he owns a pair of Holdsworth Allez pedals.)

20. Mr Thornton also provides the following exhibits to show that ALLEZ is commonly used, without connection to the opponent, in the world of cycling (some of the exhibits are those originally attached to the notice of defence and counterstatement):

- Allez Wiggo! which is a book about the 2012 Tour de France winner Bradley Wiggins (exhibit 5 shows the book’s front cover). Mr Thornton states that Bradley Wiggins rode a Pinarello bicycle, which is a competitor of the opponent, and that Pinarello would not have sanctioned the title if it gave the impression that he rode a Specialized bicycle.
- Allez Glossop, Exhibit 6. This is hard to read, but appears to be about Glossop, in the Peak District, being ready to welcome the Tour de France, from the local council’s website.
- ALLEZ Sportives, exhibit 7. The screenshot shows a tab called “2014 Events” and the slogan “GET THE BEST FROM YOUR BIKE WITH ALLEZSPORTIVES”
- A packet of Taylors Allez! Allez! Coffee. The quality of the print is so poor that I cannot see what the picture is on the front of the packet.

21. Mr Thornton states that he watched part of the 2014 Tour de France by the roadside in Yorkshire and noted that many of the spectators shouted “Allez! Allez!”, as general words of encouragement. York Minster had a sign on its tower saying “ALLEZ ALLELUJAH” as a tribute to the Grand Départ of the Tour de France. Mr Thornton states that he conducted an informal survey as to people’s association with the word ALLEZ. Mr Thornton is not a trade mark professional so will not be aware of the pitfalls of conducting surveys, the weight which can be attributed to them, and that he had to request permission (and have it granted) from the Tribunal in order to have survey results admitted to the proceedings². Consequently, I will say no more about this.

22. Mr Thornton finishes his statement by concluding that, despite his request, the opponent did not prove use of its mark upon class 12 goods other than bicycles and bicycle frames, and says that Class 16 decals marketed by Designcom are not bicycles or bicycle frames.

The applicant’s response to the opponent’s evidence

23. I will record here some of the applicant’s submissions in relation to the opponent’s evidence, because it puts the opponent’s evidence-in-reply (see below) into some context.

24. The applicant submits:

- The opponent has not commented on the manner of use of ALLEZ in the cycling community and has not explained why it considers it should have rights beyond the very specific applications for which the opponent has a trade mark.
- The opponent’s evidence contains incorrect information, namely defining the applicant as a manufacturer of decals and ascribing to the applicant ownership of websites that do not belong to the applicant, and including webpages which are not current. The applicant also submits:

“a. The Applicant does not and never has produced stickers. The Applicant is a marketing and consulting company.

b. The Applicant is marketing stickers that are intended to be attached to bicycles, but the witness fails to mention that the Applicant wishes to use its logo for marketing purposes and that its logo will not be affixed to bicycles.

c. The website worldcycled decals.com is not the Applicant’s. The Applicant merely manages it on behalf of its owner and is in no way responsible for the content, only acting in an advisory capacity.”

² Tribunal Practice Notice 2/2012, on the Intellectual Property Office’s website, refers.

- The applicant submits that the opponent has provided no evidence that it has contributed to or enhanced any goodwill in the word ALLEZ, but the applicant accepts that “Specialized have been successfully marketing bicycles and frames with the model name ALLEZ. This was never in dispute. There is no evidence that they used the name ALLEZ in any other way.”
- The Applicant ‘markets’ decals mostly for obsolete bicycles, used in the restoration and finishing of bicycles, which necessarily means that they are some years old.
- More enlightened manufacturers applaud the applicant’s activity as it saves them the trouble of maintaining stocks of obsolete decals. The opponent is doing a disservice to its past customers by trying to prevent them from renovating the bicycles they purchased from the opponent.

The opponent’s evidence-in-reply

25. This comes from Ms Arca and is in the nature of submissions. Whilst it is not normally appropriate to detail submissions, as opposed to facts, because of the unusual nature of the issues in this case and because I have summarised some of the applicant’s key submissions, I will do the same for the opponent.

