O-023-13

In the matter of THE TRADE MARKS ACT 1994

In the matter of Trade Mark Application No. 2525016
for SENATOR in Classes 3, 6, 9, 11,12, 16, 18, 20 and 24
in the name of CROMWELL GROUP (HOLDINGS) LIMITED

In the matter of Opposition No. 100247 thereto by
REXEL SENATE LIMITED.

In the matter of an Appeal by the Opponent against the decision of
Miss Beverley Jones dated 3rd July 2012

DECISION

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1. This is an appeal from a decision of Miss Beverley Jones on behalf of the Registrar, by which she upheld in part an opposition by Rexel Senate Limited ("the opponent"). The opposition succeeded in relation to part of the contested specification and the opponent appeals in relation only to a narrower group of goods in Class 11.

2. For the reasons which I give below, the appeal is dismissed.

Background

3. The applicant, Cromwell Group (Holdings) Ltd, lodged its trade mark application for the word mark 'SENATOR' on 1 September 2009. The specification in the application covered a range of goods and services in classes 3, 5, 9, 11, 12, 16, 18, 20 and 24, however, the opponent filed its opposition proceedings only against certain goods in Classes 9, 11 and 20 (see Annex A below).

4. The opposition was based upon subsection 5(2)(b) of the 1994 Act and relied upon the opponent's two earlier UK marks, both for the word mark 'SENATE.' The earlier of these marks, No 2002840, had been registered with effect from 1 December 1994 for goods in Classes 9 and 11. The later mark, No 2425001, had been registered with effect from 20 June 2006 for services in Classes 35 and 39. Although the earlier of those marks had been registered for more than five years at the relevant date, the applicant did not put the opponent to proof of its use and no proof of use for either mark was therefore required. Indeed, neither party filed evidence. The opponent filed written submissions. Neither party requested a hearing and the Hearing Officer decided the case on the papers.

5. As I have said above, the opposition was partly successful and the appeal was launched in respect of only part of the Class 11 specification which the Hearing Officer had ruled could

proceed to registration. The Grounds of Appeal stated that the appeal was directed only towards the Hearing Officer's decision in relation to the following goods in Class 11:

> "Steam generating, cooking, refrigerating, drying goods; hair and hand dryers; parts and fittings for all the aforesaid goods; none of the above being sanitary installations, toilet systems, lighting that is attached to buildings, architectural lighting"

6. Paragraphs 3 - 4 of the Grounds of Appeal complained that the Hearing Officer should have found more than just "reasonable similarity" between "*Steam generating, cooking, refrigerating, drying goods; hair and hand dryers*" on the one hand and the following narrow description of services in the opponent's wider Class 35 specification "*wholesale services connected with the sale of domestic electrical and electronic equipment*" on the other. Paragraph 5 of the Grounds of Appeal then submitted that the Hearing Officer had gone wrong (and had been inconsistent in her decision) in considering the level of attention which would be given to the purchase of the relevant goods by the relevant consumer, again by relation to the opponent's wholesale services, such that her conclusion in relation to those Class 11 goods was incorrect and should be set aside.

7. At the hearing before me, the opponent was represented by Mr Steve Lane of Lane IP Ltd. The applicant did not appear and was not represented, and indeed took no part in the appeal.

8. Mr Lane's skeleton argument for the appeal, whilst pursuing the appeal only in relation to *Steam generating, cooking, refrigerating, drying goods; hair and hand dryers,* nevertheless indicated that the similarity of those goods to those in the opponent's specifications should be compared not only to its Class 35 wholesale services, but also to the Class 9 and 11 goods in its specifications, and the whole (much wider) range of services in its Class 35 and Class 39 specifications. In particular, the skeleton argument referred me to a number of OHIM decisions comparing a variety of goods within Class 11. Mr Lane very fairly accepted that the Grounds of Appeal did not rely upon the opponent's Class 11 goods at all. It appeared to me that the skeleton argument thus sought to widen the basis of the appeal considerably from that foreshadowed by the Grounds of Appeal.

