

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No. 3202388
IN THE NAME OF ECO-BAT TECHNOLOGIES LIMITED**

**AND IN THE MATTER OF INVALIDATION No. 501790 THEREOF
BY WESTLAKE LONGVIEW CORPORATION**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE APPLICANT
AGAINST THE DECISION OF MR ALLAN JAMES
DATED 8 JUNE 2018**

DECISION

Background

1. On 12 September 2017, Westlake Longview Corporation, Texas, USA (“the Applicant”) applied to declare invalid UK Registration number 3202388 standing in the name of Eco-Bat Technologies Limited, Derbyshire, UK (“the Registered Proprietor”).
2. UK Registration number 3202388 is for the trade mark “Reprolene” with a filing date of 15 December 2016 and a registration date of 10 March 2017. The registered goods and services are:

Class 1

Plastics in the form of granules; Plastics in the form of pellets; Plastics, unprocessed; Plastics as raw materials; Plastics in raw form; Plastics in raw state; Raw plastics

Class 17

Plastics in extruded form used in production; Recycled compound plastics; Recycled plastics; Extruded plastics [semi-finished products]; Injection moulding plastics

Class 40

Extruding of plastics; Recycling of plastics; Processing of plastics.

3. The grounds of invalidation were under Section 47(2) and Section 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994. Solely the ground of invalidation under Section 47(2)(a) and Section 5(2)(b) remains live on this appeal. Those provisions stated that¹:

¹ Section 47(2) was amended with effect from 14 January 2019 by the Trade Mark Regulations 2018 (SI 2018/825).

“47. – [...]

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section ...5 ... (2) obtain ...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

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”.

4. Under Section 5(2)(b) (and 5(3)) the Applicant relied on its earlier UK Registration number 747243 for the trade mark EPOLENE filed/registered on 24 October 1955 in respect of the following goods:

Class 4

Polyethylene waxes and waxes made principally of polyethylene, all for use in manufacture.

5. For the sake of completeness, the earlier rights protectable by passing off relied on by the Applicant under Section 5(4)(a) were claimed to reside in the trade mark EPOLENE used in the UK since 1955 in relation to: “Polyethylene waxes, unprocessed polymer resins, and synthetic resins and waxes”.
6. The Registered Proprietor took issue with the grounds of invalidity and put the Applicant to proof of use of its Registration number 747243 in a Defence and counterstatement filed on 15 November 2017. Only the Applicant filed evidence and the matter came to be heard before Mr Allan James, acting for the Registrar, on 4 June 2018.

The Hearing Officer’s decision

7. The Hearing Officer issued his written decision under reference number BL O/347/18 on 8 June 2018. The Hearing Officer’s findings were, in brief:

Section 5(2)(b)

- (1) The Applicant had made genuine use of the earlier trade mark EPOLENE for the registered goods in the UK during the relevant 5-year period up to when the application was filed on 12 September 2017 (paras. 13 – 15).
- (2) The respective different class numbers were not determinative of the similarity and/or even the identity of the respective goods/services. The Applicant's evidence showed that its EPOLENE polyethylene waxes were supplied in *inter alia* pellet form (Witness Statement of Linda K Russell, Senior Intellectual Property Counsel for the Applicant, dated 18 January 2018, Exhibit D), and the parties were agreed that polyethylene was a plastic. At least in respect of the Registered Proprietor's: *Plastics in the form of pellets* and the Applicant's: *Polyethylene waxes ... all for use in manufacture*, there was identity of goods. Further the other goods in the Registered Proprietor's Class 1 specification and the Applicant's goods in Class 4 were highly similar. For reasons that would have become apparent the Hearing Officer did not find it necessary to decide the comparison with the Registered Proprietor's goods and services in Classes 17 and 40 (the respective goods in Classes 1 and 4 represented the Applicant's best case) (paras. 17 – 21).
- (3) In his global comparison of the marks and appreciation of likelihood of confusion, the Hearing Officer would be guided by the Registrar's summary of principles derived from the caselaw of the Court of Justice of the EU. This summary is familiar and was cited with approval *inter alia* by Arnold J in *Frank Industries Pty Limited v. Nike Retail BV* [2018] EWHC 1893 (Ch), paragraph 92. It is not challenged on appeal and I will not repeat it here (para. 22).
- (4) The average consumer of the goods in Class 1 was agreed to be a manufacturer of products selecting materials in the manufacturing process. There was a need to ensure that the goods met technical manufacturing requirements, and this plus the cost (bearing in mind the likely size of the purchase – see below) meant that the level of attention paid to the purchase was high. The selection of the goods would primarily be visual from product brochures/data sheets, advertisements and exhibition displays, although word of mouth recommendations could also play a part in the selection process (paras. 23 – 25).
- (5) EPOLENE was an invented word and as such was possessed of an above average degree of distinctive character. The Applicant had not shown that its EPOLENE earlier trade mark was entitled to enhanced distinctive character through use in the UK (para. 28):

