

O/302/12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION 2485170 BY
NIKE INTERNATIONAL LTD
FOR THE FOLLOWING TRADE MARK IN CLASSES 9, 25, 28 & 41:**

SPARQ

AND

**OPPOSITION THERETO (NO 98397)
BY SPARCO S.P.A.**

The background and the pleadings

1) Application 2485170 was applied for by Nike International Ltd (~~Nike~~) on 17 April 2008. The mark consists of the word SPARQ. The mark was published in the Trade Marks Journal on 5 September 2008. The goods and services sought to be registered are:

Class 09: Pre-recorded audio and audiovisual recordings in the field of competitive athletics and athletic training; compact discs, cassette tapes, digital video discs, videocassette tapes, digital video recordings in the field of competitive athletics and athletic training; receivers, transmitters, and routers used for capturing fitness data from a sensor.

Class 25: Clothing; footwear; headgear

Class 28: Athletic and sports equipment, including, golf, football, baseball, softball, basketball, soccer, running and volleyball training products for speed, agility and quickness; protective padding for playing sports; sports balls; golf clubs, golf balls, golf gloves, golf club grips, golf bags, golf tees, head covers for golf clubs, golf ball markers; bags for carrying sports equipment and sports balls; divot repair kits.

Class 41: Conducting classes, workshops and seminars in the field of competitive athletics and athletic training and distributing course materials in connection therewith; entertainment services in the nature of a series of on-going television programs in the field of competitive athletics and athletic training; entertainment services, including, production of television and audiovisual programs in the field of competitive athletics and athletic training; distribution of audiovisual programs in the field of competitive athletics and athletic training on videocassette and video disc recordings; magazine publishing; on-line publication of a magazine in the field of competitive athletics and athletic training; operation of sports camps; personal training services, including, strength and conditioning training; providing information in the field of competitive athletics and athletic training via the Internet; rating of competitive athletes by assigning numeric value to several athletic events and combining them into a single number that measures an athlete's overall athleticism.

2) Sparco S.p.A. (~~Sparco~~) opposes the registration of the above application under sections 5(2)(b) & 5(3) of the Trade Marks Act 1994 (~~the Act~~). Details of the various earlier marks it relies on are set out in the following table:

Details of earlier marks	The claims made	The specifications
<p>i) UK registration 1526975 for the series of two marks:</p> <p style="text-align: center;">SPARCO</p>  <p>Filing date: 13 Feb 1993 Registration: 19 May 1995</p>	<p>This mark is relied upon under both section 5(2)(b) and 5(3). All of the goods as registered are relied upon under both grounds. All of the goods are claimed to have been used and the mark is claimed to have a reputation for all of the goods. Both grounds are directed against all of the goods/services sought to be registered by Nike.</p>	<p>Class 09: Protective clothing, gloves and knee pads; anti-dazzle and anti-glare visors; face shields; protective helmets; fire extinguishers; radios; headphones; speed checking and measuring apparatus for vehicles; speed indicators; kilometer and mileage recorders for vehicles; voltage regulators for vehicles; pressure indicators; thermostats; steering apparatus and simulators, all for the steering and control of vehicles; luminous or mechanical road signs and signals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 9.</p> <p>Class 12: Vehicle seats; head-rests and back-rests for vehicle seats; safety belts; seat covers; anti-dazzle and anti-glare devices for vehicles; mudguards; brake pads, linings, segments and shoes; steering wheels; shock absorbers; wheel hubs, caps, rims, spokes; vehicle pedals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 12.</p> <p>Class 18: Articles made of leather or imitation leather; articles of luggage; bags, briefcases, rucksacks, holdalls, travelling bags and trunks; safety harnesses; belts; straps; document wallets; parts and fittings for all the aforesaid goods; all included in Class 18.</p> <p>Class 25: Articles of clothing; footwear; headgear; all included in Class 25.</p>
<p>ii) Community trade mark (-GTM") registration 290726 for the mark:</p>  <p>Filing date: 25 June 1996</p> <p>Registration: 24 January 2001</p>	<p>This mark is relied upon under both section 5(2)(b) and 5(3). All of the goods as registered are relied upon under both grounds. All of the goods are claimed to have been used and the mark is claimed to have a reputation for all of the goods. Both grounds are directed against all the goods/services sought to be registered by Nike.</p>	<p>Class 09: Fireproof clothing in general, suits, clothing worn under suits, shoes and gloves, helmets.</p> <p>Class 12: Seats and accessories for automobiles; wheel rims in aluminium alloy for automobiles; roll-bars, suspension reinforcement bars and accessories for automobiles; steering wheels.</p> <p>Class 25: Sportswear in general, in particular jogging suits, shoes and gloves for go-karting, T-shirts, clothing of fleece, polo-necks, lumber jackets, sports jackets, coats, shirts, hosiery, jeans.</p>

<p>iii) CTM 290734 for the mark:</p> <p>SPARCO</p> <p>Filing date: 25 June 1996</p> <p>Registration: 24 January 2001</p>	<p>This mark is relied upon under both section 5(2)(b) and 5(3). All of the goods as registered are relied upon under both grounds. All of the goods are claimed to have been used and the mark is claimed to have a reputation for all of the goods. Both grounds are directed against all of the goods/services sought to be registered by Nike</p>	<p>Class 09: Fireproof clothing in general, suits, clothing worn under suits, shoes and gloves, helmets.</p> <p>Class 12: Seats and accessories for automobiles; wheel rims in aluminium alloy for automobiles; roll-bars, suspension reinforcement bars and accessories for automobiles; steering wheels.</p> <p>Class 25: Sportswear in general, in particular jogging suits, shoes and gloves for go-karting, T-shirts, clothing of fleece, polo-necks, lumber jackets, sports jackets, coats, shirts, hosiery, jeans.</p>
<p>iv) CTM 6405971 for the mark:</p>  <p>Filing date: 30 October 2007</p> <p>Registration: 18 September 2008</p>	<p>This mark is relied upon under both section 5(2)(b) and 5(3). All of the goods as registered are relied upon under both grounds and the mark is claimed to have a reputation for all of the goods. Both grounds are directed against all of the goods and services sought to be registered by Nike.</p> <p>No claim to use is made because the mark is not subject to the proof of use regulations.</p>	<p>Class 09: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.</p> <p>Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.</p> <p>Class 25: Clothing, footwear, headgear.</p>
<p>v) International registration 797386 for the mark:</p>  <p>Date of UK designation: 28 January 2003</p> <p>Protection conferred on: 10 August 2003</p>	<p>This mark is relied upon under both section 5(2)(b) and 5(3). All of the goods as registered are relied upon under both grounds and the mark is claimed to have a reputation for all of the goods. Both grounds are directed against all of the goods and services sought to be registered by</p>	<p>Class 16: Stickers.</p> <p>Class 28: Games and toys.</p>

	<p>Nike.</p> <p>No claim to use is made because the mark was not thought to be subject to the proof of use regulations; I will come back to this point.</p>	
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3) As can be seen from the above, all of Sparco's marks were filed before Nike's application was made (with no priority dates affecting the position) so they all constitute earlier marks as defined by section 6 of the Act. Section 6A of the Act relates to the requirement to prove genuine use of any earlier marks that completed their registration procedures five years or more before the date of publication of the opposed mark; earlier marks that fall into this category can only be relied upon to the extent that they have been used. It is clear that marks i-iii are subject to the proof of use requirements. Sparco has made a statement of use accordingly. It is also clear that mark iv is not subject to the proof of use requirements as it only completed its registration procedure in 2008; this means that mark iv may be taken into account for its specification as registered. That leaves mark v, which is an International mark that has designated the UK for protection. The mark was published on 9 May 2003. I note that the Trade Marks (International Registration) Order 2008 modifies the Act, in terms of how International registrations are to be interpreted, by way of the following addition:

—3B. Protection

(1) Where no notice of provisional refusal is given to the International Bureau following publication under section 38(1), the international registration which is the subject of the request for extension shall be protected as a protected international trade mark (UK) with effect from the first day immediately following the end of the period prescribed for the purposes of section 38(2).

(2) Where notice of provisional refusal is given following publication under section 38(1), the international registration which is the subject of the request for extension shall be protected as a protected international trade mark (UK) with effect from the date on which the registrar notifies the International Bureau that the final decision is that the provisional refusal should not be upheld in accordance with section 38A(4).