9. In my view, it is unacceptable for an appellant to raise a different case on the hearing of an appeal from that set out in the Grounds of Appeal, at the very least where that change of position has not been notified to the respondent and no application has been made to amend the Grounds of Appeal out of time. As I indicated to Mr Lane at the hearing, had the respondent been given notice of the intended change of approach, it might have chosen to take part in the appeal process and it would not be fair to the applicant/respondent to permit the expansion of the basis of the appeal in this way. I therefore indicated that I would hear the appeal in relation only to the points raised in the Grounds of Appeal and this judgment relates to those points alone. Equally, although at the hearing I discussed with Mr Lane some further wording in its Class 35 specification, which covers wider retail services, on reflection, I consider that it would be equally inappropriate to consider the appeal on the

basis of elements of the Class 35 specification that were not raised in the Grounds of Appeal, and I will deal with the appeal only on the narrow basis pleaded.

The Standard of Review

10. The standard of review on the appeal of this nature is by way of a review not a rehearing. *Reef Trade Mark* [2003] RPC 5 ("*Reef*") and *BUD Trade Mark* [2003] RPC 25 ("*BUD*") show that neither surprise at a Hearing Officer's conclusion, nor a belief that he has reached the wrong decision suffice to justify interference by the Appointed Person. I would need to be satisfied that there is a distinct and material error of principle in the decision in question or that the Hearing Officer was clearly wrong (*Reef*). As Robert Walker LJ (as he then was) said:

> *"…an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle"* (*Reef*, para. 28).

11. Those principles have since been affirmed by the House of Lords in *Datec Electronics Holdings Ltd & Ors v. United Parcels Services Ltd* [2007] UKHL 23, [2007] 1 WLR 1325. Mr Daniel Alexander QC sitting as the Appointed Person in case BL O/471/11, *Petmeds,* 14 December 2011, summarised the position:

> "*Datec* and other cases since *REEF* and *BUD* all reinforce the need for caution before overturning a finding of the tribunal below of the kind in issue in this case. Difference of view is plainly not enough and, to that extent, the applicant's submissions are correct. However, those cases and the practice of appellate tribunals specifically to trade mark registration disputes show that the degree of caution should not be so great as to permit decisions based on genuine errors of approach to go uncorrected."

12. In Mr Alexander's own earlier decision in *Digipos* [2008] Bus LR 1621, he had said at [6];

> "In the context of appeals from the Registrar relating to section 5(2)(b) of the Act, alleged errors that consist of wrongly assessing similarities between marks, attributing too much or too little discernment to the average consumer or giving too much or too little weight to certain factors in the multi-factorial global assessment are not errors of principle warranting interference. I approach this appeal with that in mind."

It does not seem to me that the later decisions mentioned above detract from Mr Alexander's comments in *Digipos.*

The basis of the decision below

13. In paragraphs 17 to 31 of her decision, the Hearing Officer carried out a comparison of the goods and services in the parties' specifications. The specifications were lengthy and I do not propose to set them out in full; the relevant parts of the specifications for the purposes of the appeal are set out in the Annexes below.

14. The Hearing Officer found it convenient to compare the goods and services by grouping certain terms together so far as possible. No criticism is made of that practical approach. I

need only consider her decision in so far as it relates to the challenged goods in Class 11. The position in relation to the full range or the applicant's goods in Class 11 was complicated; some of the goods were identical to certain of the opponent's Class 11 goods, some were highly similar to certain of the opponent's Class 11 goods, but others were not similar to any of the opponent's Class 11 goods. Comparing the Class 11 goods to certain of the opponent's Class 35 services, the Hearing Officer found only some similarities. The relevant passage in her decision for the purposes of the appeal is as follows (I have retained the Hearing Officer's emphasis only where relevant to the appeal):

"24) The opponent contends the following:

> 'With regards to class 11, the Opponent's marks cover electrical apparatus for lighting, space heating, water heating and wall ventilation, which are all identical and similar goods to the class 11 goods covered by the Applicant's mark'

25) I do not agree that the opponent's Class 11 goods are similar or identical to the applicant's *'steam generating, cooking, refrigerating, drying goods; hair and hand dryers; parts and fittings for the aforesaid'.* The respective goods may be similar in nature to a limited extent in that they may all be electrical however the opponent's goods are for the purpose of heating, lighting and ventilation whereas the applicant's goods are intended for quite different purposes of steam generation, cooking, refrigerating and drying. While trade channels of these goods may sometimes converge I do not consider that it will be to any great extent. It follows that they are unlikely to be sold in close proximity to one another and they are neither in competition or complementary. The goods are not similar, although, if I am found to be wrong, there would only be a very low degree of similarity.

26) The opponent has also submitted that its class 35 services are similar to the applicant's class 11 goods (see paragraph 19).