26. Ms Arca submits:

- What happens to the stickers or decals in the hands of the consumer and their link to bicycles is a critical part of the opponent’s case: there is a likelihood of confusion because the use and users for the class 12 and 16 goods are the same (the use being for bicycles and the users being bicycle owners). Therefore the evidence from Mr Love about counterfeits is highly relevant.
- It is irrelevant that the opponent has not commented on the allegedly descriptive use of ALLEZ in the cycling community because the purpose of a trade mark is to indicate origin. ALLEZ is not descriptive of either cycling goods or class 16 goods.
- There seems to be a misunderstanding between what the applicant does – it refers to itself as a ‘marketing and consulting company’ and the protection sought under the mark. The applicant is seeking protection in class 16 and not for marketing or consulting services in class 35. The applicant states that it wishes to use its logo for marketing purposes but the goods applied for are stickers and decals.
- There is clearly an economic connection between the applicant and the website worldcycled decals.com because although the applicant states that it is not its website, the applicant manages the website on behalf of the website’s owner.
- The applicant’s goods are, essentially, ‘parts and fittings and accessories for bicycles’; although not technical parts, they become a part when they are stuck on the bicycle/frame.

Proof of use

27. The applicant has put the opponent to proof of use in respect of “cycle parts and fittings therefor, but excluding bicycles and bicycle frames and goods of the same description as bicycles and bicycle frames”. This is unsatisfactory because it does not make clear exactly for which of the goods relied upon in the statement of use the applicant requires proof of use. The opponent relies upon bicycles and tricycles; frames and cycle components; parts, fittings and accessories for bicycles and tricycles. I think what has happened, from reading the rest of the counterstatement, is that the applicant feels that because the owner of registration 1134087 has cover for “Cycles and parts and fittings therefor included in Class 12. CANCELLED IN RESPECT OF: Bicycles and bicycle frames and goods of the same description as bicycles and bicycle frames”, the opponent can only show use on “Bicycle and bicycle frames and goods of the same description as bicycles and bicycle frames”. Hence, it has not requested use for these (and because it becomes clear from its own evidence that it accepts that the opponent has used the mark on these goods). I bear in mind that the applicant is unrepresented and so, taking into account the content of the counterstatement, the applicant’s evidence and its submissions, it is clear to me and should also have been clear to the opponent that what the applicant wants is for the opponent to show that it has used its mark on the goods it relies upon which are ‘parts’ of cycles, rather than bicycles and their frames. However, if I am wrong in treating the request as also covering cycle components and accessories, as opposed to just cycle parts and fittings, it does not affect the outcome of my decision on the section 5(2)(b) ground.

28. Section 6A of the Act states:

“(1) This section applies where—

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if—

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes—

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects—

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

29. The enquiry under section 6A of the Act is identical to that set out under section 46, the part of the Act which deals with the issue of revocation on the grounds of non-use, because both Section 6A and section 46 relate to genuine use of a mark. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

“(1) Genuine use means actual use of the mark by the proprietor or a third party with authority *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

30. The assessment can only be made on the basis of the evidence filed by the opponent, because Section 100 of the Act states:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

31. The opponent has not shown any evidence in relation to cycle components, parts, fittings or accessories. Its use is all in respect of bicycles and their frames, which the applicant accepts. No request for proof of use in relation to tricycles was

made; consequently, for the purposes of this opposition, the opponent may rely only upon:

Bicycles, tricycles and their frames.

Section 5(2)(b) of the Act

32. 5(2)(b) of the Act states:

“(2) A trade mark shall not be registered if because –

(a) ...

(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.”

33. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(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 or 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, and whose attention varies according to the category of goods or services in question;

(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 normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

34. The applicant, in its counterstatement said:

“As the Opponent well knows, Allez Cycle is a marketing brand of reproduction bicycle stickers and will never be used on a label to stick to a bicycle anyway.”