(3) The reference to the completion of the registration procedure in section 46(1) shall be construed as a reference to the conferring of protection on an international registration in accordance with this section.

(4) When an international registration becomes protected as a protected international trade mark (UK), the registrar shall—

(a) notify the International Bureau that the international registration is protected in the United Kingdom; and

(b) publish a notice specifying the number of the international registration in respect of that trade mark, the date on which protection is conferred and the date and place of publication of the request for extension under section 38(1) in relation to that trade mark”

4) There is nothing in the transitional provisions which prevents the above from applying to International registrations made before the coming into force of the regulations. No opposition was received to the conferring of protection of the International Registration and, therefore, protection was conferred on 10 August 2003, being the day after the expiry of the opposition period. This means that when Nike’s mark was published on 5 September 2008, protection had been conferred on the IR for more than five years. The consequence of this is that the proof of use provisions apply. The reason I highlight this in detail is because when Sparco filed its opposition it stated that the IR was not subject to the proof of use provisions and, therefore, it made no statement of use. I discussed this with the parties at the hearing. I was not persuaded that the proof of use provisions did not apply. The legislation is unequivocal and the knock-on consequences of the proof of use provisions are clear. The mark is subject to the proof of use provisions. However, as Sparco has not made a statement of use and nor has Nike highlighted this during the proceedings, the course of action I intend to adopt is to consider the opposition on the basis of the other earlier marks in the first instance and, only if it is necessary to make any determinations on the basis of mark v, I will provide an opportunity for a statement of use to be made and an opportunity to support such a statement if Nike put Sparco to proof thereof. For the time being, I will set this matter aside.

5) Nike filed a counterstatement denying the grounds of opposition. Nike asked Sparco to provide proof of use in relation to the three marks for which Sparco made a statement of use. Both sides filed evidence. A hearing took place before me where Nike were represented by Ms Denise McFarland, of Counsel, instructed by Wynne-Jones Laine & James LLP and Sparco were represented by Mr Rowland Buehrlen of Beck Greener.

The relevant dates/period

6) The relevant date for my assessment under sections 5(2) and 5(3) of the Act is the date on which Nike applied for its mark, namely, 17 April 2008. In terms of the proof of use assessment, the relevant period is 6 September 2003 to 5 September 2008.

The evidence

Witness statement of Aurelio Sportelli dated 26 August 2009

7) Mr Sportelli has worked for Sparco since 1996 and has been its Chief Operating Officer, Markets and Business since 2007. He states that Sparco was founded in 1979. Various trade marks are referred to and a list of countries in which they are registered provided. It is stated that Sparco's activities lie broadly in:

—...the field of fire-proof wear and its products, including clothing, seating and accessories for automobile sports, all goods for racing, karting and tuning, and in products related with sportswear, leisure clothing and accessories.”

8) Mr Sportelli states that SPRACO has been on the EU market since 1977. I assume that such use must have been through a predecessor given that it is also stated that Sparco was founded two years later than this. In 2008 Sparco had 175 employees and 200 non-dependant workers working in an 8000 square metre plant. Exhibit AS2 provides details of worldwide and European turnover. The European turnover has been in excess of 35 million Euro per annum since 2002; earlier figures are also high, always being above 20 million Euro per annum. The exhibit also shows UK turnover —of goods marked with the trade name SPARCO”. Between 2004-2008 the figures were in the region of around 5 million Euro.

9) Exhibit AS3 contains details of promotional expenditure. Between 2004 and 2008, the lowest amount spent in the UK was 131k Euro and the highest 194k Euro. Details of worldwide sponsorship activities and advertising are provided. Promotional costs have ranged between 1.8 million Euro and 2.5 million Euro, a good deal of which relates to sponsorship (1.2-1.8 million Euro). These are figures for Sparco SPA, other figures for Sparco —onsolidated” are provided from 2002 onwards and are of a similar nature.

10) Exhibit AS4 contains photographs of various people from the world of motor sport wearing SPARCO race wear, including various world champions in a number of disciplines.

11) Exhibit AS5 contains agreements between Sparco and companies such as McLaren Racing, Pro-Drive Motorsport, Toyota Motorsport, William Grand Prix Engineering. The agreements typically involve the SPARCO name being used in or around the team, including their clothing, promotional material, seats and used around the teams hospitality and pit areas. This is said to expose the mark to a very wide international audience who come to associate the brand with sportswear and racing equipment. Reference is made to the BBC TV show TOP GEAR which is said to feature a segment in each episode featuring a reasonably

priced car being driving around a track; the seats fitted in the car are SPARCO seats which can be seen in accompanying photographs (Exhibit AS6).

12) Exhibit AS7 contains brochures from 2003 and 2007 which feature various items of footwear. Although the brochures have a motor racing theme, the footwear itself goes beyond those for use whilst racing. The brochures include the stylized SPARCO mark and the SPARCO LIFESTYLE (stylized) mark. Mr Sportelli states that the brochures were "sent by email to all clients of my company".

13) Exhibit AS8 contains a large number of invoices issued by Sparco and which have the stylized SPARCO mark at the top of the page. The invoices are:

- i) Two copies of an eleven page invoice to Demon Tweeks (Automotives) in Wrexham from February 2012, after the relevant date and period.
- ii) A four page invoice to Grand Prix Race Wear in Northants from November 2008, again, after the relevant date/period.
- iii) An eight page invoice to Demon Tweeks from October 2008, again, after the relevant date/period.
- iv) A 9 page invoice to Demon Tweeks from April 2007, before the relevant date and within the relevant period. It is difficult to ascertain what the various items in the invoice are. Italian wording predominates and/or descriptions used which bear no resemblance to known goods. Of the things which are more clearly identified, there is: a karting safety jacket, a "polo" (polo Florida Manica Cortta/Lunga), a t-shirt (t-shirt logo Monte Carlo/America), a number of references to a "top" and a reference to "sock". Sparco is not used to specifically identify any of these products.
- v) A 3 page invoice to Grand Prix Race Wear from June 2007. Again, the products are difficult to decipher. There is a "polo", and a "full zip". A further invoice from July 2007 adds nothing new to help with product identification.
- vi) Further invoices to both Grand Prix Race wear and Demon Tweeks are provided from before the relevant date and within the relevant period, but they do little to help identify the goods sold; there are a few references to t-shirts, karting safety jackets and crew shoes.
- vii) There is a 30 page invoice to a company in Germany, but this is from after the relevant date/period.

- viii) There is a 21 page invoice to Sandteler GmbH in Germany from October 2007. Of the goods I can identify there are a number of references to a “top” (e.g. Stivaletti Top 3 Rossa). Sparco is used in some of the descriptions but only on descriptions that are unclear. A similar 16 page invoice from September 2006 to the same company is provided.
- ix) A 13 page invoice to another German company called Liane Sandtler. I can identify a reference to “top” and a reference to “shorts mod jog”; another two invoices from January 2004 are provided which add nothing new to assist with product identification.
- x) An invoice to Prince of Poland from May 2006. I note the references to polo, full zips, a number to “jogging”, and to a karting safety jacket. Another invoice to the same company from November 2005 is provided which introduces nothing new.
- xi) A number of invoices to Oreca SA in France but the dates are difficult to decipher. One clearly falls within the relevant period. Other than some references to tops, the goods are not clear.
- xii) Two invoices from after the relevant period to a Finnish company called Euroracing. However, further invoices dated September 2007, July 2006, March 2005 and January 2004 are provided from which I note references to “top”, t-shirts and karting safety jacket.
- xiii) Two invoices from outside the relevant period to a Danish company called Lindejergbut, but further ones from September 2007, August 2008, April 2005 and January 2004 with various references to tops.

14) Mr Sportelli then refers to advertisements placed in UK publications between 2004 and 2008. The majority are advertisements placed by other companies (e.g. Demon Tweaks) that are selling various branded goods including SPARCO. The advertisements have been placed in publications including: Classic Ford, Karting Magazine, Motorsport News, Track and Race Cars, Retro Ford, Max Power, Redline, Total Vauxhall, Classic Monthly, and Fast Car. The goods are specialist ones used in the world of motor sport such as helmets, gloves, race suits, or are fittings for motor sport cars. The stylized version of SPARCO predominates although there are some uses of just the word.

