

O-356-16

TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 3045635 BY ADBRUF LTD

TO REGISTER StoneRez IN CLASS 2

AND

OPPOSITION No. 402455 BY STONCOR GROUP, INC.

Background and pleadings

1. On 7th March 2014 (“the relevant date”), Adbruf Limited (“the applicant”) applied to register the trade mark **StoneRez** in class 2 in relation to:

Surface coatings consisting of resin; resins used for binding, coating or surfacing purposes; resin surfacing/coating products.

2. The application was accepted and published in the Trade Marks Journal on 4th April 2014.

3. Stoncor Group, Inc. (“the opponent”) opposes the registration of the trade mark. There are three grounds of opposition. Firstly, the opponent claims that it is the proprietor of a ‘family’ of numerous STON- prefixed marks, which are registered for the same or similar goods [and services] to those covered by the contested application¹. The opponent claims that the STON- prefix of the applicant’s mark will cause the relevant public to believe that the applicant’s mark is another member of the opponent’s family. This means that registration of the applicant’s mark would be contrary to s.5(2)(b) of the Trade Marks Act 1994 (“the Act”).

4. Secondly, many of the opponent’s marks have a reputation in the UK [or EU] and the opponent claims that use of the applicant’s mark will, without due cause, take unfair advantage of the reputations of these marks and/or be detrimental to the reputation or distinctive character of the marks. This gives rise to a further ground for refusal under s.5(3) of the Act.

5. Thirdly, the opponent has used the unregistered trade mark STONRES in the UK since 2009 in relation to urethane resin coatings for floors. The opponent claims that it has acquired goodwill under that mark and that use of the applicant’s mark would amount to a damaging misrepresentation to the public. Consequently, use or registration of the applicant’s mark would be contrary to s.5(4)(a) of the Act.

¹ Where the marks had been registered for 5 years or more at the date of publication of the contested mark, the opponent made a statement of use of the marks.

6. The applicant filed a counterstatement denying the claims made. I note, in particular that:

- In those cases where the opponent was required to make a statement of use of its marks in accordance with s.6A of the Act, it was put to proof of such use.
- Where the opponent claimed that the earlier marks had a reputation in the UK/EU, the opponent was put to proof of such reputation.
- The applicant denies that any of the earlier marks, or STONRES, are similar to the contested trade mark.
- The applicant denies that the goods covered by the contested trade mark are identical or similar to any of the goods covered by the earlier marks or the earlier right.

7. Both sides seek an award of costs.

Case management

8. The opponent subsequently filed its evidence in chief. This consisted of 3 witness statements and 42 exhibits, together amounting to 2127 pages of evidence.

9. Following a case management conference (“CMC”) on 26th November 2015, the proceedings were stayed until 9th February 2016 in order to permit the parties to negotiate a settlement. However, no settlement was reached and, as directed, the applicant filed its evidence on 1st March 2016.

10. The applicant also restricted its specification of goods to the following:

Surface coatings consisting of polyaspartic resin for use in water-permeable resin bound aggregate paving; polyaspartic resins used for binding, coating or surfacing purposes in water-permeable resin bound aggregate paving;

polyaspartic resin surfacing/coating products for use in water-permeable resin bound aggregate paving.

11. Following a second CMC on 23rd March 2016, I issued the following directions.

(i) The opponent had until 24th May to file evidence strictly in reply to that of the applicant.

(ii) By the same date, the opponent should provide a list of the marks it intended to rely upon at the hearing as establishing a family of marks, and were present on the UK market at the date of the opposed application.

(iii) By the same date, the opponent should identify the mark, or marks, and/or unregistered right(s) it intended to rely upon at the hearing as representing its best case on a conventional mark-for-mark global comparison under s.5(2) or 5(3), or for the purposes of s.5(4)(a).

(iv) By the same date, the opponent should provide a schedule explaining how, and which pages of, the content of its evidence, particularly exhibits KAO1- 24 and MJJP 1-9 and STONCOR 1-8, showed use of the marks/rights identified in (ii) and (iii) above, in a relevant territory.

(v) A hearing should be appointed for 17th June.

12. The opponent responded to my directions on 20th May 2016 by filing:

- Two further witness statements with 22 exhibits as evidence in reply.
- Written submissions setting out the STON- marks it relies upon as its 'family'.
- A schedule supposedly setting out where the evidence showed use

of the marks comprising its 'family' of used STON- marks.

13. The opponent also identified the unregistered STONRES mark as its closest mark to the applicant's mark.

14. I pause at this stage to note that the opponent listed 26 marks in its 'family' of STON- marks. This included three earlier marks - STONCARE, STONLINER & STONPLUS – which had not been pleaded. I do not consider that my directions could reasonably have been understood as an invitation to add further earlier rights. No application was made to amend the grounds of opposition. Consequently, I will disregard these additional claims to earlier rights. The list excluded another registered EU trade mark – STONKOTE – which had been pleaded. To confuse matters further, the accompanying schedule supposedly setting out which parts of the opponent's evidence showed use in the UK of each of the marks relied upon, included references to the evidence showing use of STONKOTE. I therefore assume that this mark was excluded from the opponent's list in error.

15. I also note that the schedule did not fully comply with my directions. The schedule included numerous instances of reliance on large swathes of exhibits as showing use of the family of STON- marks, without identifying specific marks and/or identifying how the evidence showed the marks as present on the UK market (beyond bare assertion that all the goods are sold in the UK). Indeed some of the commentary provided spoke of exhibits "*presumably*" showing use of one or more of the opponent's STON- prefixed marks. This appears to have been because the opponent did not have a copy of all of its own evidence and was therefore reduced to guessing what it showed.