The enquiry under section 5(2)(b) of the Act is whether there is a likelihood of confusion. This means looking at the application on the basis of what is called notional and fair use. It does not mean looking at the use thus far, or the applicant's plans for use. The reason for the importance of looking only at 'notional and fair use' is that trade marks can be bought and sold and used in a different way to that which might have been the case for the original applicant. Therefore, the decision maker must consider the potential use which the mark 'theoretically', or notionally, covers. It would not extend to, for example, hugely stylised versions of the mark because that would not be 'notional' or 'fair'. It does include taking into account the ways in which the mark would be used *in relation to* the goods for which it is registered. Notional and fair use includes use of a mark on packaging and on the goods themselves. Therefore, it cannot help the applicant that it currently does not, and does not plan to, use the mark on the stickers themselves. What is important under section 5(2)(b) is that the applicant, or another owner, *could* use the mark this way if the mark was registered.

35. Mr Thornton states in his evidence that the applicant “Designcom UK Limited (“Designcom”) is a marketing and consulting company and does not manufacture bicycle decals. Designcom receives fees and commissions from a decal

manufacturing company but has no financial interest in that company, neither do I personally have any financial interest in that company. Designcom does not own or lease any decal manufacturing assets and has very few tangible assets.” This does not help the applicant. Apart from being a confused statement by itself, the picture gets more confused when viewed against the following in the counterstatement:

“The Applicant has been selling decals through an eBay shop named Allez Cycle Decals.”

36. It seems to me that the applicant (and Mr Thornton) is trying to categorise the application as a retail activity, rather than an application for goods. This is misguided. The application is not in class 35, which covers services such as retailing, marketing and business consultancy. The applicant has pinned its colours to the class 16 goods class and it is for the goods of the application that I must determine the success or otherwise of the section 5(2)(b) ground of opposition. It is also irrelevant what third parties have registered and whether the applicant considers the opponent to have trodden on the toes of other parties’ perceived rights. It is for those other parties to take action, not for the applicant, effectively, to counterclaim on the basis of rights which it does not own.

Comparison of goods and the average consumer

37. I show below the competing specifications of the parties’ marks:

Opponent	Applicant
<i>Bicycles, tricycles and their frames.</i>	<i>Adhesive labels; Adhesive lettering; Adhesive printed labels; Adhesive stickers; Adhesive transfers; Adhesive wall decorations of paper; Adhesive-backed letters and numbers; Art prints; Bumper stickers; Car stickers; Decalcomanias; Decals; Graphic art prints; Graphic art reproductions; Graphic drawings; Graphic prints; Graphic reproductions; Heat transfers; Labels, not of textile; Paper labels; Stickers [decalcomanias]; Stickers [stationery]; Transfers; Transfers [decalcomanias].</i>

38. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

“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

intended purpose and their method of use and whether they are in competition with each other or are complementary.”

39. ‘Complementary’ was defined by the General Court (“GC”) in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”

40. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

41. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

42. The opponent submits that the use and users of the goods are the same, i.e. the use being for bicycles and the users being cyclists. Of course, I have found that there has been no use for parts of bicycles, so the comparison is between the goods in class 16 and bicycles and their frames. The use of a sticker, even if it goes onto a bicycle, is not the same as the purpose (or use) of a bicycle. The nature of the goods is entirely different. In terms of users, the opponent is, obviously, correct that the users of bicycles are cyclists. However, according to the opponent’s own evidence, the users of stickers, even for bicycles, are not necessarily cyclists. The opponent’s evidence points strongly towards the users of stickers for bicycles as being counterfeiters. (Of course, the applicant’s stickers are not limited to those for bicycles, and could be used on anything). The applicant’s evidence does point towards the users of stickers for bicycles being cycle enthusiasts (usually cyclists themselves), restoring or renovating bicycles. Therefore, I find that the users of both parties’ goods may be cyclists. The level of attention for the opponent’s goods will be reasonably high, whereas for the applicant’s goods the level of attention will vary depending upon who the consumer is. The purchase of the parties’ goods will be overwhelmingly visual.

43. The opponent has indicated very strongly in its evidence that channels of trade for cycles and stickers do not coincide. Mr Love states that the opponent's warranty would be voided by use of stickers and decals. He states that bicycle decals and stickers cause huge issues for the cycling industry. Therefore, neither the opponent, nor its distributors, is likely to be selling the very object that would cause its warranties to be void. The opponent cannot have it both ways: the applicant's goods and the opponent's goods do not share the same channels of trade. They are not in competition and are not complementary. Stickers do not need bicycles to function, and the opponent has made it clear that the cycling industry does not use stickers or decals. My conclusion is that the parties' goods are not similar. Even if the opponent could rely upon all of the goods for which it made a statement of use, my conclusion would be the same.