“28. The applicant claims that the distinctive character of the mark has been enhanced through use. The proprietor disputes this. Even though the earlier mark has been in use in the UK for a very long time, I do not accept that the applicant has shown that it had acquired an enhanced level of distinctiveness through use at the relevant date. The volume of sales appears to be significant at first sight, but on closer

analysis the actual numbers of UK sales appear relatively small. Further, the number of UK customers seems likely to be smaller still. The applicant's promotion of the mark also appears to be very limited indeed, almost non-existent in the UK. I am left with the impression that the applicant has only a small share of the relevant UK market. And I do not consider it likely that the earlier mark would have been known (at the relevant date) to a significant proportion of the relevant UK public in the industrial sectors that use polyethylene polymers, including the sectors that manufacture pigments, adhesives, and packaging, as well as the construction and automotive manufacturing industries."

- (6) The marks to be compared were:

Earlier trade mark	Contested trade mark
EPOLENE	Reprolene

- (7) The different beginnings of EPOLENE and Reprolene created an immediately noticeable difference in the way the marks looked, leading to only a low to medium degree of visual similarity between them (para. 34).
- (8) Reprolene could be pronounced (1) RE-PRO-LEEN or (2) REP-RO-LEEN. On (1) the degree of aural similarity was low; on (2) it was low to medium (para. 34).
- (9) Conceptually neither mark had a concept (para. 31).
- (10) There was no likelihood of confusion (paras. 36 – 38):

"36. The identity of some of the class 1/class 4 goods and the above average degree of distinctive character of the earlier trade mark are factors which point towards a likelihood of confusion. On the other hand, the relatively low (i.e. low to medium) degree of visual and (on one pronunciation) aural similarity between the marks do not point as strongly towards a likelihood of confusion. Particularly given that the marks consist of invented (and therefore unfamiliar) words, the applicant's strongest case is that there is a likelihood of confusion through imperfect recollection of one or other of the marks. I have carefully considered this, but I find that there is no likelihood of confusion. In my view, the sophisticated nature of the average consumer and the high level of attention he or she is likely to pay during the selection of the goods at issue is sufficient to exclude the likelihood of confusion.

37. As this is the case even where the goods are identical, it follows that there is no likelihood of confusion in classes 17 or 40 where the goods/services covered by the contested mark are, at most, only similar to those covered by the earlier mark.

38. The ground for invalidation based on s.5(2)(b) is therefore rejected.”

Section 5(4)(a)

- (11) The ground of invalidity under Section 5(4)(a) likewise failed. Although the Applicant had established goodwill in the UK, use of the contested mark would not have amounted to a misrepresentation to the public (para. 39).

Section 5(3)

- (12) The Applicant had not shown that its EPOLENE mark was known to a significant part of the relevant UK public at the relevant date, nor would relevant consumers in the UK have made the requisite link at the relevant date. The Section 5(3) ground also failed (paras. 42 – 50).

Costs

- (13) The Registered Proprietor had successfully defended its registration and was entitled to costs in the sum of £850 (para. 52).