Hearing

16. A hearing took place on 17th June 2016 at which the opponent was represented by Ms Anne Lacaze of Harrison IP. The applicant was represented by Mr Michael Conway of Haseltine Lake LLP.

Section 5(4)(a) ground

17. It is convenient to start with the s.5(4)(a) ground of opposition based on the opponent's earlier right in STONRES.

The evidence

18. The applicant's evidence consists of a witness statement by Stephen Goodwin, who is the applicant's Finance Director. Mr Goodwin says that *"Stone Rez HD is used as the resin binder component within water-permeable resin bound aggregate paving systems"*. The product has been marketed by the applicant *"since the year 2014"*. Exhibit SG3 to Mr Goodwin's statement consists of an extract from the applicant's website which shows that the aggregates used with StoneRez may consist of various types of stone, but also recycled glass, ceramics and concrete, as well as geosynthetic aggregates.

19. Exhibit SG4 consists of extracts from companies selling resin bound aggregates, including another extract from the applicant's website. I note that this says that the resin bound aggregate paving may be used for homes (drives), commercial properties, schools, public parks, *"as well as in other private and public settings"*. An article on a website advertising SureSet resin bound surfacing (a competitor of the applicant) explains that *"resin bound aggregates use the resin to 'glue together' the individual aggregates and to bond the lot to the substrate.."*. Both the applicant and SureSet appear to provide the aggregates to go with their resin based products.

20. According to Mr Goodwin, *"none of [the applicant's] customers..... are also involved in seamless internal flooring [such as sold by the opponent] – they are entirely different markets, the products require installation by specialist contractors and there is no significant crossover of specialist installers between the two markets"*.

21. Mr Goodwin says that he is unaware of any instances of confusion between StoneRez and the opponent's STONRES product (or with any of the opponent's other STON-prefixed marks).

22. Exhibit SG6 consists of three instances of other companies in the UK using STONE as part of a brand for resin bound aggregate paving.

23. Exhibit SG7 consists of three instances of third party marketing material for resin bound aggregate paving in which the word “stone” is used descriptively, such as in the term *“Resin Bound Stone Footpath Paving”*.

24. Finally, Mr Goodwin says that he called the opponent’s UK sales office to clarify the pronunciation of the STON- prefix in the opponent’s marks and was told that this was pronounced STON (as in EU-STON) and not STONE.

25. The opponent’s evidence consists of a witness statements by Katie Oliver (with 24 exhibits), 3 witness statements by Michael Jewell (with 40 exhibits), and a witness statement by Christopher Kealy. Ms Oliver is a trade mark attorney with Albright IP Limited, who originally acted for the opponent in these proceedings. Her evidence consists of the results of searches on the internet, including current and historical searches on the opponent’s UK website. Mr Kealy is the Managing Director of Stonhard (UK) Limited. His evidence goes mainly to the use of the STONRES mark in the UK. Mr Jewell is a Vice President of Stonhard division of Stoncor Group, Inc. His statements provide a history of the opponent, its origins in the USA, its worldwide reputation, and the use of a ‘family of STON- prefixed marks, including the use of STONRES in the UK. Much of Mr Jewell’s evidence also appears to have been obtained from the internet.

26. Mr Kealy says that the opponent has used a family of STON- prefixed marks in the UK since at least 1991. The opponent’s house mark is STONHARD. The other STON- prefixed marks are used as marks for individual products. The opponent’s STONRES product was first *“quoted”* in the UK around June 2009. The product has been promoted by reference to that name ever since. Mr Kealy says that it is a *“polymer based product”*. Mr Kealy’s evidence is that the STONRES product mark is used with the STONHARD ‘house’ mark. The product is sold to contractors in the construction industry. Mr Kealy further states that the opponent’s employees are

trained to pronounce the prefix of the opponent's STON- marks as 'Stone-'. Like the prefix STONE- in the applicant's mark, Mr Kealy says that STON in STONRES connotes stone-like qualities of hardness and durability.

27. It is clear from the exhibits to Mr Jewell's evidence that the STONRES product is a flooring product for public spaces such as "*healthcare, education and retail environments, as well as museums, concourses, lobbies and arenas*"². According to the product data sheet in exhibit MJJ3, STONRES RTX (shown as **STONRES** RTZ) consists of urethane resin, a curing agent and decorative flecks. It is topped with a clear polyaspartic urethane grout coat.

28. Mr Jewell says that the product has been promoted in trade journals, brochures, pamphlets, point of sale materials, internet advertising, magazines, catalogues, sponsorships and promotions, and trade fairs and exhibitions. However, there is no particularisation of these claims and he provides no documentary support for them, other than copies of the opponent's own undated brochures³. Nor does Mr Jewell provide any figures showing the volume or value of sales under the mark STONRES, or the amount spent promoting the mark. He does say that the opponent attended trade shows for the construction industry in the UK and Europe every year and that "*At these trade shows [the opponent] promoted StonCor's polymer STONRES product*"⁴. However, he does not name these trade shows or provide any further information that explains when they were held, or how the STONRES mark was promoted at them.

29. In his third statement, Mr Jewell states that after the opponent starting using STONRES in the UK it created a new page for stonhard.co.uk website covering the STONRES product. A copy of the document in question is claimed to have been attached to Mr Jewell's second statement⁵. However, examination of the pages (there are actually 10 pages) shows that they were downloaded from the opponent's stonhard.com website on 19th December 2014, i.e. after the relevant date. I note that

² See exhibit StonCor-5 at page 17

³ See exhibit StonCor-5

⁴ See paragraph 18 of Mr Jewell's first statement

⁵ As exhibit StonCor3

Mr Kealy's evidence was that STONRES webpage was created on or around 18th August 2014, i.e. after the relevant date⁶.