Comparison of marks

44. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

45. The respective marks are:

Opponent	Applicant
ALLEZ	

46. The applicant's mark consists of a combination of a circle divided horizontally between black and white with the words ALLEZ CYCLE superimposed on the semi-circles. Whilst the device (the circle) is clearly not negligible, the overall impression of the applicant's mark is dominated by the words. Further, the word CYCLE has

obvious descriptive qualities, depending upon the items to which the goods are applied.

47. The visual and aural point of similarity between the marks is the word ALLEZ. Taking into account the similarity but also the differences, there is a medium level of visual similarity and a medium to high level of aural similarity. The level of aural similarity is higher because the device does not feature in the aural perception of the mark, and ALLEZ is the first word heard in the applicant's mark.

48. Both parties have referred to ALLEZ as meaning 'GO' in French. I am not sure how widely known that would be to the average UK, monoglot, consumer. There may be recognition of it amongst the cycling fraternity who follow, for example, the Tour de France: the applicant asserts that it is a common word of encouragement used in such events by spectators, and this has not been denied. In the context of the opponent's goods, some buyers of cycles will know this, others will not. The 'cycling' meaning is connected more closely to the applicant's mark because the word cycle gives some context to the word ALLEZ. My conclusion is that some consumers will not know what it means, some will know that it means 'go' (or 'you go') and others will see it as a word of encouragement in the context of cycling racing. The degree of conceptual similarity between the marks depends upon the degree of knowledge of the meaning or use of ALLEZ. If the literal meaning of 'GO' is perceived, there is a good degree of conceptual similarity. If the cycling meaning is perceived, then the marks become conceptually highly similar, (i) because the presence of the word CYCLE in the applicant's mark creates a strong conceptual link to cycling and (ii) because CYCLE is purely descriptive of goods connected to cycling.

Distinctive character of the earlier marks

49. The applicant submits that:

"4. The word ALLEZ belonged first to the French, now to the whole world, and has been used throughout the cycling community long before the Opponent ever came into existence.

5. The Opponent has no goodwill in the word ALLEZ other than as a bicycle model name and the evidence is that they only chose that name because of the goodwill already existing in that name within the cycling community."

50. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*³ the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined

³ Case C-342/97

Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

51. This means that I must look at whether the word ALLEZ is descriptive or alludes to the opponent’s goods in order to gauge its intrinsic, or inherent, level of distinctiveness (meaning its capacity to work as a trade mark, signifying the trade origin of the particular goods from a single source rather than anything else) and, further, whether that level of inherent distinctive character has been increased, or enhanced, by the use the opponent has made of its mark in relation to the goods. ALLEZ, in relation to cycles, appears to have the meaning referred to in paragraph 4 of this decision, but it is not descriptive of cycles. It also does not allude to any characteristic of cycles. It is a word used by spectators at cycle races to shout encouragement to cyclists. This may dent slightly the relatively high level of inherent distinctive character. However, when the opponent’s substantial level of use is factored into the assessment, the opponent is entitled to claim an enhanced level of distinctive character. The opponent’s mark is distinctive for bicycles and bicycle frames to a high degree.

Likelihood of confusion

52. A lesser degree of similarity between goods may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*). However, where there is no similarity between the goods, neither similarity between the marks nor a good degree of distinctive character in its earlier mark will help the opponent’s case. The CJEU said in *Waterford Wedgwood plc v OHIM* Case C-398/07:

“35 It must be noted that the Court of First Instance, in paragraphs 30 to 35 of the judgment under appeal, carried out a detailed assessment of the similarity of the goods in question on the basis of the factors mentioned in paragraph 23 of the judgment in *Canon*. However, it cannot be alleged that the Court of First Instance did not take into account the distinctiveness of the earlier trade mark when carrying out that assessment, since the strong reputation of that trade mark relied on by Waterford Wedgwood can only offset a low degree of similarity of goods for the purpose of assessing the likelihood of confusion, and cannot make up for the total absence of similarity. Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect,

Canon, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood.”