15) Exhibit AS10 contains various brochures issued by GPR Motor Sports (who trade as Grand Prix Race Wear) and Demon Tweaks, both of whom distribute Sparco’s goods in the UK. They both have retail stores and an Internet presence. The details of the brochures are set out below¹:

¹ When I refer to the brochures depicting both versions of the mark (be it the stylised mark, the word (plain) mark, or both) this should be read in conjunction with my observations in paragraph 25 below.

- i) Grand Prix Racewear 2001 catalogue - SPARCO (stylized) race suit and gloves are shown on the cover. The goods include helmets (stylized and word mark), helmet visors (word mark but, the stylized mark is at the top of the whole page), kit and trip bags (stylized), race suits (stylized but some word only use), racing gloves (stylized and word mark), fireproof² undergarments (stylized), neck supports (stylized and word), knee and elbow pads (stylized and word), racing fireproof balaclava (stylized), race boots (stylized and word) (some co-branding with Puma), race suits for karting (stylized and word), rib protectors (stylized and word), oil and fuel resistant overshoes (stylized), karting underwear type t-shirts and tops (not necessarily fireproof) (stylized), karting balaclava (not necessarily fireproof) (stylized), kart steering wheels (stylized), kart covers (stylized), mechanics' overalls (stylized and word), training style shoes (stylized), work gloves (word and stylized), car seats (stylized), car seat padding (stylized), seat fixings (word, but the whole page is headed with the stylized mark).
- ii) Grand Prix Racewear 2002 catalogue - SPARCO (stylized) features on the front cover in respect of race suits. The goods include: helmets (stylized and word), helmet bags (stylized and word), helmet visors (stylized), sticker packs (stylized and word), race suits (stylized and word), race gloves (stylized), fireproof underwear (vests, tops, pants and shorts) and balaclavas (stylized and word), knee and elbow pads (stylized), neck supports (stylized and word), race shoes (stylized and word), karting boots (stylized), karting suits (stylized and word), wet weather suits (stylized), gloves (padded for racing) (stylized), underwear and balaclava for karting (stylized), rib protectors (stylized and word), knee and elbow pads (stylized), neck supports (stylized), kart covers (stylized), tyre bags (stylized), seat inserts (stylized), tyre pressure gauges (stylized), kart steering wheels (stylized), mechanics' overalls (stylized and word), mechanics' apron (stylized), training style shoe (stylized), mechanics' gloves (stylized and word), tool bags (stylized), work gloves (stylized and word), car seats (stylized and word), seat padding (stylized), seat restraints (stylized and word), steering wheels (stylized and word), steering boss adaptors (word), various holdalls (stylized and word), jackets and shoes (stylized, but the previous page of the brochure introduces the SPARCO (word) sports and leisure wear range). There is also a cap and trousers on this page, but it is not clear if these are produced by Sparco.
- iii) Demon Tweaks Catalogue 2002 – The goods include: replica team jackets (stylized), a page containing various clothing items including t-shirts, jackets, caps, t-shirts and training style shoes. The stylized mark is

² Although not identified as fireproof, it is identified that the goods are made from Nomex, which the evidence later explains is a fireproof material.

used on all, and there is some word only use in the introduction (“Sparco have produced a range of leisure and sportswear..”). There is also a reference to —~~its~~ Sparco Jacket”.

- iv) A further Demon Tweeks catalogue from 2002 - The goods include: various race suits (stylized and word), race/rally boots (stylized and word), race/rally gloves (stylized and word), fireproof balaclavas (stylized), fireproof underwear items and socks (stylized), elbow and knee pads (stylized), replica team jackets (stylized), leisure jackets (stylized and word), shirts and t-shirts (stylized, but the previous page introduces a range of SPARCO leisure and sportswear), boots and shoes, some for leisure some for driving (stylized and word), karting suits (stylized and word), wet weather suits (stylized and word), karting boots (stylized), karting gloves (stylized), fireproof work gloves (word and stylized), fireproof work gloves (stylized), underwear and balaclavas for karting (stylized), rib protector (stylized), protective pads (stylized), karting suits, overshoes (stylized), work aprons, kart cover and tyre bags (stylized), helmets and visors (stylized and word), neck supports (stylized), helmet bags (stylized), holdalls and tool bags (stylized), mechanics’ overalls (stylized), car seats (stylized and word), car seat cushions and fittings (stylized), car seat restraints (stylized and word), roll cages (stylized and word), steering wheels (stylized), gear shift knobs (stylized), steering parts (although unbranded they are on a stylized Sparco page), car pedals (stylized), car intercoms (stylized and word), mud flaps and fuel caps (stylized and word).
- v) Grand Prix Race Wear 2003 catalogue - The goods include: helmets (stylized and word), helmet visors (stylized), race suits, (stylized and word), fireproof underwear and balaclava (stylized and word), knee and elbow pads (stylized and word), racing gloves (stylized and word), race boots (stylized and word), karting boots (stylized and word), karting suits (stylized and word), wet weather suits (stylized), karting underwear (stylized), karting balaclavas (stylized and word), karting gloves (stylized and word), knee/elbow pads (stylized and word), rib protectors (stylized and word), steering wheels (stylized and word), kart covers and tyre bags (stylized), mechanics’ overalls (stylized and word), mechanics’ aprons (stylized and word), work gloves and tool bags (stylized), seat harness (stylized and word), car seats (stylized and word), car seat fixings (stylized and word), holdalls (stylized and word), jackets, shoes and trousers (predominantly word, but the previous page uses the stylized SPARCO and introduces this range).
- vi) Demon Tweeks 2003 catalogue - The goods include: t-shirts, shoes and caps (the page is headed with the stylized mark and the t-shirts and caps also depict the stylized word), jackets and team replica jackets

(stylized, but the introduction for the page refers to SPARCO introducing a range of leisure and sportswear).

- vii) Demon Tweeks 2003 catalogue - The goods include: race suits (stylized and word), race/rally boots (stylized and word), leisure type boots/shoes (stylized), race/rally gloves (stylized and word), fireproof underwear and socks (stylized), elbow/knee pads (stylized), replica team jackets (stylized), leisure jackets and trousers (stylized and word, the word on account of the introductory text), leisure shirts, caps, and t-shirts (stylized), karting suits (stylized and word), wet weather suits (stylized and word), karting gloves (stylized), work gloves (stylized and word), karting boots (stylized), helmets (stylized and word), steering wheels (stylized), helmet visors (stylized), neck supports (stylized), underwear and balaclavas for karting (stylized), work aprons (stylized), rib protectors (stylized), knee/elbow pads, overshoes, seat padding, kart covers (all stylized), helmet bag/boxes (stylized), holdalls/tool bags (stylized), mechanics' overalls (stylized), mechanics gloves, shoes and aprons (stylized), mechanics bags and knee pads (stylized), car seats (stylized and word), car seat fixings (stylized), seat harness (stylized and word).
- viii) Grand Prix Racewear – The catalogue is undated but I note that some of the items are “new for 2004”. The goods include: helmets (stylized and word), visors and neck supports (stylized), race suits (stylized and word), fireproof under garments and balaclavas (stylized), race gloves (stylized), karting suits (stylized and word), rib/body protectors, knee/elbow pads, kart covers, tyre covers (all stylized), mechanics' overalls (stylized and word), mechanics' tool bags, aprons, shoes gloves (all stylized), car seats and fixings (stylized), roll cages (stylized and word), motorcycle jackets (stylized, but word used in introduction), shoes and training style shoes (stylized and word in opening text), fleece top (the whole page has Sparco stylized, plus the word in opening text), jackets, trousers, shorts and shirts (some but not all have Sparco stylized but the previous page also includes stylized and word marks in the opening text), holdalls (stylized and word).
- ix) Demon Tweeks 2004 catalogue BM4 - Motorcycle jackets (stylized and word). There are other products on this page but as it is shared with another brand (EDZ) it is not clear if these are Sparco goods.
- x) Demon Tweeks 2004 catalogue (HR4) - The goods include: jackets (stylized), trousers and shorts (stylized), fleece top (stylized), t-shirts (stylized), shoes and training style shoes (stylized and word).
- xi) Demon Tweeks 2004 catalogue HM4. The goods include: race suits (stylized and word), race/rally boots (stylized and word), race/rally

gloves (stylized and word), fireproof balaclavas (stylized), fireproof underwear, socks and elbow/knee pads (stylized), holdalls (stylized and word), leisure shoes (stylized), jackets (stylized but word mentioned in introductory text), shirts and trousers (stylized, but word mentioned in introductory text two pages earlier), fleeces, t-shirts and caps (stylized, but word mentioned in introductory text two pages earlier), karting suits (stylized and word), wet weather suits (stylized), kart boots (stylized), kart gloves (stylized), steering wheels (stylized), neck supports (stylized), karting underwear and balaclavas (stylized), rib protectors (stylized), overshoes (stylized), work apron (stylized), kart cover and tyre bag (stylized), helmets (stylized and word), helmet visors (stylized), helmet bags and boxes (stylized), mechanics' overalls, gloves, footwear, aprons and tool bags (stylized), car seats (stylized and word), car seat fittings (stylized), seat harness (stylized and word), hub rings, steering bosses, horn pushers, steering wheel buttons (stylized), intercoms (stylized and word), mud flaps (stylized and word), window nets and fuel caps (stylized).