30. Mr Jewell also claims that product data sheets for the STONRES product are available to the public via the stonhard.co.uk website. I note that this part of Mr Jewell's evidence is framed in the present. I also note that the product data sheet for the STONRES product in evidence bears a copyright claim of 2014 and a revision date of March 2014⁷. The 'worldwide offices' listed at the end of the document include a telephone contact number in Europe, but no UK contact address or number.

31. Ms Oliver also provides some evidence about the opponent's use of STONRES⁸. This consists of some technical material comprising safety data sheets, product data sheets, and a chemical resistance guide, along with some promotional material headed 'Stonhard Solutions'. In response to my direction that the opponent specify which pages of its exhibits it was relying on to show of the STON- marks in the UK, the opponent stated that all of this material (70 pages) is relied on to "*establish StonCor's promotion of products offered for sale in the United States and United Kingdom under its STONRES mark...*". This was on the basis that "*The StonCor mark STONRES appearing on these documents is used throughout the United Kingdom*". In fact none of the technical documents establishes any use of STONRES in the UK. Of the 7 promotional papers headed 'Stonhard Solutions', six relate to uses of STONRES in the USA. The seventh relates to the use of STONRES RTZ at the "*UK Metro Stations*" Haymarket and Sunderland. However, Ms Oliver offers no evidence as to whether any of these documents were distributed in the UK. All she says is that the documents were obtained from "*the Internet*", the Wayback Machine (internet archive), both of which include (but are not, of course, limited to) the opponent's UK website.

32. As this summary shows, despite its volume, the opponent's evidence-in-chief was very sparse and uninformative as to its use of STONRES in the UK prior to the

⁶ See Mr Kealy's statement, paragraph 17

⁷ See exhibit StonCor6

⁸ See exhibit KAO14

relevant date. However, exhibits Jewell-1 to Jewell-22 to Mr Jewell's third witness statement (which was filed as evidence in reply to the applicant's evidence) provided more detailed information about the use of STONRES. Mr Jewell describes the information which follows as "*exemplary*", but in the absence of any sales or advertising figures it is not clear what it is meant to exemplify. The exhibits at issue show that, in 2009, the opponent provided quotations to supply STONRES RTZ flooring systems on the ground floor of Slough Bus Station, at the continental ferry terminal in Portsmouth, and in the entrance foyer, waiting area, prescription and store, reception office and client room of a new veterinary hospital in Swindon. The opponent also installed a floor using STONRES RTZ in the Chilango restaurant in Sheffield at a cost of around £18k.

33. In 2010, the opponent:

- Installed STONRES RTZ floors at the Haymarket and Sunderland Metro stations in Newcastle and Sunderland;
- Provided KN Network Services, a prospective customer, with information about the installation of STONRES RTZ at the above named Metro Stations;
- Provided an Engineering Manager with a quotation to install STONRES RTZ flooring as part of the refurbishment of a building in Ashford.

34. In 2011, the opponent:

- Submitted quotations to install STONRES RTZ flooring in the corridors of Siemens Healthcare Diagnostics Products Limited in Gwynedd, Wales; the production link corridor on ConvaTec Limited in Tredegar, Wales; and as one of two flooring options for the main office area of Kanuf Insulation in Merseyside.

- Responded to an enquiry by recommending the use of STONRES RTZ in the refurbishment of the concourse and ticket halls of Cardiff's Queen Street and Central stations.

35. In 2012, the opponent:

- Provided indicative costings to Lonza Biologics in Slough for the use of STONRES RTZ as a flooring solution for its kitchen, server and reception areas, restaurant, gym, and the health and massage areas;
- Submitted quotations to install STONRES RTZ flooring in the dispensary bar of the Royal Automobile Club in Epsom.

36. In 2013, the opponent provided a quotation for repairs to the flooring at Haymarket Metro Station, which required the use of STONRES RTZ.

37. In January 2014, the opponent recommended installation of a STONRES RTZ flooring as a terrazzo-type flooring solution for GaxoSmithKline in Worthing.

38. I note from the exhibits to Mr Jewell's third statement that the quotations/recommendations to provide STONRES based flooring solutions were made under the name STONHARD and that the quotations included the work required to install the new flooring on site. That is to say that STONRES was identified as a product that would be used by STONHARD in the provision and installation of flooring.

39. Mr Jewell says that the opponent's involvement in some of these projects was public knowledge. In this connection, he cites the use of STONRES RTZ at the Haymarket and Sunderland Metro stations and exhibits a page dated October 2010 from a website called durabilityanddesign.com., which included an article about this installation⁹. I note that the article in question states the cost of the (UK) project in US dollars, and that one of the headings on the page has 'color' spelt the American

⁹ See exhibit Jewell-20

way. This suggests that the website may have been intended for a mostly US audience.

40. Therefore, the opponent's evidence, in totality, establishes that, prior to the relevant date, the opponent:

- On 13 occasions provided information, recommendations or quotations to potential UK buyers for a flooring solution using STONRES RTZ;
- Identified itself by the name STONHARD, which was used together with product names, including STONRES RTZ;
- Used the STONRES RTZ product for a flooring solution at the Chilango restaurant in Sheffield in 2009 and at the Newcastle Haymarket and Sunderland Metro stations in 2010. These are the only documented sales involving use of the STONRES RTZ product in the UK.

The law

41. 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.”

42. 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."

43. 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.”

44. The applicant does not dispute that the opponent has established goodwill in the UK as a result of its trade in this country prior to the relevant date, or that STONRES is one of the names it has used to signify that goodwill. However, the opponent contends that the nature of the goodwill, the circumstances which have given rise to it, and the trading activities to which it extends, have not been adequately defined by the opponent. In essence, the opponent disputes that the nature and extent of the opponent’s goodwill is such that the applicant’s use of StoneRez will constitute a misrepresentation to the public. If it is wrong about that, the applicant does not dispute that damage will follow.