53. There is no similarity between the goods within the parameters of the authorities listed earlier in this decision. Therefore, even if I had taken all the goods relied upon into account, there is no likelihood of confusion under section 5(2)(b) of the Act. **The ground of opposition under section 5(2)(b) fails.**

Section 5(4)(a) of the Act

54. Section 5(4)(a) states:

“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)...

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.”

55. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It 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.”

56. 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.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

57. Although the applicant states in its counterstatement that it has been selling decals through an eBay shop named Allez Cycle Decals for over a year, it has provided no evidence from which I can gauge the nature and scale of that trading.

Therefore, the relevant date in relation to section 5(4)(a) is the date of application, 10 September 2013.

Goodwill

58. The opponent needs to show that it had goodwill at the relevant date, sufficient to have been able to have prevented the applicant, at that date, from using its mark under the law of passing-off. The applicant has made some submissions about goodwill:

“The Opponent has not provided any evidence to substantiate their claim of passing off or claim that the Applicant would unfairly benefit from any goodwill established by Specialized in the word ALLEZ. As pointed out in the Witness Statement of Hugh Thornton [...], it is quite the reverse: Specialized benefited from the goodwill attached to the word ALLEZ. There is no evidence that they have contributed to or enhanced any goodwill in the word ALLEZ and therefore no evidence that the Applicant is trying to benefit unfairly, or trying to pass off product [sic] they market as associated with Specialized, by using a logo containing the words ALLEZ CYCLE.”

“The Opponent has no goodwill in the word ALLEZ other than as a bicycle model name, and the evidence is that they only chose that name because of the goodwill already existing in that name within the cycling community.”

Mr Thornton states:

“The word ALLEZ enhanced the Specialized brand. It is incorrect now to pretend that Specialized has enhanced the word ALLEZ and somehow gained ownership of it, other than in the very specific applications for which they have registered it as a trade mark.”

59. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates.”

In the same case, Lord Lindley said:

“Goodwill regarded as property has no meaning except in connection with some trade, business, or calling. In that connection I understand the word to include whatever adds value to a business by reason of situation, name and reputation, connection, introduction to old customers, and agreed absence

from competition, or any of these things, and there may be others which do not occur to me. In this wide sense, goodwill is inseparable from the business to which it adds value, and, in my opinion, exists where the business is carried on. Such business may be carried on in one place or country or in several, and if in several there may be several businesses, each having a goodwill of its own.”

60. Therefore, goodwill is generated by trade, or custom, and is capable of being owned. It is a type of property and passing off is a wrongful invasion of it. Goodwill is not to be equated with a ‘good feeling’ about a word in the abstract. The word ALLEZ as a shout of encouragement, as described by the applicant/Mr Thornton, is not attached to business. The opponent has goodwill attached to the word ALLEZ because it has been using it over many years and to a substantial degree to sell its bicycles and bicycle frames. Mr Thornton appears to accept this, as he refers to ownership in very specific applications for which the opponent has registered ALLEZ as a trade mark. The applicant submits “The Opponent has no goodwill in the word ALLEZ other than as a bicycle model name.” This is exactly the point: ALLEZ is a mark used in trade and has accrued goodwill for bicycles and bicycle frames. As I found earlier in this decision, the length and scale of the opponent’s use of the sign ALLEZ, for bicycles and bicycle frames, is distinctive of the opponent to a high degree.

Misrepresentation

61. Under section 5(2)(b) of the Act, I carried out an assessment of the similarity of goods according to the parameters set by the established authorities, which I cited at paragraphs 38 to 41. Without similarity of goods, there can be no likelihood of confusion within the meaning of section 5(2)(b). There are no such restrictions in deciding whether a passing off claim will succeed. Nevertheless, the distance between the goods is a factor which must be taken into account. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff’s business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff’s claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the Advocate case Lord Diplock expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego* case *Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What

the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.’