The appeal

8. On 6 July 2018, the Applicant filed Notice of appeal to the Appointed Person under Section 76 of the Act. The Applicant was represented at the hearing of the appeal by Mr Daniele Selmi of Counsel instructed by Forresters IP LLP. Dr Gerrit Meincke of Gerlach & Partner mbB, Rechtsanwälte, Germany appeared by telephone on behalf of the Registered Proprietor.
9. The appeal centred on Section 5(2)(b). There was no challenge to the Hearing Officer’s finding on proof of use of the earlier trade mark or his rejections of the grounds of invalidity under Section 5(4)(a) and 5(3).
10. The grounds of appeal under Section 5(2)(b) were threefold:
- 1) The Hearing Officer should have concluded that there was more 1 class of average consumer, and that the level of attention was average to high. In any event a high level of attention could not act as a single countervailing factor in the global appreciation of likelihood of confusion.
 - 2) The Hearing Officer erred in finding that the earlier EPOLENE trade mark was not entitled to an enhanced penumbra of protection for the registered goods.
 - 3) The Hearing Officer erred in his visual and aural appreciation of the marks. He should have held that the marks were overall highly similar.
11. On 31 July 2018, the Registered Proprietor filed a Respondent’s notice in which it argued that the Hearing Officer’s decision under Section 5(2)(b) should be upheld but also on the ground that the goods and services were dissimilar.

Standard of review

12. The correct approach of this appellate tribunal was summarised by Mr Daniel Alexander QC sitting as the Appointed Person in *TALK FOR LEARNING Trade Mark*, BL O/017/17 at paragraph 52 (see also, e.g., *Apple Inc. v. Arcadia Trading Ltd* [2017] EWHC 440 (Ch), para. 11):

“(i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR 52.11). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong (Patents Act 1977, CPR 52.11).

(ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF, DuPont*).

(iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B* and others).

(iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF, BUD, Fine & Country* and others).

(v) Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unworkable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar's decision was wrong, should the appeal be allowed (*Re: B*).

(vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find mis-directions warranting reversal simply because they might have reached a different conclusion on the

facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson and others*)."

Merits

13. It was and is common ground that the relevant consumer in this case would not be the general public at large but would comprise industrial consumers, that is, those involved in the sourcing of plastics for use in manufacture (see, e.g., Applicant's skeleton argument below, para. 25).

14. Mr Selmi, on behalf of the Applicant, sought to draw a distinction between technical experts specifying the goods and persons charged with sourcing/ordering the goods. On this basis he argued that the Hearing Officer effectively "averaged" the relevant consumer, that is, did not recognise that there could be different types of consumer contrary to the ruling of, for example, Floyd LJ in *The London Taxi Corporation Ltd v. Frazer-Nash Research Ltd* [2017] EWCA Civ 1729 at paragraph 31:

"... the notion of an average consumer requires the court to consider any relevant class of consumer, and not to average them ...".

15. I do not accept that this was the case. The Hearing Officer correctly looked to the selection of the goods and took into account that these were goods that needed to match a manufacturer's technical requirements, the costs of which were not insignificant (both of these factors were borne out by the Applicant's evidence). A person charged with ordering the goods (if indeed different) in these circumstances would not be left to their own devices but would be given specific instructions by the specialist concerned to prevent mis-ordering.

16. The Applicant particularly focussed on the Hearing Officer's reference to "a technical expert" in paragraph 23 of the decision in support of the argument that the Hearing Officer only took into account technical experts in his categorisation of the relevant consumer. At this point, however, the Hearing Officer was merely repeating the Registered Proprietor's arguments. He went on to note that the Applicant did not appear to take issue with this categorisation but instead submitted that a lower level of attention might be paid to repeat orders. The Hearing Officer took that on board but observed that the very nature of repeat orders presupposed a previous relationship with the supplier which reduced any possibility of confusion. He continued:

"24. ... At the times when the consumer selects the goods he or she intends to use in the manufacturing process, the need to ensure that the goods meet technical manufacturing requirements, and the cost (bearing in mind the likely size of the purchase) will mean that the consumer's level of attention is high."