45. I will therefore address the most relevant factors that must be considered when assessing whether the applicant’s use of StoneRez would amount to a misrepresentation.

The nature and extent of the reputation relied upon

46. There is no dispute that the opponent had a commercially significant level of business in the UK at the relevant date. However, the use of STONRES as a trade mark of that business appears to have been on a very limited scale over a period of less than 5 years. The only two documented sales involving the use of STONRES appear to have been 4 years or more before the relevant date. Further, the number of established quotations involving the use of STONRES appear to have been falling (from a very low base) in the period leading up the relevant date. The only quotation for STONRES shown in evidence to have been given during 2013 related to the repair of the flooring laid at the Sunderland and Newcastle metro stations three years before. Therefore, the quotation provided to GlaxoSmithKline in January 2014 appears to have been the first quotation for a new installation of STONRES since

2012. It follows that the nature of the opponent's reputation under STONRES at the relevant date was as a product of STONHARD and (on the evidence before me) the extent of the reputation of STONRES in the UK was likely to have been very limited indeed.

The closeness or otherwise of the respective fields of activity in which the opponent and the applicant carry on business

47. STONRES is a flooring product for public spaces. It appears to be intended for indoor use. The product uses a resin to bond the mortar course and a clear polyaspartic urethane top coat. This produces a smooth seamless surface. The applicant argues that the parties are not in the same field of activity because the respective goods are different. Firstly, the applicant contends that its goods are a constituent ingredient for outdoor resin bound paving, whereas the opponent's product is a complete flooring solution for indoor use. Secondly, the applicant says that its customers are flooring contractors, whereas the opponent's customers are architects, designers, construction contractors and specialist in-house buyers.

48. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*¹⁰, the CJEU stated that when assessing the likelihood of confusion under s.5(2) it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. The same applies when assessing the likelihood of misrepresentation for the purposes of s.5(4)(a). In each case it is necessary to consider all normal and fair use of the applied-for mark in relation to the goods specified in the application. The correct comparison is therefore between the opponent's actual trade under STONRES and all normal and fair uses of StoneRez in relation to the goods covered by the applicant's revised specification, which is:

Surface coatings consisting of polyaspartic resin for use in water-permeable resin bound aggregate paving; polyaspartic resins used for binding, coating or surfacing purposes in water-permeable resin bound aggregate paving;

¹⁰ Case C-533/06, at paragraph 66 of the judgment

polyaspartic resin surfacing/coating products for use in water-permeable resin bound aggregate paving.

49. There is some disagreement between the parties as to whether the word 'aggregate' means stone-based products, or whether it can be used to cover other materials, such as rubber, which the opponent uses as an 'aggregate' in its STONRES RTZ products. In fact the applicant's own evidence shows that 'aggregate' covers more than stone-based products¹¹. I see no material distinction between the goods based only on the nature of the aggregate used (or, in the applicant's case, capable of being used) in the parties' products.

50. The applicant's specification, like the opponent's STONRES RTZ product, covers surface coatings consisting of resins and resins used as a binding agent. Admittedly, the latter is an ingredient rather than a complete product, but the applicant's evidence shows that it is offered as a flooring product along with the aggregates that go with it. In that respect, it seems to me to be to be a bit like instant coffee. On the one hand, it is a constituent and not a complete product. On the other hand, the other ingredients of the complete product are mundane and widely available. Instant coffee is therefore the key to the finished product and is sold as coffee, not simply as an ingredient in coffee. I find that there is similarly limited distinction between 'resin for use in aggregate paving' and 'resin bound aggregate paving'.

51. It is true that the applicant's products are all for use in resin bound aggregate paving and the opponent's product would not be naturally described as 'paving'. This is linked to the indoor v outdoor use (and the related water permeable) distinction. I accept that the description of the applicant's product as being for use in 'paving' introduces a material distinction between the prospective uses of the respective goods. This means that they are unlikely to be directly competitive products. Nevertheless, there is a high degree of similarity between the products (both resin based and for use in flooring). And although they have in fact been sold to different types of buyers to date, there is nothing in the applicant's specification which

¹¹ See paragraph 18 above.

excludes the possibility that the opponent's customers or potential customers could become customers of the applicant's specified goods in the future.

The similarity of the mark, name etc. used by the applicant to that of the opponent

52. The applicant argues that relevant consumers will break the opponent's mark down into STON, which it accepts is a distinctive indicator of the opponent's goodwill, and RES, which it submits will be perceived as a shortening of 'resilient' (this is a characteristic of the opponent's STONRES product and is promoted as such in some of its literature). By contrast, the applicant submits that its mark will be perceived as the word STONE and the suffix REZ, the latter of which will be understood as a reference to the resinous nature of StoneRez.

53. The opponent submits that STON in STONRES will be given the same meaning (and sound) as the word 'stone', and the suffix RES will be taken as a reference to the resin base of its product. On this basis, the marks are highly similar. Indeed, the opponent claims that the applicant has attempted to imitate its STONRES mark.

54. I consider that both parties' submissions overstate the extent to which relevant consumers are likely to break the opponent's mark into STON and RES. Consumers do not usually conduct an examination of trade marks in order to extract the meaning and significance of the different elements of the mark. STON is unlikely to be picked out and given the same meaning and significance as STONE. At most, it might be seen as alluding to the stone-like qualities of the goods. I agree with the applicant that, to the extent that consumers attach a meaning or significance to STON separately, this is most likely to be because of the opponent's goodwill in a family of STON- marks. Although the goods are resin based, the suffix -RES is not an immediately obvious reference to resin (still less, 'resilient'). In my judgment, consumers will accept the opponent's mark for what it is – an invented word, STONRES.