- xii) Grand Prix Racewear 2005 catalogue - The goods include: helmets (stylized and word), race suits, gloves and boots (stylized and word), fireproof underwear and balaclavas (stylized and word), fireproof elbow and knee pads (stylized), karting suits and boots (stylized and word), karting gloves (stylized), wet weather suits (stylized), karting underwear and balaclavas (stylized), rib/body protectors (stylized and word), knee/elbow pads (stylized), steering wheels (stylized and word), overshoes (stylized), seat inserts, kart covers and tyre bags (stylized), mechanics' overalls, footwear, aprons, gloves, knee pads and tool bags (stylized), car seats (stylized and word), car seat fittings and cushions (stylized), car seat harness (stylized and word), gear knobs (stylized), car foot rests and pedals (stylized), shoes, fleece, body warmers, trousers, jackets (stylized), kit bags (stylized).
- xiii) Demon Tweaks 2005 – The goods include: helmets (stylized) motorcycle jackets and trousers (stylized, but word used in introductory text).
- xiv) Demon Tweaks 2005 – The goods include: jackets, coats, shorts, trousers, training style shoes (stylized), t-shirts, sweatshirts, fleeces, shirts, caps (stylized, but a reference to Sparco embroidery).
- xv) Demon Tweaks 2005 Catalogue HM5 – The goods include: race suits, boots, gloves (stylized and word), fireproof underwear and balaclavas (stylized and word) fireproof elbow/knee pads (stylized), kit bags and tool bags (stylized), karting suits (stylized and word), kart boots (stylized) kart gloves (stylized and word), karting underwear and balaclavas (stylized), overshoes, work aprons, rib protectors, kart covers, tyre bags (stylized), helmets (stylized and word), steering

wheels (stylized), neck supports (stylized), helmet visors (stylized), helmet bags and boxes (stylized), mechanics' overalls, bags, shoes, aprons, pads (all stylized) and gloves (stylized and word), training style leisure shoes (stylized), jackets (stylized, but a reference to SPARCO (word) having produced a range of leisure and sportswear), jackets and coats (stylized, but previous page has introductory text), shirts, trousers, shorts (stylized, but previous reference to introductory text applies), hats, caps, fleeces, gloves, t-shirts (stylized, but previous reference to introductory text applies), car seats (stylized and word), car seat fittings (stylized), car seat harness (stylized and word).

- xvi) GPR 2006 Catalogue – The goods include: race suits, gloves, boots (stylized and word), fireproof underwear, knee/elbow pads and balaclavas (stylized), helmets (stylized and word), helmets bags and boxes (stylized and word), neck supports (stylized and word), kart suits, gloves (stylized), wet weather suits, karting underwear and balaclavas, elbow/knee pads (stylized), rib protectors (stylized and word), mechanics' overalls, aprons, footwear, gloves, bags, safety glasses (stylized, but word used in introduction to the mechanics' range), seat harness (stylized and word), car seats (stylized and word), car seat fittings (stylized and word), steering wheels (stylized and word), kit bags (stylized), jackets, sweatshirts, fleeces t-shirts, polo shirts, shorts, leisure shoe (stylized).
- xvii) Demon Tweaks 2006 catalogue – The goods include: t-shirts, fleeces, polo shirts, leisure shoes.
- xviii) Demon Tweaks 2006 catalogue – The goods include: race suits, boots, gloves (stylized and word), fireproof underwear and balaclavas (stylized and word), fireproof elbow/knee pads (stylized), tool bags, travel bags and kits bags (stylized and word), helmet bags (stylized), kart suits (stylized and word), wet weather suit (stylized), kart boots (stylized and word), kart underwear, balaclavas, knee/elbow pads, work apron, neck supports (stylized), kart cover, tyre bag, pressure gauge, seat padding (stylized), steering wheel (stylized), helmets (stylized and word), helmet visors (stylized), helmet bags and boxes, neck supports (stylized), mechanics' suits, sallopettes, knee/elbow pads, tool bags and footwear (stylized) mechanics' gloves (stylized and word), jackets (stylized, but word used in introductory text), shirts, trousers, shorts, t-shirts, polo shirts, fleeces, caps, training style shoes (stylized, but word used in introductory text a few pages earlier), car seats (stylized and word), car seat fittings (stylized), car seat harness (stylized and word), intercoms (stylized and word), light maps, fuel cap covers, mud flaps, window nets (stylized).

- xix) GPR 2007 Catalogue – The goods include: neck supports (stylized), helmet boxes and bags (stylized and word), mechanics' overalls (stylized and word), race boots (stylized and word), training style shoes (stylized), jackets (stylized), fleeces and sweatshirts (stylized), t-shirts, trousers, shorts, polo shirts, caps (stylized), kit bags (stylized), car seats (stylized and word), car seat fittings (stylized and word), car seat harness (stylized), steering wheels (stylized).
- xx) Demon Tweeks 2007 catalogue – The goods include: race suits, boots, gloves, (stylized and word), fireproof underwear (stylized and word), elbow/knee pads (stylized), steering wheels (stylized), kart covers, tyre bags, pressure gauges, seat padding (stylized), kart underwear, balaclavas, elbow/knee pads, neck supports (stylized), kits bags (stylized and word), helmets (stylized), mechanics' suits (stylized), trousers, shorts, shirts (stylized, but Sparco mentioned in opening text) jackets (stylized, but word used on previous page in opening text), mechanics' training style shoes, t-shirts (stylized), shirts, fleeces, polo shirts, jackets (stylized), seat harness (stylized and word), roll cages (stylized and word), steering wheels (stylized), footrests and foot pedals (stylized), intercoms (stylized and word), mud flaps, fuel filter caps, widow netting (stylized).
- xxi) GRP 2008 catalogue – race suits (stylized and word), fireproof underwear, balaclavas, knee/elbow pads (stylized), race gloves (stylized), race boots (stylized and word), helmets (stylized and word), neck supports (stylized and word), helmet bags (stylized and word), drinks bag (stylized), kart suits (stylized and word), kart gloves (stylized), kart underwear and balaclavas (stylized), wet weather suits, knee/elbow pads (stylized), rib protectors (stylized and word), kart boots (stylized), mechanics' knee pads, gloves and footwear (stylized and word), leisure shoes (stylized), jackets (stylized), fleeces, sweatshirts, pullovers, t-shirts, trousers, polo shirts, caps (stylized), kit bags (stylized), car seats (stylized and word), car seat fittings (stylized and word), car seat harness (stylized and word), steering wheels (stylized and word).
- xxii) Demon Tweeks 2008 catalogue – the goods include: shirts, leisure shoes, trousers, fleeces, polo shirts (stylized).
- xxiii) Demon Tweeks 2008 catalogue – The goods include: race suits, gloves, boots (stylized and word), fireproof underwear, elbow/knee pads (stylized), kart suits (stylized and word), wet weather suits (stylized), kart boots (stylized), kart gloves (stylized and word), helmets (stylized and word), rib/elbow/knee protectors (stylized), work gloves (stylized and word), steering wheels (stylized), kart covers, tyre bags, seat padding, pressure gauges (stylized), kart underwear and

balaclavas (stylized), neck supports, overshoes, work apron (stylized), helmet visors (stylized), helmet bags, neck supports (stylized), helmet stickers (stylized and word), holdalls (stylized), mechanics' suits, bags, sallopettes, aprons, pads, gloves and footwear (stylized), shirts and trousers (stylized, but word used in opening text), coats and jackets (stylized but word in opening text on previous paragraph), t-shirts, fleeces, polo shirts (stylized), car seats (stylized and word), car seat fittings (stylized), car seat harness (stylized and word), roll cages (stylized and word), steering wheels (stylized), hub rings, wheel spacers, horn pushers, fuel caps, gear knobs (stylized), foot rests and pedals (stylized).