17. I can see nothing wrong in this. In my view, the Hearing Officer did not err in determining that for the reasons he stated the specialist purchaser would pay a high level of attention to the purchase act. Mr Selmi did argue that the cost of the goods would not necessarily be high by pointing to the fact that the Applicant's EPOLENE products came in 50lb bags. However, the fact of the matter was, as the Hearing

Officer noted, that the only copy invoices exhibited by the Applicant for its EPOLENE products indicated that sale quantities on any one transaction (including repeats) would be large (and cost therefore a significant circumstance).

18. In support of the second limb of the first ground of appeal, the Applicant referred me to 3 authorities none of which in my view laid down the general rule contended for by the Applicant in relation to the level of attention of the relevant consumer.
19. First, in Case T-363/06, *Honda Motor Europe Ltd v. OHIM* [2008] ECR II-2217, an EU application for MAGIC SEAT in respect of car seats in Class 12 was opposed by Seat SA on the basis of an earlier national Spanish trade mark for SEAT figurative covering identical goods in Class 12. The relevant consumer in that case was Spanish and comprised the trade and the general public who would pay a high level of attention to the purchase of car seats. The dominant element within the mark applied for – SEAT (MAGIC would be recognised as laudatory) – would trigger an immediate association with the well-known Spanish car manufacturer Seat even amongst those relevant consumers who understood English. In those circumstances a likelihood of confusion or association could not be ruled out.
20. Second, in Case T-325/05, *Apple Computer, Inc v. OHIM* [2008] ECR II-0104, the respective QUARTZ trade marks were virtually identical. The relevant consumer of the goods/services found to be similar, was IT specialists who would pay a high level of attention to the purchase act. Despite that high level of attention, the almost identity and high distinctive character of the earlier trade mark meant that the respective products, even though involving different applications, could be seen as originating from the same source. The Court rejected the Applicant's argument based on other decisions of the Opposition Division that there was no likelihood of confusion because of the technical nature of the goods/services (i.e., the opposite argument to that in the present case). Basically each case must be decided on its own facts and in accordance with the law.
21. Third, in Case T-389/03, *Dainichiseika Colour & Chemicals Mfg. Co. Ltd v. OHIM* [2008] ECR II-0058, the contest was between a figurative mark containing a depiction of a pelican applied for and an earlier figurative trade mark comprising a representation of a bird besides the word PELIKAN. The identical and similar goods concerned including plastics used in manufacturing were destined for a specialised public, who would pay a high level of attention². The marks were found to be aurally and conceptually identical. Even though there was a specialised public, there was a risk of direct or indirect confusion.
22. The Applicant acknowledged that the facts of the case in hand were different. Although in the present case there was some overlap (identity) in the goods and the earlier trade mark was possessed of an above average distinctive character, the marks were found by the Hearing Officer to have a low to average degree of visual similarity and a low or average degree of aural similarity depending on the pronunciation of the contested mark, and no conceptual similarity. The differences between the marks coupled with the sophisticated nature of the average consumer and

² Interestingly no distinction was made between technical experts/persons ordering vis à vis level of attention which was generally regarded as high.

the high level of attention paid to the purchase act were sufficient in his view to preclude any likelihood of confusion arising from imperfect recollection.

23. Whilst different minds might have arrived at different conclusions, this does not in my judgment mean that the Hearing Officer erred in his particular multifactorial assessment. As I have said, each case must be decided on its own facts (see, in addition to the above authorities, e.g., Case T-36/18, *Asahi Intecc Co., Ltd v. EUIPO* EU:T:2018:808, para. 102).
24. The Hearing Officer justifiably treated the high level of attention of the industrial consumer in this case as one (amongst others) of the relevant circumstances in his global assessment of likelihood of confusion. To say he treated such level of attention as a single countervailing factor constitutes in my view a misreading of his decision. I find that the first ground of appeal fails³.
25. The second ground of appeal was that the Hearing Officer wrongly held that the earlier EPOLENE trade mark was not entitled to an enhanced distinctive character through use in the UK. It is alleged that the Hearing Officer failed to take into account in that regard, the evidence of Ms Russell, the Applicant's Senior IP Counsel, as to sales volumes and turnover, worldwide recognition including in the UK and EU, citations in 2 patent applications and memberships of professional trade associations.
26. I reject these criticisms. The Hearing Officer took on board all the aforementioned but noted from the Applicant's own supporting materials, that despite the high value of EPOLENE sales, these appeared to be limited to a small number of UK orders from a potentially smaller number of UK customers. The Applicant did not challenge the veracity of the Hearing Officer's maths in calculating the number of UK sales in 2016 at around 21 from the Applicant's exhibited invoices and stated turnover for that year. The Hearing Officer also pointed to the lack of evidence as to the Applicant's advertising in the UK.
27. In short, there was no distortion of the evidence and I was unpersuaded that the Hearing Officer erred in his findings below:

“28. The applicant claims that the distinctive character of the mark has been enhanced through use. The proprietor disputes this. Even though the earlier mark has been in use in the UK for a very long time, I do not accept that the applicant has shown that it had acquired an enhanced level of distinctiveness through use at the relevant date. The volume of sales appears to be significant at first sight, but on closer analysis the actual numbers of UK sales appear relatively small. Further, the number of UK customers seems likely to be smaller still. The applicant's promotion of the mark also appears to be very limited indeed, almost non-existent in the UK. I am left with the impression that the applicant has only a small share of the relevant UK market. And I do not consider it likely that the earlier mark would have been known (at the relevant date) to a significant proportion of the relevant UK public in the industrial sectors that use polyethylene polymers, including the sectors that

³ Mr Selmi informed me that this was the Applicant's main ground of appeal.

manufacture pigments, adhesives, and packaging, as well as the construction and automotive manufacturing industries.”

28. The second ground of appeal fails.
29. The third ground of appeal was that since both marks contained the same letters in the same order, the Hearing Officer should have found that the marks were highly similar. In holding that the respective beginnings of the marks created noticeable differences the Hearing Officer erred in artificially dissecting the marks.
30. I reject this argument. It is well established that whilst marks must be compared overall a tribunal is entitled to consider their constituent elements. There are a number of cases where the courts have decided that the beginnings of marks are important in the consumer’s perception of the marks and vice versa (see, e.g., Case T-724/17, *The Vianel Group LLC v. EUIPO* EU:T:2018:825, paras. 35 – 39). There is no indication in the decision that the Hearing Officer failed to consider the marks overall. Indeed, he expressly instructed himself before carrying out the comparison that:

“Comparison of the marks

29. 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.”

Respondent’s notice

31. Turning to the Respondent’s notice, the Registered Proprietor contended that an additional reason for upholding the Hearing Officer’s decision was that the goods/services were different. It became apparent that a major tenet in the Applicant’s argument was that the Applicant and the Registered Proprietor were different companies based in different countries with different marketing strategies. However, as I explained to the Registered Proprietor’s representative, Dr Meincke, the appropriate comparison for the Hearing Officer was between the goods and services as specified in the parties’ registrations assuming notional and fair use (subject to questions of proof of use which were decided in favour of the Applicant)⁴.

⁴ See, e.g., Case T-435, *Grendene, SA v. EUIPO* EU:T:2018:596, paras. 35 – 36. Similarity of goods/services is also not determined by reference to inclusion in a taxonomic information structure which is what I understood the Registered Proprietor’s reference to “Class Scopes” to mean (Case T-36/18, *Asahi Intecc Co., Ltd v. EUIPO* EU:T:2018:808, para. 48).

Conclusion

32. For the reasons stated above, the appeal has not succeeded. The Hearing Officer ordered the Applicant to pay to the Registered Proprietor the sum of £850 towards the Registered Proprietor's costs of the opposition. Taking into account the fact that the Registered Proprietor's representatives attended the hearing by telephone, I will order the Applicant to pay to the Registered Proprietor the sum of £350 towards the costs of the appeal; the total sum of £1150 to be paid within 28 days of the date of this decision.

Professor Ruth Annand, 16 January 2019

Mr Daniele Selmi of Counsel instructed by Forresters IP LLP appeared on behalf of the Applicant/Appellant

Dr Gerrit Meincke of Gerlach & Partner mbB, Rechtsanwälte, attended by telephone on behalf of the Registered Proprietor/Respondent