55. The applicant's mark is more likely to be broken down because it is presented as two elements conjoined, StoneRez. The meaning of the word 'Stone' is obvious. The

suffix REZ has no discernable meaning. Therefore, considered as wholes, neither mark has any obvious conceptual meaning.

56. Visually, the marks are of similar length (7 letters versus 8) and the applicant's mark contains 6 of the 7 letters making up the opponent's mark, and in the same order. However, the inclusion of the additional letter 'e' after the letter 'n' to form the word Stone (which is emphasised by the use of an upper case letter R for -Rez) and the substitution of 'z' for 's' at the end of the applicant's mark, combine to create a noticeable difference. Nevertheless, I find that there is a medium to high degree of visual similarity between STONRES (which could also be used as **STONRES** or Stonres) and StoneRez.

57. The opponent's evidence is that its mark is pronounced STONEE-RES, which would make it aurally identical to StoneRez. I do not consider that this is how consumers would naturally pronounce STONRES. It is inherently more likely that the prefix of the STONRES mark will be pronounced in the same way as STON in EUSTON. I have not overlooked the opponent's evidence that it teaches its staff to pronounce its marks as STONE- (or the applicant's evidence of a different telephone experience), and I accept that it is possible to educate consumers to pronounce a mark in a different way to the one that would come naturally to them. However, in the absence of any evidence of such education in the opponent's written promotional material, or any evidence from consumers saying how they pronounce the opponent's STON marks (and why), I am not prepared to accept that the opponent's efforts have educated the UK public to pronounce its marks as STONEEHARD, STONEERES etc. Nevertheless, even on my view of how the UK public would pronounce STONRES, StoneRez is aurally highly similar.

58. The evidence indicates that, at least prior to the relevant date, the opponent's STONRES mark was used in the UK as part of the product name STONRES RTZ. And as the opponent itself points out, the composite sign was also used in combination with the opponent's house mark, STONHARD. These matters would be immaterial if STONRES was a registered mark. This is because I would then be required to consider all normal and fair uses of the mark, including use without other

distinguishing signs. However, in the context of a passing off right claim it is necessary to take account of the actual use of the unregistered mark. Therefore, it is appropriate to give some weight to the fact that the opponent's UK customers and potential customers have so far been exposed to the STONRES mark only as part of the product name STONRES RTZ and marketed by an undertaking clearly identified as STONHARD. This does not exclude the possibility of misrepresentation from the use of StoneRez alone, but it is factor which should be taken into account in assessing whether such use (or at least use of StoneRez without RTZ or STONHARD) would amount to a misrepresentation to the relevant public.

The manner in which the applicant makes use of the name, mark etc. complained of and collateral factors

59. As I am required to take account of all normal and fair uses of the applicant's mark, the manner in which the applicant actually uses StoneRez is of limited importance. It is sufficient to record that I see no evidence that the applicant set out to copy the opponent's STONRES mark. Given the opponent's apparently very limited use of STONRES in the UK, and taking into account that the parties are not currently competitors, I find it most unlikely that the applicant copied the opponent's mark.

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

60. The opponent's evidence of use of STONRES in the UK consists mostly of use of the mark STONHARD RTZ in project quotations/costings from STONHARD. It seems likely that the opponent's UK customers and potential customers would have first come across the STONRES mark as part of STONHARD's response to invitations to tender for flooring solutions and/or by visiting the Stonhard website¹². From the documents in evidence it seems probable that the written project quotations/costings in evidence involving the STONRES RTZ product would have been preceded, or followed, by meetings at which potential solutions were

¹² Mr Jewell claims that "*many, if not most, of its sales are made as a result of customers and prospective customers viewing [the opponent's] websites*". Jewell 3, paragraph 34.

discussed. Consequently, although the product name may have been discussed before it was seen, the opponent's UK customers/potential customers would always have seen the STONRES RTZ mark prior to any order being placed. This makes it more likely that the visual differences between the marks will have served to distinguish StoneRez from STONRES (or Stonres) RTZ.

61. There did not appear to be any significant disagreement at the hearing that the opponent's customers and potential customers can fairly be described as architects, designers, construction contractors and specialist in-house buyers. The applicant's current customers are contractors for external flooring, such as driveways. However, as I noted earlier, there is nothing to prevent the opponent's customers and potential customers becoming customers for the applicant's specified goods in future.

62. The types of customers involved are likely to pay a high degree of care when selecting a flooring solution for a building/ concourse or a park/driveway. This is far from a 'bag of sweets' case.

Finding on misrepresentation

63. In *Neutrogena Corporation and Another v Golden Limited and Another*¹³, Morritt L.J. stated that:

"This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill."

64. Applying this test I find that the apparent similarities between the marks and the respective goods are sufficiently offset by:

¹³ [1996] RPC 473

- The very limited extent of the opponent's reputation in the UK under STONRES at the relevant date.
- The fact that the opponent's UK customers and potential customers had only encountered STONRES as part of the product designation STONRES RTZ and (more importantly) as part of an offer from STONHARD to use the product in a bespoke floor, which it would install. This makes it less likely that the use of StoneRez at the relevant date, without use of STONHARD, would have deceived the opponent's customers and potential customers.
- The manner in which the trade is conducted, which makes it much less likely that conventional factors, such as imperfect recollection of the earlier mark, will lead to a substantial number of persons being deceived by the applicant's use of StoneRez for a different, albeit similar, product.

65. I conclude that normal and fair use of the applicant's mark will not constitute a misrepresentation to the opponent's customers or potential customers. The opposition based on the opponent's earlier right in STONRES fails accordingly.

Section 5(2)(b) ground – Family of STON- marks

66. Section 5(2)(b) of the Act is as follows:

“5(2) A trade mark shall not be registered if because-

(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”.