16) Mr Sportelli then refers to the websites www.sparco.net and www.sparco.it, the former having been registered in 2000 and the latter in 1996. The websites receive 44,000 hits per month.

Witness statement of Gareth Jenkins dated 18 January 2010

17) Mr Jenkins is a trade mark attorney representing Nike. He provides details of USPTO registrations for SPARQ and SPARCO. He also provides details of Nike's website from 2004 and from 6 January 2010 relating to the use of SPARQ by Nike. I do not intend to detail it all. The use seems to be predominantly in the US and related to what can loosely be described as a training programme providing athletes with products and materials to "optimize their potential". Also provided is a copy of the SPARQ magazine from 2008 (again US orientated). The heading is PERFORMANCE TRAINING FOR THE SERIOUS ATHLETE. Statistics are provided showing access to the website by UK users; they total 14,470 visits between January 08 and December 09. Also provided are current prints from Nike's web store showing various products for sale under the SPARQ mark including hurdles, t-shirts, shorts, vests, access to a training video etc.

Witness statement of Michael Goodman dated 1 March 2010

18) Mr Goodman is Nike's Assistant Secretary. He refers to SPARQ having been in use since 2004 in respect of sporting goods and services in the field of athletic training and since March 2008 in respect of footwear, bags and clothing. Mr Goodman confirms the existence of the website sparqtraining.com which can be accessed via the UK. He refers to the USPTO trade mark registrations. In terms of sales, around 2 million products were sold between 2007 and 2010, representing wholesale amounts of \$82 million in respect of footwear, apparel and equipment. This is worldwide use rather than UK use. Mr Goodman is not aware of any confusion, be it in the US or elsewhere, and he states that both marks have been living together in the US without interference.

Further evidence

19) Both parties filed further/reply evidence. Both bring forward decisions in other jurisdictions, some where Sparco succeeded, and some where Nike succeeded. Nike also provided evidence that it filed in proceedings in Singapore. I do not consider it is necessary to detail this any further.

The proof of use provisions

20) The use conditions are set out in section 6A(3) of the Act:

—...The use conditions are met if —

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

21) Section 100 is also relevant which reads:

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

22) When considering whether genuine use has been shown, I bear in mind the leading authorities on the principles to be applied namely: the judgments of the Court of Justice of the European Union (CJEU) in *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 (*Ansul*) and *Laboratoire de la Mer Trade Marks C-259/02 (La Mer)*. The position³ was helpfully summarized by Ms Anna Carboni, sitting as the Appointed Person, in BL O-371-09 *SANT AMBROEUS*:

—42The hearing officer set out most of the key extracts from *Ansul* and *La Mer* in his decision, so I shall not reproduce them here. Instead, I try to summarise the “legal learning” that flows from them, adding in references to *Silberquelle* where relevant:

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

³ Which also took into account the guidance set out in *Silberquelle GmbH v Maselli-Strickmode GmbH* Case C495/07, [2009] ETMR 28

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

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

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

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

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

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

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

23) Three earlier marks are subject to the use conditions. However, given the scope of the earlier marks' specifications and, of course, the marks themselves, I consider that I need only make an assessment, at this stage, of UK registration 1526975. Depending on the ultimate outcome, I may return to the other earlier

marks, but only if it is necessary to do so. The details of 1526975, which is for a series of two marks, are:

SPARCO



Class 09: Protective clothing, gloves and knee pads; anti-dazzle and anti-glare visors; face shields; protective helmets; fire extinguishers; radios; headphones; speed checking and measuring apparatus for vehicles; speed indicators; kilometer and mileage recorders for vehicles; voltage regulators for vehicles; pressure indicators; thermostats; steering apparatus and simulators, all for the steering and control of vehicles; luminous or mechanical road signs and signals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 9.

Class 12: Vehicle seats; head-rests and back-rests for vehicle seats; safety belts; seat covers; anti-dazzle and anti-glare devices for vehicles; mudguards; brake pads, linings, segments and shoes; steering wheels; shock absorbers; wheel hubs, caps, rims, spokes; vehicle pedals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 12.

Class 18: Articles made of leather or imitation leather; articles of luggage; bags, briefcases, rucksacks, holdalls, travelling bags and trunks; safety harnesses; belts; straps; document wallets; parts and fittings for all the aforesaid goods; all included in Class 18.

Class 25: Articles of clothing; footwear; headgear; all included in Class 25.

A statement of use was made in respect of all of the above goods.

24) In relation to proof of use, Ms McFarland undertook a detailed and forensic examination of the evidence provided by Mr Sportelli. Whilst I did not understand her to dispute that genuine use had been made in relation to Sparco's core goods (such as fireproof race suits and car seats) she strongly argued that the evidence was insufficient to prove genuine use in relation to some of the other goods (she particularly focused on clothing) covered by the registration and, also, questioned whether genuine use had been made in relation to both the stylized version of the mark and the plain word version of the mark. The brochures exhibited by Mr Sportelli were particularly focused upon. Ms McFarland argued that for many of the goods it was not always clear whether the goods depicted were SPARCO goods or were other brands, that some of the indications used on,

for example, the clothing, were very unclear and were not informative. It was argued that when SPARCO was used it was primarily the stylized version and that there was extremely little evidence to support the plain word mark. Ms McFarland also criticized the invoices as they lacked any comprehensible detail and that the whole context of Mr Sportelli's evidence lacked specificity. Mr Buehrlen took a different view, he felt that when the pages were taken in context, the relevant goods were clearly SPARCO goods and that there was more use of the plain word than Ms McFarland believed. He argued that whilst the invoices, for example, may not be ideal on their own, when taken as a whole, the evidence painted a compelling picture of genuine use across a wide range of goods.

25) I have undertaken a thorough review of the brochures. The sub-points to paragraph 15 above provide an indication of the goods in relation to which I consider the marks (the stylized mark and the word mark) to have been used. When coming to those findings I fully took Ms McFarland's criticisms into account. For the most part, I am more in tune with Mr Buehrlen's view than the view of Ms McFarland. As can be seen from my summary, and as can be seen from the brochures themselves, there is ample use of the mark (particularly in stylized form) across a wide range of goods. There is also evidence of the word SPARCO being used without stylization. This comes not only from the use of the word SPARCO as part of an individual product description (although I accept that such use is limited), but also from the use of the word SPARCO as part of a description of a particular range of goods, goods which are then subsequently depicted. Even if, when subsequently depicted, only the stylized use of the mark is made, the reference to SPARCO in the general description of the range counts, in my view, as use of the word mark in relation to the goods. This contextualized approach also relates to some of the goods which are, perhaps, not marked particularly clearly. With some specific examples, the context of the brochure and the use of the stylized or word SPARCO at the top of the page, clearly indicate that the goods are SPARCO goods. There are some exceptions to this in the brochures where the context is not so clear and where the goods may be other brands; I have not included such use in my summary of where I consider the mark to have been used.

26) Not all of the use in the brochures is relevant because they do not all fall within the relevant period. The relevant period begins in September 2003 and ends in September 2008. Catalogues can be issued at any time during a given year. This is particularly so in this case as the evidence shows a number of catalogues from the same undertakings issued in the same year. It is therefore not clear whether the catalogues of 2003 were in circulation after September 2003 and whether the catalogues dated 2008 were in circulation before September 2008. The tribunal cannot work on the basis of assumptions. Therefore, I consider it right that the catalogues of primary relevance are those from 2004, 2005 and 2006. However, even when taking just these catalogues into account, there is a consistent pattern of trading under the marks for the following groups of goods:

Motor sport race wear

Race suits, boots, gloves and helmets (stylized and word), helmet visors and neck supports (stylized), fireproof undergarments, socks and balaclavas (stylized and word).

Karting wear

Karting suits, gloves and boots (stylized and word), karting underwear and balaclavas (stylized).

Protective apparatus for karting/motor sport

Rib/body protectors (stylized and word), knee/elbow pads (stylized).

Goods for mechanics

Mechanics' overalls, aprons, footwear, gloves, tool bags, safety glasses (stylized and word); mechanics suits, sallopettes (stylized).