In the same case Stephenson L.J. said at page 547:

‘...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him,

there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.' ”

62. In deciding ‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff [the opponent] and the field of activities of the defendant [the applicant]’, I have in mind the following points:

- The opponent has a strong goodwill and reputation in relation to bicycles and bicycle frames.
- There is an online trade in stickers and decals which are copies of cycle manufacturers' trade marks and graphic signs.
- The applicant, in the counterstatement, says that it has been selling decals through an eBay shop named Allez Cycle Decals.
- The applicant has some sort of business connection with the website World Cycle Decals, shown in the opponent's evidence, which sells copies of the opponent's trade marks for adhesion to bicycles. Although the applicant has, since the opponent filed its evidence, tried to put a distance between itself and this website, the applicant stated in the counterstatement that the “Applicant was involved with the registration of a mark for a similar business, World Cycle Decals Ltd, and submitted the application as Class 12.”

63. These facts lead me to the conclusion that the parties are engaged in a common (although not identical) field of activity, which is the sale of bicycles and goods closely connected with bicycles. It is true that the application covers all types of stickers, however, it is clear from the applicant's evidence, submissions and its counterstatement, that the *raison d'être* for the applicant's mark is its use in relation to stickers and decals for adhesion to bicycles and their frames. That is also clear from the inclusion of the word ‘Cycle’ in the mark. I note that ‘Cycle’ is singular, rather than plural. If a sticker bearing the applicant's mark was to be applied to a bicycle or a bicycle frame, the inference is that the bicycle is an ‘Allez Cycle’. Although the applicant maintains that the mark would not be used on the stickers and the mark would not appear on bicycles or their frames, this does not help the applicant because, as already said, notional and fair use includes use of the mark on the goods themselves. Passing off can occur without any intention to deceive and regardless of whether the applicant believes there will be no confusion. It is also not relevant that the applicant considers that it has an independent claim to use the mark in question. The applicant, if the trade mark was registered, would be entitled to use it that way, as would any later owner of the registration.

64. The use of the trade mark would have the effect of attracting to the applicant's business the goodwill attached to the opponent's established business in its ALLEZ bicycles and frames. The opponent does not wish to, and could not, prevent spectators from shouting ALLEZ as encouragement to riders in cycle races, but once that word is used in connection with the sale of goods in the field of bicycles, and

particularly once a monopoly in the form of a trade mark registration is sought, the matter is altogether different. Whilst the applicant appears to maintain the position that ALLEZ is free for all those interested in cycling to use, by applying for the trade mark ALLEZ CYCLE, the applicant itself also seeks a trade monopoly.

65. Although stickers *per se* may not result in direct pecuniary loss (because the opponent does not sell stickers), there are other types of damage, as articulated by Warrington LJ in *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA):

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

66. These factors cause me to conclude that the opponent's claim of passing off succeeds. I consider that to be the case for all the goods of the specification because there is little difference, in practice, between the various types of stickers and their potential applications. In case I am wrong that stickers *per se* will cause damage to the opponent, I will go on to examine the opponent's concerns about what happens after the stickers leave the applicant. The evidence shows that the company (related to the applicant) which is trading on the World Cycle Decals website is very aware of passing off, and sounds a note of caution that it is 'OK' to make your bicycle look like the original “provided you don't pass it off as the real thing. In which case your replica becomes a 'fake' and you expose yourself to civil or criminal action”. Mr Love (for the opponent) has given evidence that the sale of stickers and decals which are copies of cycle manufacturer's trade marks and graphic signs has caused huge issues for the cycling industry:

“The problem that these decals reproduction companies create is that their decals are often slapped on bikes that are NOT genuine Specialized bicycles (creating confusion), or the counterfeit frames are produced and sold as blanks, with instructions on how to buy-apply decals from “trusted vendors” so the bike is not illegal during transit. But they become a very convincing counterfeit once decals are applied.”

In other words, when a sticker is applied to a bicycle or a bicycle frame, it quickly becomes a label.

67. In *The Law of Passing Off Unfair Competition by Misrepresentation*, Fourth Edition, Professor Christopher Wadlow reviews situations in which misrepresentation may be caused (or not caused) by what is known as an instrument of deception paragraph 5-141). One of the situations which will result in misrepresentation is:

“Goods which are inherently deceptive in that they carry indicia so close to what is distinctive of the claimant that they are bound to deceive unless specific remedial measures are taken. There is strict liability on the part of the supplier, even if he acted innocently and even if no passing-off at retail level actually takes place. The tort is complete when the inherently deceptive goods

are put into circulation, with the consequence that the supplier is immediately liable to an injunction, an account of profits, and at least nominal damages.”