70. The opponent relies on the presence on the market of a family of STON- prefixed marks at the relevant date. If I include STONKOTE, which the opponent appears to

have omitted from its list in error, the family comprises 27 marks. Only 13 of the ‘family’ are registered marks. Unregistered marks are irrelevant for the purposes of s.5(2). Therefore, I will examine the case based on the registered marks. The opponent does not contend that any of the registered marks are individually capable of sustaining a s.5(2) opposition to StoneRez. Rather, the opponent claims that StoneRez will be taken as another member of its family of marks. Consequently, the opponent claims that there is a likelihood of confusion between StoneRez and the opponent’s family of STON- marks.

81. At the hearing, the applicant’s representative accepted that the opponent had used the family of STON- prefixed marks it claims, but the applicant maintains that these marks are not similar to its mark, or registered and used for similar goods.

69. It is sufficient for present purposes to focus on the following 8 earlier marks, which appear to me to be registered for goods which are closer to the applicant’s goods than the goods/services covered by the other 5 earlier marks.

Number	Mark	Territory	Most relevant goods	Use required
1917087	STONLUX	EU	Class 19: Floors and flooring systems comprised of epoxy resins, hardeners/curing agents for use with epoxy resins, quartz aggregates and, optionally, pigments for use in industrial and institutional applications.	Yes
1919729	STONSHIELD	EU	As above, minus the reference to pigments.	Yes
1919745	STONCLAD	EU	As STONLUX	Yes
1919885	STONHARD	EU	Class 2: Epoxy-resin floor coatings for use in new building construction and repair and renovation of existing buildings, particularly for use over concrete.	Yes

			Class 19: Floors and flooring systems composed of epoxy resin, hardeners/curing agents for use with epoxy resins and aggregates for use in industrial and institutional applications.	
1920180	STONBLEND	EU	As STONLUX	Yes
2346187	STONCOR	EU	Class 2: Protective epoxy coatings. Class 19: Industrial and commercial installation services of....flooring systems composed of epoxy resin, hardeners/curing agents for use with epoxy resins, and aggregates.	Yes
2939304	STONKOTE	EU	Class 2: epoxy-resin flooring coating materials for use in new building construction and in repair and renovation of existing buildings, particularly for use over concrete.	Yes
3699411	STONTEC	EU	Class 19: Flooring materials; mortar systems: two component epoxy-based floors.	Yes

70. The leading case on ‘family’ of trade marks is *Bainbridge*¹⁴ where the Court of Justice of the European Union (“CJEU”) held that:

“...in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a ‘family’ or ‘series’, the earlier trade marks which are part of that ‘family’ or ‘series’ must be present on the market.”

71. In the case of an opposition to a UK trade mark application, the likelihood of confusion must be assessed on the basis of average consumers in the UK.

¹⁴ Case C-234/06P, CJEU

Therefore, the relevant market is the UK. Consequently, I will focus on the position at the relevant date as regards the presence of the above marks on the UK market. Given the applicant's position at the hearing, I will assume for present purposes that the presence of the earlier marks on the UK market constitutes genuine use of the marks in the EU. Consequently, there is no need to separately examine the question of whether the earlier marks meet the proof of use requirements in s.6A of the Act.

72. As the applicant disputes that the earlier marks are registered and present on the market for similar goods, it is necessary to examine the goods in relation to which the earlier marks have been used.

73. STONLUX has been used in relation to flooring systems for industrial use, such as in clean room environments¹⁵. The product comprises epoxy resin, curing agent and an aggregate¹⁶. Mr Jewell's evidence includes an invoice and a quotation for STONLUX dated 2012¹⁷. These are addressed to UK businesses. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 1917087 is registered.

74. STONSHIELD has been used for flooring systems for industrial use, particularly where good control of static is required¹⁸. There are invoices and quotations in evidence dating from 2009 - 2012¹⁹. There is also evidence that the mark has been used on the website stonhard.co.uk between 2002 and 2014²⁰. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 1919729 is registered.

¹⁵ See exhibit StonCor5

¹⁶ See exhibit StonCor6

¹⁷ See exhibit MJJ2

¹⁸ See exhibit StonCor6

¹⁹ See exhibits StonCor6, MJJ4 and MJJ7

²⁰ See exhibit KAO6

75. STONCLAD has been used for flooring systems for industrial use²¹. There are invoices and quotations in evidence dating from 2007 - 2014²². There is also evidence that the mark has been used on the website stonhard.co.uk between 2002 and 2014²³. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 1919745 is registered.

76. STONBLEND has been used for flooring systems for industrial use²⁴. It is an (indoor) alternative to terrazzo²⁵. There are invoices and quotations in evidence dating from 2007 - 2012²⁶. There is also evidence that the mark has been used on the website stonhard.co.uk between 2002 and 2013²⁷. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 1920180 is registered.

77. STONKOTE has been used for an epoxy resin floor coating²⁸. It can be used with the opponent's other flooring products or used with a primer to create an (indoor) floor covering²⁹. There are invoices in evidence dating from 2009 - 2014³⁰. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 2939304 is registered.

78. STONTEC has been used for flooring systems for industrial use. Some are resin based systems, others not³¹. There is one quotation in evidence dating from 2012³². There is also evidence that the mark has been used on the website stonhard.co.uk

²¹ See exhibit StonCor6

²² See exhibits StonCor6, MJJ8

²³ See exhibit KAO7

²⁴ See exhibit StonCor6

²⁵ See exhibits StonCor5, MJJ5

²⁶ See exhibits StonCor6, MJJ5

²⁷ See exhibit KAO9

²⁸ See exhibit StonCor6

²⁹ See exhibit StonCor6

³⁰ See exhibit MJJ6

³¹ See exhibit StonCor5

³² See exhibit MJJ4

between 2002 and 2014³³. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I find that the mark has been used in relation to the goods specified in the table above, for which EU trade mark 3699411 is registered.