Parts and fittings of cars and karts

Car seats and fixings/fixings (stylized and word), roll cages (stylized and word), seat harness (stylized and word), steering wheels (stylized and word), hub rings and steering bosses, horn pushers, steering wheel buttons (stylized), intercoms (stylized and word), mud flaps (stylized and word), window nets and fuel caps (stylized), gear knobs (stylized); car foot rests and pedals (stylized); seat inserts, car seat cushions/padding (stylized); light maps and pressure gauges (stylized)

Motorcycle gear

Motorcycle jackets and trousers (stylized and word).

Clothing

Shoes and training style shoes (stylized and word), leisure shoes (stylized); fleece top, jackets, coats, trousers and shorts, shirts, t-shirts, polo shirts (stylized and word); body warmers and sweatshirts (stylized); hats, caps and gloves (stylized and word); wet weather suits (stylized), overshoes (stylized).

Bags

Holdalls and kit/travel bags (stylized and word), helmet bags and boxes (stylized and word); tyre bags (stylized); kart covers and tyre covers (stylized).

27) Mr Sportelli does not break down any of the turnover figures between the above goods. The invoices do little on their own to assist as they are so difficult to tie to the relevant goods. Nevertheless, the regularity of the use over the relevant period by way of the brochures, which is supported by the turnover figures and invoices, is such that I am more than content that genuine use of the mark(s) has been made in accordance with the above list.

28) In terms of deciding upon fair specifications, the description must not be over-*pernickety*⁴. It is necessary to consider how the relevant public would likely describe the goods⁵. The General Court (–GC”) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:

—43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which,

⁴ See *Animal Trade Mark* [2004] FSR 19.

⁵ See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32

although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

29) I also note the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

—However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed Page 23 of 68 in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

30) I will consider the matter on a class by class basis.

Class 9

31) Class 9 as registered reads:

Class 09: Protective clothing, gloves and knee pads; anti-dazzle and anti-glare visors; face shields; protective helmets; fire extinguishers; radios; headphones; speed checking and measuring apparatus for vehicles; speed indicators; kilometer and mileage recorders for vehicles; voltage regulators for vehicles; pressure indicators; thermostats; steering apparatus and simulators, all for the steering and control of vehicles; luminous or mechanical road signs and signals; parts and fittings for all the

aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 9.

32) The limitation at the end of the specification aptly limits the nature of the goods so used. In terms of protective clothing, I consider that the range of protective clothing used in relation to the marks is sufficient to justify the term at large for both the stylised word mark and the plain word mark. The visors, though, have only been used in relation to the stylised mark, but protective helmets in relation to both marks. There is no use in relation to fire extinguishers so this cannot be retained in the specification.

33) When the limitation is borne in mind, the radios and headphones relate to intercoms apparatus and, therefore, these terms may be retained for both marks. But I have found no use in relation to ~~speed~~ speed checking and measuring apparatus for vehicles; speed indicators; kilometer and mileage recorders for vehicles; voltage regulators for vehicles, thermostats; and simulators all for the steering and control of vehicles; luminous or mechanical road signs and signals” so these cannot be retained. Steering apparatus is clearly acceptable on the basis of the goods in the brochures. I therefore consider the following to be fair specifications:

34) In relation to the stylised mark:

Class 09: Protective clothing, gloves and knee pads; anti-dazzle and anti-glare visors; face shields; protective helmets; radios; headphones; pressure indicators; steering apparatus, for the steering and control of vehicles; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 9.

35) In relation to the word mark:

Class 09: Protective clothing, gloves and knee pads; protective helmets; radios; headphones; pressure indicators; steering apparatus, for the steering and control of vehicles; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 9.

Class 12

36) Class 12 as registered reads:

Class 12: Vehicle seats; head-rests and back-rests for vehicle seats; safety belts; seat covers; anti-dazzle and anti-glare devices for vehicles; mudguards; brake pads, linings, segments and shoes; steering wheels; shock absorbers; wheel hubs, caps , rims, spokes; vehicle pedals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 12.

37) Again, the limitation assists in contextualising the goods. However, I found no use at all in relation to “brake pads, linings, segments and shoes; shock absorbers; wheel hubs, caps, rims, spokes, seat covers; anti-dazzle and anti-glare devices for vehicles” so these cannot be retained. I only found stylised use in relation to “vehicle pedals” but use of both marks for the other goods in the specification. I therefore consider the following to be fair specifications:

38) In relation to the stylised mark:

Class 12: Vehicle seats; head-rests and back-rests for vehicle seats; safety belts; mudguards; steering wheels; vehicle pedals; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 12.

39) In relation to the word mark:

Class 12: Vehicle seats; head-rests and back-rests for vehicle seats; safety belts; mudguards; steering wheels; parts and fittings for all the aforesaid goods; all relating to motorcar, kart and motorcycle racing; all included in Class 12.

Class 18

40) Class 18 as registered reads:

Class 18: Articles made of leather or imitation leather; articles of luggage; bags, briefcases, rucksacks, holdalls, travelling bags and trunks; safety harnesses; belts; straps; document wallets; parts and fittings for all the aforesaid goods; all included in Class 18.

41) Of the goods used that could fall in class 18 then tool bags have been used in relation to both marks, this is a sub-category in itself so should form part of the specification. Other bags (such as helmet bags and tyre bags) would fall in other classes as they are likely to be classified with the things they fit. That leaves the holdalls, kits bags and travel bags. These terms seem sufficiently sub-categorised, moving to a higher category (bags for example) would appear unjustified. In view of this a fair specification for both marks reads:

Tool bags; holdalls, kit bags, travel bags.

Class 25

42) Class 25 as registered reads:

Class 25: Articles of clothing; footwear; headgear; all included in Class 25.

43) Of the goods I have found use upon, a number of them could potentially fall in class 25. There are various race wear and karting wear clothing. Whilst the majority of them will fall in class 9 as protective/fireproof clothing, it would appear that some do not necessarily have a protective or fireproof function, particularly those used for karting. On the basis of the evidence, I therefore consider that in relation to the stylized mark and the word mark a specification of —articles of karting clothing and footwear” would be appropriate. I also consider that both marks may be permitted for a specification of —mechanics’ clothing and footwear”. Obviously, a mechanic or a karter could potentially wear anything to undertake those activities, however, when I make the goods comparison the context of karting/mechanics will be fully borne in mind.

44) In terms of the more general clothing, I found use on:

Shoes and training style shoes (stylized and word), leisure shoes (stylized); fleece top, jackets, coats, trousers and shorts, shirts, t-shirts, polo shirts; (stylized and word); body warmers and sweatshirts (stylized); hats, caps and gloves (stylized and word).

45) Given the breadth of the use, I feel it would be pernicky to limit the specification purely to those terms. I consider the appropriate sub-category to be

—Casual/leisure outer-clothing, footwear and headgear”

46) Although not every single listed term for which I found use relates to both versions of the mark, I still consider the above specification to be appropriate given the use I have found for both marks. Ms McFarland suggested that such goods should be limited to being for use aimed at the motor sport field. I reject this submission; that Sparco may have targeted motor sport enthusiasts for its range of casual/leisure wear does not mean that the mark should be limited as such. This is merely a marketing strategy and not an inherent property of the goods that can be fairly sub-categorised. Additional to the above goods, I consider that the term —motorcycle jackets and trousers” may also be added to the list. In respect of the stylised mark wet weather suits and overshoes may also be taken into account. I therefore consider fair specifications to be:

In relation to the word mark: —Karting clothing and footwear; mechanics’ clothing and footwear; motorcycle jackets and trousers; casual/leisure outer-clothing, footwear and headgear”;

In relation to the stylised mark: —Karting clothing and footwear; mechanics’ clothing and footwear; motorcycle jackets and trousers; casual/leisure outer-clothing, footwear and headgear; wet weather suits and overshoes”.