If the mark was applied to the goods, which would be notional and fair use of the mark, the goods would carry indicia which are very close to the mark which is distinctive of the opponent, ALLEZ, with another word entirely descriptive of its field of business. Although there may be no passing off when the applicant sells the sticker which incorporates (notionally) the mark applied for, deception will occur when the stickers reach the market. Wadlow says (paragraph 5-158, footnotes omitted):

“In *Farina v Silverlock* a complicated series of cases ended with an injunction being granted against a printer who had printed copies of the labels on the plaintiff’s “Eau de Cologne” bottles and offered them to all and sundry. There was a slight legitimate market for relabelling genuine bottles which had lost their labels, but the case probably turned on the fact that the defendant asserted a right to continue doing so despite knowing that they would be used fraudulently. In *British Telecommunications v One in a Million* Aldous L.J. approved and explained the reasoning of the latter:

“Trade mark infringement and passing off was alleged in *Farina v Silverlock* Sir William Page Wood V.-C. explained the law on trade marks and passing off. He went on to point out that the defendants, when they sold the offending Eau de Cologne labels, had made it clear to the purchasing retailers that they were produced by them and not by the plaintiff. Thus no misrepresentation was made to the retailers; they were not deceived. However an injunction was granted against the defendants. Sir William Page Wood V.-C. said ...:

‘But if it be stated that the defendant is manufacturing that which is known to be the trade mark which the plaintiff alone has the right to use, and the use of which on the goods of a third party would be a fraud upon the plaintiff; and that the defendant is selling such labels to anyone who asks for them, and is thus scattering over the world the means of enabling parties to commit frauds upon the plaintiff, and that such frauds have been committed; that is, I think, a sufficient averment to entitle the plaintiff to an injunction. The ground of the jurisdiction being fraud, if the defendant be committing fraud, either by selling goods under the plaintiff’s trade mark, or enabling others to do so by distributing the means of doing so, it cannot be said that this court has no power to interfere by injunction to arrest the evil at its source, without compelling the plaintiff to wait until the whole fraud is brought to a completion by the sale of the goods.’”

68. It is no defence that the applicant may have acted honestly and innocently, nor that his immediate customers may not be deceived. In *Singer v Loog* (1880] 18 Ch D. 395, Lord Justice James stated:

“[N]o man is entitled to represent his goods as being the goods of another man; and no man is permitted to use any mark, sign or symbol, device or

other means, whereby, without making a direct false representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie, or to make a false representation to somebody else who is the ultimate consumer... . [H]e must not, as I said, make directly, or through the medium of another person, a false representation that his goods are the goods of another person.”

69. Although the applicant does not itself intend to pass its goods off as those of the opponent, the evidence shows that the applicant (by association with the website Word Cycle Decals) is aware of the potential for the stickers to deceive once they are stuck to the ‘blank’ bicycle or bicycle frame, as per Mr Love’s evidence. Once the stickers – the instruments of deception – are applied to unbranded bicycles or bicycle frames, the deception is complete.

Section 5(4)(a) outcome

70. The section 5(4)(a) ground of opposition succeeds.

Section 5(3) of the Act

71. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, 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 or international trade mark (EC), 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.”

72. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

73. The conditions of section 5(3) are cumulative. Firstly, the opponent must satisfy me that its earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, it must establish that the level of reputation and the similarities between the marks will cause the public to make a link between the marks, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar,

although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

74. The first condition is reputation. The CJEU gave guidance in relation to assessing reputation in *General Motors*:

“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.”

75. The turnover figures and the rest of the opponent’s evidence demonstrate that the opponent has satisfied this requirement because its mark is known to a significant part of the relevant public. It has a strong reputation for bicycles and bicycle frames. When the applicant’s mark which includes the dominant elements ALLEZ CYCLE is encountered in relation to stickers etc, the scale of the opponent’s reputation for bicycles and bicycle frames and the context given by the word CYCLE in the applicant’s mark will cause the opponent’s mark ALLEZ to be brought to mind. The relevant public (the opponent’s customers where detriment to distinctive character and repute is concerned, and the applicant’s customers where unfair advantage is concerned) will make a link between the marks.