79. STONCOR appears to have been used as the opponent's house mark up until 2011. It was used as such on invoices in 2007 - 2014³⁴. There is evidence that it appeared as a house mark on the opponent's stoncor-europe.com website as late as 2011³⁵. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I am prepared to accept that it has been used in relation to the goods for which EU trade mark 2346187 is registered.

80. STONHARD appears to have been used as the opponent's house mark in the UK since at least 2009³⁶. It was used as such on quotations for flooring systems issued between 2009 and 2014³⁷. There is evidence that it appeared as a house mark on the opponent's stonhard.co.uk website up until 2014³⁸. Given that the applicant accepts that the opponent has used a family of STON- prefixed marks, I am prepared to accept that STONHARD has been used, at least in relation to the goods in class 19 for which EU trade mark 1919885 is registered.

Similarity of goods

81. In the judgment of the CJEU in *Canon*³⁹ the court stated at paragraph 23 of its judgment that:

“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

³³ See exhibit KAO13

³⁴ See exhibit StonCor5 and MJJ6

³⁵ See exhibit KAO10

³⁶ See exhibits Jewell 4 to Jewell 22

³⁷ See exhibits MJJ1 and Jewell 4 to 22

³⁸ See exhibit KAO8

³⁹ Case C-39/97

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

82. The applicant’s goods are resins used for binding, coating or surfacing water-permeable resin bound aggregate paving. These are highly similar, if not identical, to the class 2 goods for which the opponent’s STONCOR and STONKOTE marks are registered and used.

83. The opponent’s registration in class 19 cover flooring materials generally (STONTEC) or more specific descriptions of flooring systems. Some of these are limited for use in buildings. The others are “limited” to ‘industrial’, ‘institutional’ and/or ‘commercial’ use, which is so wide as to cover internal and external uses. It is true that the applicant’s product is strictly an ingredient in a flooring system and not a complete system, but for the reasons given earlier I see only limited weight in this distinction. In my judgment, the opponent’s goods in class 19 are highly similar to the applicant’s specified goods in class 2.

Comparison of the marks

84. In this case the only material similarity between the marks is that they all commence STON-. The applicant points out that the first part of its mark is actually Stone-, not STON- (or Ston-). It says that this is an important distinction in a mark used in relation to a resin product for use with aggregate paving, which is usually made from stone products.

85. From a visual perspective, I find that the difference between STON- (or Ston-) and Stone- is quite noticeable, partly because the second part of the applicant’s mark – Rez – starts with a capital letter (thus isolating Stone as a word), and partly because Stone is such a well known word.

86. From an aural perspective, none of the opponent’s registered marks sound like StoneRez as a whole. I examined how the relevant public would be likely to verbalise the STON- prefix of the opponent’s marks in paragraph 57 above. I adopt

the same analysis here. The prefix of the opponent's marks will most likely be pronounced STON (as in EUSTON) and not 'stone'.

87. From a conceptual perspective, the applicant's mark has no overall meaning. The meaning of the first part of the mark - 'Stone' - is obvious, particularly in the context of a product for use with aggregates to create a kind of paving. The prefix STON- has no meaning. At most it could be seen as alluding to 'Stone', which would then create a similar idea to the first part of the applicant's mark.

Average consumer and the selection process

88. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*⁴⁰.

89. As I noted earlier, the average consumer of the goods at issue is likely to pay a relatively high degree of attention when selecting the goods.

Distinctive character of the earlier mark

90. Where the question is whether a mark will be taken as a member of an existing 'family' of marks, the relevant factor is the distinctiveness of the element of the earlier marks which identifies them as a family. If the STON- prefix is regarded as an arbitrary use of 4 letters then the prefix is at least averagely distinctive by nature. If it is regarded as allusive of the product's stone-like qualities, then it is a little less than averagely distinctive by nature in relation to the goods at issue.

91. The opponent's case is that the prefix has become highly distinctive because of the use of the STON- prefix in its family of marks. The STON- family of marks were present on the UK market at the relevant date. However, for the reasons I have

⁴⁰ Case C-342/97, CJEU

already explained, it is difficult to tell from the opponent's evidence just how distinctive its family of STON- marks were on the relevant UK market. I am therefore unable to say that the family identifier STON- had any more than an average or normal degree of distinctive character to the relevant part of the UK market.

Likelihood of confusion

92. 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, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P.

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

(e) 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;

(f) 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;

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

(h) 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;

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

93. I find that there is no likelihood of confusion between the opponent's family of STON- marks and the applicant's StoneRez mark. This is because:

- The distinctive feature of the opponent's family of marks is the prefix STON-
- The prefix of the applicant's mark is recognisably Stonez, not Ston-;
- 'Stone' is weakly distinctive for resins for use with aggregate paving because it is likely to be seen as, at least, alluding to the composition or qualities of the finished paving product;
- Average consumers are therefore more likely to see the 'Stone' in StoneRez as being descriptive or allusive of characteristics of the goods than signifying membership of the opponent's family;
- The goods are likely to be considered purchases and therefore similarities between marks used by different undertakings are less likely to cause confusion;
- It is unlikely that average consumers who are sufficiently familiar with the opponent's marks so as to recognise them as a family of STON- marks, will

imperfectly recall the earlier marks and fail to recognise the difference between STON- (or Ston-) and Stone- in the context of the goods at issue;

- The identity or close similarity of the goods is insufficient to offset the above factors.