Section 5(2)(b) of the Act

47) I will consider the position on the basis of earlier mark 1526975 (the mark upon which I have based the proof of use assessment) in the first instance. If Sparco do not succeed, or succeed only partially, I will return to the other earlier marks later. Section 5(2)(b) of the Act reads:

—5(2) A trade mark shall not be registered if because –

(a)

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

48) In reaching my decision I have taken into account the guidance provided by the CJEU in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

"(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is

permissible to make the comparison solely on the basis of the dominant elements;

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

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

The average consumer

49) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods or services can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

50) Both the application and the earlier mark include goods in class 25. In relation to the more general items of clothing, I do not consider their purchase to be a highly considered one. Such goods are purchased fairly frequently and are not, in general terms, particularly expensive. The goods are not, though, completely casual purchases. The goods will be selected with an average (but no higher or lower than the norm) degree of care and attention. For clothing relating

to karting (and to a lesser extent, for mechanics) such goods will be purchased less frequently, may cost more (particularly the karting clothing), and their precise characteristics are likely to be more considered (although not at the highest level). All of the goods are of the type more likely to be purchased via physical selection so the visual similarities/differences will take on more significance than the aural similarities/differences.

51) The class 9 (fireproof suits etc) and class 12 goods (parts of automobiles) of the earlier marks are, it is fair to say, much more of a specialised and considered purchase. Again, visual selection will be an important characteristic, but when it comes to car parts, these are often asked for over a parts counter so the aural similarity/differences will play at least an equal role with the visual similarities/differences.

52) The class 9, 28 and 41 goods and services of the applied for mark are for sporting/athletic purposes be they equipment, instructional videos or training services. Whilst they may not be the subject of the highest degree of care and attention in their selection, a think slightly more attention than the norm will be deployed with, again, more focus on visual selections.

Comparison of goods

53) When making the comparison, all relevant factors relating to the goods and services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

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

54) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

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

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

55) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 325/06* it was stated:

—Its true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

56) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product/service is, as a practical matter, regarded for the purposes of the trade”⁶ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning⁷.

57) In relation to class 25, Nike have applied for “~~Q~~thing, footwear and headgear”. The earlier mark is to be considered in relation to:

—~~K~~rting clothing and footwear; mechanics’ clothing and footwear; motorcycle jackets and trousers; casual/leisure outer-clothing, footwear and headgear”⁸

⁶ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

⁷ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

⁸ This is the specification for the plain word mark.

58) The goods of the earlier mark fall within the ambit of the applied for terms. The goods may, therefore, be considered identical. I must, of course, bear in mind that there will be some types of clothing within the broad terms applied for that will not be identical to the goods for which the earlier mark is to be considered. To that extent, Nike are clearly in the field of sports/athletic wear. Ms McFarland mentioned that a limitation along these lines may be viable, but only if deemed necessary. I will bear this possible fall-back position in mind. I should also say at this stage that I would consider such goods to still be similar to the goods of the earlier mark, and similar to a reasonably high level. I say this because there is such an overlap between casual/leisure wear and sporting/athletic wear that there is a very fine line between them. Sports/athletic wear is very often worn purely for casual purposes, casual clothing (such as t-shirts, shorts, sweatshirts) may be worn for sports/athletic purposes. This exemplifies the problem.

59) In relation to class 9, Nike have applied for:

Class 09: Pre-recorded audio and audiovisual recordings in the field of competitive athletics and athletic training; compact discs, cassette tapes, digital video discs, videocassette tapes, digital video recordings in the field of competitive athletics and athletic training; receivers, transmitters, and routers used for capturing fitness data from a sensor.

60) There are, essentially, two types of goods applied for. Firstly, recordings (and media bearing recordings) in the field of competitive athletics and athletic training and, secondly, receivers, transmitters, and routers used for capturing fitness data from a sensor. In relation to the former, I see no relationship whatsoever with the clothing (even the karting clothing) in class 25 and the bags in class 18 of the earlier mark or with the fireproof/protective clothing. The purpose, nature, channels of trade, are all quite different. Similarly, the car parts and the intercoms of the earlier have no real link. I find no similarity here. In relation to the latter, the same considerations apply in relation to most of the goods. The only goods I pause to consider further are the intercoms in class 9 which are, at the least, electronic in nature. However, the purpose of an intercom appears quite different to Nike's goods for capturing fitness data. I see no competitive or complimentary link. I do not see that they will be sold through the same trade channels. The applied for goods in class 9 are not similar to any of the goods covered by the earlier mark.

61) I extend the above finding to the services applied for in class 41 which read:

Class 41: Conducting classes, workshops and seminars in the field of competitive athletics and athletic training and distributing course materials in connection therewith; entertainment services in the nature of a series of on-going television programs in the field of competitive athletics and athletic training; entertainment services, including, production of television

and audiovisual programs in the field of competitive athletics and athletic training; distribution of audiovisual programs in the field of competitive athletics and athletic training on videocassette and video disc recordings; magazine publishing; on-line publication of a magazine in the field of competitive athletics and athletic training; operation of sports camps; personal training services, including, strength and conditioning training; providing information in the field of competitive athletics and athletic training via the Internet; rating of competitive athletes by assigning numeric value to several athletic events and combining them into a single number that measures an athlete's overall athleticism

62) All of the terms (bar one) relate to athletics and athletic training. I see no link here with any of the goods of the earlier mark. The one non-limited term is —operation of sports camps”. However, I do not consider that this term would cover the provision of karting or motor racing facilities, so any link with those specialized goods would not be apparent. I find no similarity with the applied for services in class 41. In coming to these findings I have not ignored Mr Buehrlen’s submission that there is a general sporting theme, and what he described as a cross-over of branding. However, given the quite different nature of the various goods and services, the more specialist nature of karting/motor racing and the resulting channels of trade differences, such a theme is at far too general a level to result in similarity.

63) That leaves class 28 which reads:

Class 28: Athletic and sports equipment, including, golf, football, baseball, softball, basketball, soccer, running and volleyball training products for speed, agility and quickness; protective padding for playing sports; sports balls; golf clubs, golf balls, golf gloves, golf club grips, golf bags, golf tees, head covers for golf clubs, golf ball markers; bags for carrying sports equipment and sports balls; divot repair kits.

64) In relation to: —sports balls; golf clubs, golf balls, golf gloves, golf club grips, golf bags, golf tees, head covers for golf clubs, golf ball markers; divot repair kits”, I see no real relationship, be it purpose, nature, trade channels with the goods of the earlier mark. Nor do I consider that there is a competitive or complementary relationship. Mr Buehrlen’s skeleton argument states that golf gloves would be similar to ordinary gloves in class 25, but I take the view that even if ordinary gloves fell within the ambit of the earlier mark’s specification (as it is to be considered here) then such gloves are quite different from golf gloves, as they serve very different purposes, are likely to be sold in different trade channels and there is no competitive or complementary relationship.

65) In terms of —bags for carrying sports equipment and sports balls” Mr Buehrlen argued that these were similar to the bags covered by the earlier mark. The term —bags” appears in the specification of the earlier mark. I agree with

Mr Buehrlen that there is a reasonably high degree of similarity here. The goods may be similar in nature and may be sold through the same trade channels. Holdalls are often bought for sporting purposes even if they are not fitted to carry particular items. The goods may compete. This, though, does not apply to golf bags as this is such a distinct product and one would hardly buy a holdall instead of a golf bag.

66) In terms of “Athletic and sports equipment, including, golf, football, baseball, softball, basketball, soccer, running and volleyball training products for speed, agility and quickness” then although it is possible to construe karting or motor racing as a sport, I do not consider that any goods for karting or motor racing would fall within the applied for terms. As such, there is no similarity in purpose, nature, channels of trade and the goods do not compete or complement. Nor do I consider that there is any similarity with the causal/leisure wear covered by the earlier mark. I should add that the term athletic and sports equipment would not in my view encompass “bags for carrying sporting articles” so there is no similarity on the basis that that the broad term is similar to holdalls.

67) That leaves “protective padding for playing sports”. The context of this term is not apt to relate to padding for karting or motor racing – when one is undertaking such activities one is hardly “playing a sport”. As such, there is likely to be a key difference in channels of trade and the nature of the goods are unlikely to be interchangeable so there is no competition or complementarity. Nevertheless, particularly in comparison to the protective goods (such as knee pads) in class 9, there is a similarity of purpose in that both are for the protection of the wearer whilst undertaking activities (albeit different activities) and there may be a similarity in nature due to the padding etc involved. For these goods, I consider there to be a moderate level of similarity.

Comparison of the marks

68) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components.

69) The word only version clearly puts Sparco in its best position. Although the goods are slightly narrower than the stylised version, where this is so it does not strike me as being particularly relevant to the overall outcome. The marks to compare are **SPARQ** and **SPARCO**.