27) The opponent's mark covers '*Wholesale services connected with the sale of domestic electrical and electronic equipment*'. I do not consider that the applicant's 'hand dryers' can be deemed to be 'domestic' goods as these are primarily installed in commercial premises and are rarely found in domestic homes. However, the applicant's *'steam generating, cooking, refrigerating, drying goods; hair dryers; parts and fittings therefore'* may all be electrical or electronic domestic goods. The average consumer for such goods will be the general public. To my mind the relevant average consumer of *'wholesale services connected with the sale of domestic electrical and electronic equipment*' will primarily be retailers who will purchase goods from the wholesaler for the purpose of selling them on to the end consumer however I do not discount that the general public may also purchase goods directly from a wholesaler. The nature, purpose and methods of use are different, however, the channels of trade will be the same and, to my mind, the wholesale of goods and the goods themselves can be considered to be complementary in the *Boston Scientific* and *Oakley* sense, as the existence of the latter is essential for the former. *'Steam generating, cooking, refrigerating, drying goods; hair dryers; parts and fittings for the aforesaid'* are reasonably similar to *'wholesale services connected with the sale of domestic electrical and electronic equipment'.* 'Hand dryers; parts and fittings for the aforesaid' are not similar to

'wholesale services connected with the sale of domestic electrical and electronic equipment' however, if I am found to be wrong the similarity would only be very low."

15. The Hearing Officer went on to consider the identity of the average consumer and the nature of the purchasing process at paragraphs 33 -34 of her decision:

"33) The average consumer for the applicant's Class 09 goods will primarily be tradesmen/skilled workers in the construction industry and DIY enthusiasts. The same can be said for the applicant's '*grommets made of plastic'.* In relation to the applicant's class 11 goods, for the most part I would expect these to be purchased by the general public with the exception of *'fume extractors, hand dryers, inspection lamps, inspection lights, portable lighting for building sites'* where I would expect the consumer to be businesses/professionals. The applicant's goods are likely to vary greatly in price and the consumer may wish to test out certain goods to ascertain their functionality and suitability for purpose. The purchasing act will therefore be primarily visual but I do not discount aural considerations that may play a part. I would expect '*grommets made of plastic*' to be at the lower end of the cost scale and therefore a lower degree of attention will most probably be afforded to their purchase relative to the other goods. I would also expect that the degree of attention paid to the purchase of '*heating, steam generating, cooking, refrigerating, drying goods'* would be at the higher end of the scale as these may be reasonably costly on the most part and an infrequent purchase.

34) The opponent's goods and services in classes 09, 11 and 35 are likely to be purchased by both the general public and skilled workers such as electrical engineers. I would expect the average consumer of the opponent's wholesale services to mainly constitute intermediaries, such as retailers, however I do not discount that the general public may also purchase goods directly from the wholesaler. The opponent's goods and services vary greatly in price. I consider that the degree of attention afforded during the purchasing act will, for the most part, be of a reasonable degree. Where wholesale services are concerned, the degree of attention may be at the higher end of the scale as goods may be purchased in bulk and the relevant consumer may be more alert to differences between brands; that said, the level of attention will not be of the very highest level. The visual aspect is of primary importance in the purchasing process for the same reasons given above but aural considerations are not disregarded."

16. The Hearing Officer not surprisingly found that the respective marks shared a reasonable degree of visual similarity, and a moderately high degree of aural and conceptual similarity, giving a moderately high degree of similarity overall (paragraphs 35-44). She also found at paragraphs 45-46 that the earlier marks had a high level of inherent distinctiveness.

17. The Hearing Officer then moved on to consider the likelihood of confusion. At paragraph 47 she reminded herself of the need to take a global approach and recalled that the average consumer would really have a chance to make direct comparisons and so would rely on imperfect recollection. At paragraph 48 she said:

> "48) I have found that the marks share a reasonable degree of visual similarity and a moderately high level of aural similarity. On the most part, a reasonable level of attention will be paid during the purchasing act. The average consumer will vary, depending on the specific goods and services at issue, and may include certain professionals (as already identified), intermediary consumers, such as retailers, and the general public. I have also concluded that the earlier mark enjoys a high level of inherent distinctiveness and that the purchasing act for all of the goods and services will be primarily visual. Accordingly, the visual aspect must play a greater role in the likelihood of confusion (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V)*."