94. The opposition under s.5(2)(b) fails accordingly.

Section 5(4)(a) ground – Family of STON- marks

95. The opponent's case under s.5(4)(a) based on its family of STON- marks fails for the same reasons as its case under s.5(2)(b). It is true that the applicant's 'family' is larger under s.5(4)(a) than could be considered under s.5(2)(b). However, this does not affect my conclusions. It is also true that the applicant's family under s.5(4)(a) also includes one mark – STONRES – which is individually similar to the applicant's mark. However, this does not undermine my reasons for rejecting the argument that StoneRez would be taken as a member of the opponent's family of STON- marks.

96. If I am right so far, these findings of fact mean that the applicant's use of StoneRez would not amount to a misrepresentation to the opponent's UK customers or potential customers. Misrepresentation is an essential requirement to establish a passing off right. Therefore the opposition under s.5(4)(a) based on the STON- family of marks must also be rejected.

Section 5(3) ground – Family of STON- marks

97. 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 European Union trade mark or international trade mark (EC), in the European Union) 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.”

98. 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, *Addidas-Salomon*, [2004] ETMR 10 and 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 of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

99. The vagueness and startling lack of precision in the opponent's evidence, which impeded other aspects of its opposition, also impedes its s.5(3) ground. In particular, it is very difficult to assess the reputations of the opponent's family of STON- marks without any specific information about the extent of the promotion of the marks in the EU or UK, or any sales or market share data.

100. The opponent does say that its STONHARD mark has been present on the UK market since 1991. Further, Mr Jewell says that the opponent installs about 1.1 million square feet of flooring each month⁴¹. However, this is on a world-wide basis, which does not help me to assess the extent of the opponent's reputation in the UK or EU.

101. Given the longstanding nature of the applicant's use of STONHARD in the UK, I am prepared to accept that it had a qualifying reputation at the relevant date. I do not

⁴¹ See Jewell 3, paragraph 25

consider that the opponent's evidence has established that it owned a family of STON- marks each with a qualifying reputation in the EU or UK, i.e. marks that were individually known by a significant part of the relevant public. If I am right about this, the opposition under s.5(3) falls at the first hurdle.

102. However, even if I am wrong and at least some members of the opponent's family of marks had acquired a qualifying reputation at the relevant date, I would still have rejected the opposition under s.5(3). This is because, firstly, the applicant's mark is not similar to any of the opponent's individual registered marks. Secondly, my finding that the applicant's mark has a recognisably different prefix to the STON- prefix which identifies the opponent's family of marks, means that the public will not make the necessary link between the parties' marks. In the absence of a link, the applicant's mark cannot take unfair advantage of, or be detrimental to, the reputation or distinctiveness of the opponent's family of marks.

103. The opposition under s.5(3) fails accordingly.

Costs

104. The applicant asks for an off-scale award of costs because the number of grounds/marks/earlier rights relied on by the opponent, and the volume of evidence and submissions filed to support the grounds, was oppressive and excessive. The applicant points out that it had to request a CMC to obtain directions that the opponent focus its case and, having obtained such directions, the opponent did not fully comply with them.

105. There is no doubt that the registrar has the power to award costs on a compensation basis where the circumstances justify it. Rule 67 of the Trade Marks Rules 2008 provides as follows:

“67. The registrar may, in any proceedings under the Act or these Rules, by order award to any party such costs as the registrar may consider reasonable, and direct how and by what parties they are to be paid.”

106. I have given careful thought to the applicant's request. It is true that the opponent was compelled to rely on a number of earlier trade marks because its case was based partly on having a 'family' of marks. However, the applicant is correct in saying that the opponent made no attempt to trim the number of marks to those that were necessary and represented its best case. This task was effectively left to me⁴². Further, the opponent added 'salt to the wounds' by responding to my directions to particularise its case by trying to add yet further earlier rights to its case.

107. It is also true that the exhibits to the opponent's evidence-in-chief were voluminous, poorly organised, duplicative, insufficiently explained in the witnesses' statements, and often irrelevant because they did not clearly relate to a relevant market and/or a relevant date. I have no doubt that the quantity of paper was intended to disguise the lack of quality in the opponent's evidence. It would almost certainly have taken the applicant longer (and cost more) to analyse and assess than it cost the opponent to put it together. In that sense, the applicant is also justified in complaining that the opponent's behaviour was oppressive.

108. The applicant is also correct in saying that the opponent's compliance with my directions to provide a schedule identifying the relevant pages of its evidence by reference to each member of its family of marks was half hearted, at best. For example, the opponent's schedule stated that use of STONLUX could be found on pages 21-25 of exhibit StonCor6 to Mr Jewell's statement. On examination, these pages are an invoice from StonCor Ireland Ltd to a company in the Irish Republic. I could find no reference to STONLUX on these pages. There were a number of similar instances where the schedule was unhelpful and wasted time. The gap between what was directed and what was produced placed Ms Lacaze in the position of being unable to say at the hearing that the directions had been fully complied with.

109. In my view, the opponent has acted unreasonably. I will therefore entertain a request for compensatory costs to cover (only) the reasonable cost incurred by the applicant after the CMC on 23rd March 2016 of assessing and evaluating the

⁴² See paragraph 69 above.

opponent's evidence, including its evidence in reply. Other costs, including the cost of the CMCs and the substantive hearing, will be assessed on the basis of the usual scale.

110. The applicant has 21 days from the date of this decision to provide a breakdown of the hours spent by its legal representatives on the work specified in the previous paragraph, and the resulting cost to the applicant. This should be copied to the opponent's representative.

111. The opponent has 14 days from the receipt of the applicant's request to provide any comments on the reasonableness of the time the applicant claims for this work.

112. I will then issue a further final decision, including an order for costs.

113. This decision is an interim decision. The period for appeal on all matters will run from the date of my final decision.

Dated this 28th day of July 2016

Allan James
For the Registrar