70) From a conceptual point of view, Ms McFarland argued that SPARQ was evocative of the word “spark” whereas SPARCO would be perceived simply as an invented word, so creating a conceptual difference. She added that even if SPARQ was not evocative of the word “spark” then both marks would be perceived simply as invented words which meant the analysis was neutral with

no conceptual similarity (or difference) resulting. Mr Buehrlen argued that both marks may be perceived as evocations of the words SPARK so creating some conceptual similarity, or, alternatively, that both marks would be seen as invented words with, perhaps, a Latin root and, therefore, also creating a degree of conceptual similarity. In my view SPARCO will evoke little. It will be perceived as an invented word. In terms of the word SPARQ, I do not consider that the average consumer, when seeing the word SPARQ, will make an immediate approximation to the word —spark” – the word will be regarded as invented and, therefore, in comparison with SPARCO, the marks are neither conceptually similar nor dissonant. However, when the marks are heard, SPARQ, as I will come on to, may be pronounced as SPARK and, from that perspective, a concept will be taken (of a spark); therefore there is a conceptual difference when the marks are heard.

71) From a visual perspective, the marks are reasonably similar in length (5 against 6 letters), the first four letters of each mark SPAR are shared. The final letter in SPARQ (Q) and the final two letters in SPARCO (CO) are, though, different. There is an added factor to the extent that both final letters Q and O have a circular nature. Weighing up the differences and similarities, I consider there to be a reasonable (but not high) degree of visual similarity.

72) From an aural perspective, SPARCO's most likely pronunciation will be SPAR-CO or SPARC-O. In terms of SPARQ, consumers will normally attempt to pronounce words particularly, as in this case, SPAR is easily pronounced. For this reason I consider that the most likely pronunciation will be as SPARK, the Q being pronounced as a hard k sound. From this basis the marks are reasonably high in aural similarity as both start with SPAR followed by a hard K sound, the only difference being that SPARCO has the additional O sound at the end.

The distinctiveness of the earlier mark

73) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). The earlier mark consists of the word SPARCO. From an inherent perspective, and as already stated, I consider that the mark will be perceived as an invented word in respect of all of the goods and services covered by the earlier mark. The mark has a high degree of inherent distinctive character.

74) In terms of the use made, then for any goods which relate specifically to motor racing (such as race suits and race clothing, race style seats etc) then it seems to me that the SPARCO mark, for average consumers of such goods, will be reasonably well known. I consider that the distinctive character of the mark will be enhanced. However, in relation to goods such as casual wear then there is no such enhancement. Although I have found genuine use, this is not what

SPARCO is known for, particularly amongst the broader section of the relevant public that is to be considered. In any event, even for these goods, the mark is still highly distinctive on account of its inherent qualities.

Likelihood of confusion

75) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

76) The only goods applied for that I have found to be similar/identical to the goods or the earlier mark are —“clothing footwear and headgear”, —“bags for carrying sports equipment and sports balls” and —“protective padding for playing sports”. None of the other goods/services were found to be similar and, as such, there is no likelihood of confusion in respect of them⁹. In relation to the clothing products, I have found the goods to be identical, and, even if the goods applied for were more restricted (to sporting/athletic wear) there is still a reasonably high degree of similarity. Even though the earlier mark’s distinctiveness is only enhanced from the perspective of race clothing etc, it is nevertheless highly distinctive from an inherent perspective for everything else. Whilst there is a concept attributable to SPARQ from an aural perspective, this has less significance given that the goods are subject to a predominantly visual selection. When viewed, the marks have no immediate concept which, therefore, increases the significance of imperfect recollection. I come to the view, bearing in mind the level of visual and aural similarity as assessed, together with the various other factors, that there is a likelihood of confusion in relation to clothing and, also, Nike’s fall-back position limited to sporting/athletic wear. I should add that even if I was wrong on my proof of use assessment and only the stylized mark ought to have been relied upon, my finding would have been the same. This is because although there are additional visual differences between the stylized mark and Nike’s mark, the dominant and distinctive element of the earlier mark is still SPARCO and the visual differences would not have altered my view that there is a likelihood of confusion.

77) I extend the above finding to —“bags for carrying sports equipment and sports balls” for which I found a reasonably high degree of similarity with holdalls. For similar reasons to that set out above, I consider there to be a likelihood of confusion.

78) In relation to the padding for playing sports, I have found a lesser degree of goods similarity. I consider that this conflict involves goods that will be more

⁹ See, for example, the CJEU’s judgment in *Waterford Wedgwood plc v OHIM* Case C-398/07.

carefully selected than clothing products. There is also likely to be a key difference in terms of channels of trade. When these factors are added to the mix, I do not consider there to be a likelihood of confusion.

79) The opposition based on this earlier mark succeeds in respect of the applied for goods in class 25 and “bags for carrying sports equipment and sports balls” in class 28, but fails in relation to everything else.

80) For sake of clarity, I should add that Nike’s reference in its evidence to its confusion free trade in the US has had no bearing on my decision. This is because the markets which are targeted by the parties create extraneous differences of the sort referred to by Millet J in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283.

Section 5(2)(b) – other earlier marks

81) Given that Sparco’s success is only partial, I need to comment on the other earlier marks. The goods of CTMs 290734 & 290726 do not strike me as placing Sparco in any better position on account of the goods (which, to some extent, are more limited and would have been even more limited following the proof of use assessment). There is no material difference in relation to these earlier marks. In relation to International registration 797386, this is the mark with the misunderstood proof of use significance. However, its goods cover —~~st~~ickers” and —~~g~~ames and toys” and I do not consider that the mark, even if use were to be proven, would assist. Stickers bears no relationship with any of the applied for goods. Even in respect of —~~g~~ames and toys” such goods are quite different from sporting equipment etc and I do not consider that Sparco would have succeeded to any greater extent in respect of this mark.

82) That leaves CTM 6405971 for the following mark/goods:



Class 09: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.

Class 25: Clothing, footwear, headgear.

83) The above mark is not subject to the proof of use provisions. However, the further differences between the marks does not lead me to believe that Sparco would have been in any better position to succeed on this basis; in view of this, I do not consider it necessary to discuss this earlier mark further.

Section 5(3)

84) I will deal with this ground only briefly because, as will become apparent, it places Sparco in no better position in relation to the goods it has not successfully opposed under section 5(2)(b). Section 5(3) of the Act reads:

—53) 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 Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

85) Sparco’s mark must possess the requisite reputation. In *General Motors Corp v Yplon SA* (Chevy) [1999] ETMR 122 and [2000] RPC 572 (*Chevy*) the CJEU stated:

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

86) Ms McFarland repeated her criticisms of Mr Sportelli’s evidence and the lack of specificity contained therein. Whilst she did not concede that any reputation was proven, she argued that if there was a reputation then it was quite limited to specialist suits etc used in the niche field of motor racing. Mr Buehrlen argued that the reputation went wider than this, arguing, for example, that many followers of motor sports will be aware of the reputation. It is necessary to decide what goods the earlier mark has a reputation for. In my view, the evidence is sufficient to prove the existence of a reputation in respect of suits, gloves etc, and perhaps car seats, used in motor racing and karting. The reputation is a limited one (compared to the claim). The relevance of this is that a link must be made between the marks. In *Adidas-Salomon*, the CJEU stated:

—The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23). The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40).”

87) In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07) (*Intel*), the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

—41The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

88) In terms of where the reputation exists, compared to the goods for which Sparco have so far failed, I do not consider that a member of the relevant public, encountering the SPARQ mark in relation to the goods/services under consideration, will bring the SPARCO mark to mind. This is so even for members of the relevant public who may know of the SPARCO mark through its exposure in the motor racing world. Without a link, the claim under section 5(3) fails. In view of this I need say no more about Sparco’s request to add additional heads of damage under this ground (which I would have refused anyway).

Summary

89) The opposition succeeds in relation to all of the class 25 goods, and in respect of —bags for carrying sports equipment and sports balls” in class 28, but fails in relation to everything else.

Costs

90) Sparco have been partially successful but only in respect of a small part of the goods/services sought to be registered by Nike. However, Sparco succeeded in opposing the goods applied for in class 25 which is where, it is fair to say, most of the battle took place. All things considered, I do not propose to favour either party with an award of costs.

Dated 7th of August 2012

**Oliver Morris
For the Registrar,
The Comptroller-General**