18. At paragraphs 49-51, the Hearing Officer considered separately whether the marks were conceptually similar or dissimilar, despite having already found conceptual similarity in paragraphs 41-43 of the decision. She referred to *Pash/BASS* and said:

> "51) In the instant case, I do not consider that the words *'***SENATE***'* and *'***SENATOR'** can be significantly distinguished on conceptual terms as they both evoke similar concepts, namely a statesman/legislator or a state/legislative body. …"

I do not know why the Hearing Officer dealt with this point at this stage in her decision, and somewhat oddly, to my mind, she did not repeat her earlier conclusion that there was conceptual similarity in the marks. Instead, she put the point negatively in this paragraph, saying that there was

> " … no conceptual dissonance great enough to counteract the visual and aural similarities identified"

She concluded

> "… where I have found that the respective goods are identical/highly similar or similar to a good degree, I find that there is a likelihood that the average consumer will confuse the marks, particularly where the consumer has not had the benefit of a side by side comparison, but rather, has to rely upon the imperfect picture that he has kept in his mind."

She therefore upheld the opposition in relation to those goods in Class 11 and Class 20 that she had found to be identical or highly similar to the opponent's goods.

19. The Hearing Officer went on at paragraph 53:

> "in relation to the applicant's goods which I found be reasonably similar to the opponent's wholesale services, I conclude that, bearing in mind the higher level of attention that is likely to be paid by the relevant consumer there is unlikely to be confusion. … Where the similarity of the goods and services is low I also consider that there is unlikely to be any confusion on the part of the average consumer. The differences in nature, intended purpose, methods of use, users and channels of trade of the respective goods and services concerned are such that they outweigh the similarities between the marks."

Extent of similarity

20. The primary point made by the opponent in paragraph 4 of the Grounds of Appeal is that the Hearing Officer was wrong to find that there was only 'reasonable similarity' between the applicant's steam generating, cooking, refrigerating, drying goods; hairdryers and hand

dryers; and the opponent's "wholesale services connected with the sale of domestic electrical and electronic equipment" because the breadth of the latter term would extend to all of those sorts of electrical appliances/equipment.

21. This argument must be rejected, first of all, in relation to the hand dryers in the applicant's specification. The Hearing Officer found hand dryers not properly deemed to be domestic goods for the reasons she gave in paragraph 27 of her decision. It does not seem to me that the opponent has identified any error in her decision in relation to hand dryers.

22. Moreover, I find it difficult to identify any error of principle or any material error which the Hearing Officer made in paragraph 27 in her assessment of the extent of the similarity between steam generating, cooking, refrigerating, drying goods and hairdryers and the opponent's wholesale services. The opponent relied upon the decision of the General Court in Case T 116/06, *Oakley Inc v OHIM (Venticinque Ltd* intervening*),* unreported, 24 September 2008. In that case, one of the issues for the Court was the similarity of retail services in Class 35 for particular goods, to the same goods covered by the opponent's earlier mark. It held, in particular:

> "56 … the services provided in connection with retail trade, which concern, as in the present case, goods identical to those covered by the earlier mark, are closely connected to those goods, the relationship between those services and those goods is complementary … Those services cannot therefore be regarded, as the applicant claims, as being auxiliary or ancillary to the goods in question.
>
> 57 Thus, notwithstanding the incorrect finding of the Board of Appeal to the effect that the services and goods in question have the same nature, purpose and method of use, it is indisputable that those services and goods display similarities, having regard to the fact that they are complementary and that those services are generally offered in the same places as those where the goods are offered for sale.
>
> 58 It therefore follows from all of the foregoing that *the goods and services in question resemble each other to a certain degree*, with the result that the finding in paragraph 24 of the contested decision that such a similarity exists must be upheld." (emphasis added).

23. In my view the Court's decision does not indicate that the Hearing Officer made an error of principle in this case in her conclusion that these Class 11 goods were reasonably similar to the opponent's wholesale services for such goods. First, of course, the Court was comparing *retail* services for goods to goods, not *wholesale* services for goods to goods. Secondly, there is nothing in the Court's decision which specifies (let alone sets) the level of similarity – it found only 'a certain degree' of similarity. There is therefore nothing in the decision which suggests that the Hearing Officer erred in principle or in any material way in assessing the *level* of similarity only as "reasonable" nor that she ought, as the opponent submitted, to have said it was higher than that. The distinction between a reasonable level of similarity and a good degree of similarity appears to me to be something of a matter of semantics. In the absence of an error of principle or a material error it is not appropriate for me to interfere with that part of her decision on an appeal of this nature.