76. Detriment to repute, or tarnishing, is a reduction in the attractive power of the earlier mark, caused by the use of the later mark. In its most frequently found form, detriment to repute arises because of an unpleasant association caused by the nature of the goods for which the later mark will be used, such as in the *Hollywood v Souza Cruz* case⁴ (tobacco products versus chewing gum), which will cause harm to the image of the earlier mark. A trade mark of repute, such as the opponent’s mark ALLEZ, is not simply an indicator of origin; it is a communication tool by which an image is conveyed to the public. In the *Hollywood* case, the earlier mark conveyed an image of youth, health and vitality, which would be harmed by the use of a similar mark on tobacco products. The Third Board of Appeal of OHIM stated, in Case R 1127/2000–3 *Elleni Holding BV v Sigla SA* [2005] ETMR 7:

⁴ [2002] ETMR 64.

“40 ... it has to be noted that the trade mark works not only as an indication of origin, but also serves as a communication tool which must be protected as well.

41 The message incorporated into the trade mark, whether it is informative or symbolic, may refer to the product's qualities, or indeed to intangible values such as luxury, lifestyle, exclusivity, adventure, youth, etc. It may result from the qualities of the product or service for which it is used, but also from its proprietor's reputation or other elements based on the particular presentation of the product or service or on the exclusivity of sales networks”

77. In the present case, the opponent has demonstrated in its evidence a certain exclusivity in its bicycles and bicycle frames in that renovation using stickers or the like would void the opponent's warranty. In taking this stance, the opponent is sending a message via its ALLEZ brand that an ALLEZ-branded bicycle or bicycle frame is the real, unmodified, thing. If it has ALLEZ on the frame, it cannot be as a result of a renovation or the creation of a replica: it is a new ALLEZ bicycle without modification, with no crash damage repair, and is not a fake. There is no other way of obtaining a bicycle or bicycle frame which shows the mark ALLEZ – unless it has been done without the manufacturer's approval. By using ALLEZ CYCLE stickers, the reputation and 'message' of a guarantee of quality which the opponent's mark represents is damaged. The opponent's customers will no longer look at the mark ALLEZ on a bicycle or bicycle frame and say “That can only be an original, therefore I will buy it because I know the level of quality which I can expect”. Instead, the power of attraction of ALLEZ will be reduced because the customer will say “I don't know if that's an original or not: it could be a sticker, therefore I do not know if the bike can be trusted.” The earlier mark will no longer send the desirable 'quality guarantee' message to the relevant public.

78. I find that use of the applicant's trade mark would cause detriment to the repute of the opponent's mark. There is also a serious risk that the earlier mark's ability to identify the opponent's goods as coming from the opponent would be weakened: there would be detriment to the distinctive character of the earlier mark. These two heads of damage under section 5(3) of the Act succeed in relation to all of the goods. There is little difference, in practice, between the various types of stickers and their potential applications. They could be applied to bicycles, bicycle frames and to their packaging.

79. As I have found detriment to the distinctive character and repute of the earlier mark, there is no need to consider the opponent's claim of unfair advantage.

Overall outcome

80. The opposition succeeds under sections 5(3) and 5(4)(a) of the Act. The application is refused.

Costs

81. The opponent has been successful and is entitled to an award of costs. The Registrar normally awards costs on a contributory, as opposed to a compensatory,

basis, using the scale of costs published in Tribunal Practice Notice 4/2007, which is available for viewing on the Intellectual Property Office's website. I award the opponent a contribution to its costs from the scale, on the following basis:

Opposition fee	£200
Preparing a statement and considering the counterstatement	£300
Filing evidence	£800
Written submissions	£300
Total	£1600

82. I order Designcom UK Limited to pay Specialized Bicycle Components, Inc the sum of £1600 which, in the absence of an appeal, should be paid within seven days of the expiry of the appeal period.

Dated this 20th day of February 2015

Judi Pike
For the Registrar,
the Comptroller-General