Conclusions on likelihood of confusion

24. The second element of the argument on the appeal is that the Hearing Officer went wrong in concluding in paragraph 53 that there was no likelihood of confusion even where the goods were reasonably similar, because of the 'higher level of attention that would be likely to be paid by the relevant consumer'. The opponent submitted that this comment disclosed a material error, since the Hearing Officer had accepted that even its wholesale services might be used by members of the general public.

25. I do not consider that this is a fair reading of the Hearing Officer's decision. She held at paragraph 33 of her decision that the relevant Class 11 goods in the applicant's specification would be purchased by the general public and added that the degree of attention paid to the purchase of all of the goods which are the subject of the appeal (save for hair dryers) namely steam generating, cooking, refrigerating, and drying goods would be at the higher end of the scale, as these would be reasonably costly goods, purchased infrequently.

26. The Hearing Officer went on in paragraph 34 to note that the average consumers of the opponent's wholesale services would mainly be intermediaries such as retailers, although she accepted that the general public might also purchase goods directly from a wholesaler. She added at "Where wholesale services are concerned, the degree of attention may be at higher end of the scale as goods may be purchased in bulk and the relevant consumer may be more alert to differences between brands; that said, the level of attention will not be at the very highest level." It does not appear to me that there is any material error in either of those points.

27. The point was picked up again in paragraph 48 of the decision, where the Hearing Officer again said that for the most part a reasonable level of attention would be paid during the purchasing act, although she noted the average consumer might vary depending on the specific goods and services at issue.

28. It seems to me that it was on the basis of her findings in paragraph 33, 34 and 48 that the Hearing Officer came to the conclusion in paragraph 53 that there was a higher level of attention likely to be paid by the relevant consumer when comparing the applicant's goods to the opponent's wholesale services. Even allowing for the fact that consumers of the wholesale services might include members of the general public, the Hearing Officer had found that when purchasing from a wholesaler, members of the general public would pay a reasonable level of attention (at the higher end of the scale) to the purchase of all the relevant goods (with the possible exception of hair dryers).

29. In the circumstances, the Hearing Officer appears to have balanced the similarity of the goods to the wholesale services against the higher level of attention which she had found would be likely to be paid by the relevant consumer in a wholesale context, even by members of the general public.

30. As indicated at paragraph 18 above, I have some concerns about the decision and it seems to me that the Hearing Officer's analysis in paragraphs 47 to 53 could have been better expressed, especially in terms of applying the interdependency principle to the global assessment of a likelihood of confusion. Nevertheless, it appears to me that the Hearing Officer did consider all of the relevant principles, in particular in paragraph 48 of her decision.

31. More to the point, for all the reasons set out above, in my judgment the particular complaints made about her decision in the Grounds of Appeal do not disclose that she made an error of principle or a material error.

32. In the circumstances the appeal is dismissed.

33. As the applicant took no part in the appeal proceedings, I will make no order as to the costs of the appeal.

Amanda Michaels
The Appointed Person
14 January 2013

THE APPLICANT/RESPONDENT did not appear and was not represented.

MR. STEVE LANE (of Messrs. Lane IP Limited) appeared on behalf of the Opponent/Appellant.

ANNEX A

Goods challenged in applicant's specification:
Class 09: Mirrors for inspecting work; liquid measures; magnets; plumb bobs; soldering irons (electric-); calipers; slide calipers; carpenters' rules; engineers' rules; measuring rulers; precision measuring rules; rulers (measuring instruments); rules (measuring instruments); steel rules for measuring; spirit levels; tape measures; parts and fittings for all the aforesaid goods.
Class 11: Fume extractors; heating, steam generating, cooking, refrigerating, drying, ventilating goods; hair and hand dryers; inspection lamps; inspection lights; portable lighting; portable lighting for building sites; bicycle lights; parts and fittings for all the aforesaid goods; none of the above being sanitary installations, toilet cisterns, lighting that is attached to buildings, architectural lighting.
Class 20: grommets made of plastic material.

ANNEX B

Opponent's specification for UK trade mark 2425001, so far as relevant to the appeal:

Class 35: "… wholesale services connected with the sale of domestic electrical and electronic equipment."