

**O/0226/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3688146**

**BY SPOOKS GMBH**

**TO REGISTER THE FOLLOWING TRADE MARK:**



**IN CLASSES 18 AND 25**

**AND**

**AN OPPOSITION THERETO UNDER NUMBER 429996**

**BY ROLEX SA**

## BACKGROUND AND PLEADINGS

1. On 31 August 2021, Spooks GmbH (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK (“the contested mark”). The application, which is effectively a re-filing of a pending European Union (“EU”) registration, was filed pursuant to Article 59 of the Withdrawal Agreement between the UK and the EU (hereafter referred to as “Article 59”). The EU filing date was 27 August 2015 and so, in accordance with Article 59, the contested mark is deemed to have the same filing date as the corresponding EU application. The UK application was published for opposition purposes on 8 October 2021 and registration is sought for the following goods:

Class 18      Stirrups; horse covers; horse blankets; horse cloths.

Class 25      Clothing; jackets; fleeces; sweaters; pullovers; riding breeches; blouses; polo shirts; T-shirts; scarves; vests; headgear; caps; footwear; riding boots; clothing accessories (as far as contained in this class).

2. On 10 January 2022, Rolex SA (“the opponent”) opposed the application in full under sections 5(3) and 5(4)(b) of the Trade Marks Act 1994 (“the Act”).

3. Under section 5(3), the opponent relies upon two UK trade mark (“UKTM”) registrations (together “the earlier marks”), both for the following device:



4. The registrations are as follows:

Number 2482493 (“the 493 mark”)

Filing date: 14 March 2008

Registration date: 8 August 2008

Goods relied upon: Watch cases; buckles (clock- and watch-making, namely for watch bands); bracelets (jewellery); watch bands; dials (clock- and watch-making); chronographs (watches); chronometers; chronometrical instruments; watches; wristwatches in Class 14.

Number 901456201 (“the 201 mark”)

Filing date: 10 January 2000

Registration date: 16 February 2001

Goods relied upon: Bracelets (jewellery); cases for clock- and watch-making; chronographs (watches); chronometrical instruments; clock cases; watch bands; watch cases; watch chains; watch straps; watches; wrist watches in Class 14.

5. The 201 mark is a comparable trade mark. On 1 January 2021 the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable trade marks for all right holders with an existing EU trade mark (“EUTM”). As a result of the opponent’s EUTM number 1456201 being registered before the end of the transition period, a comparable UKTM (the 201 mark) was created. Comparable trade marks are recorded on the UK trade marks register and retain their EU filing date. They are enforceable rights in the UK, consisting of the same sign, for the same goods or services. The 201 mark claims seniority from three UK applications: number 844140 applied for on 21 January 1963; number 853871 applied for on 10 September 1963; and number 864371 applied for on 19 May 1964.

6. In accordance with section 6 of the Act, the 493 mark and the 201 mark are considered earlier marks and, in accordance with section 6A of the Act, they are subject to proof of use. In this regard, the opponent made a statement of use relating to all the goods relied upon for each earlier mark.

7. Under section 5(3), the opponent claims to have a reputation for all the goods relied upon and claims that use of the contested mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier marks.

8. The opponent also brings a claim under section 5(4)(b) of the Act. It asserts that in or around 1948, Mr Andre Heiniger, the former Managing Director of the opponent, created an artistic work for the purposes of the Copyright Act 1911 and that such work was first published in Switzerland in or around 1948. The opponent claims that the contested mark reproduces the whole or a substantial part of the artistic work, thereby infringing the opponent's copyright. The work is shown below and referred to by the opponent as "the Rolex crown":



9. Further details about the 5(4)(b) claim are given later in this decision.

10. The applicant filed a defence and counterstatement denying the entirety of the opponent's grounds of opposition. The applicant put the opponent to proof of use and proof of the claimed reputation in the earlier marks.

11. Both parties are professionally represented: the opponent by D Young & Co LLP and the applicant by Barker Brettell LLP. Only the opponent filed evidence in these proceedings. Neither party requested a hearing, but both filed written submissions in lieu. The opponent's evidence will be summarised to the extent that it is considered necessary.

## **EVIDENCE**

12. The opponent's evidence comes in the form of the witness statement of Richard De Leyser, dated 30 June 2022, and its corresponding 19 exhibits (RDL1 – RDL19). Mr De Leyser is the Managing Director of The Rolex Watch Company Limited, an affiliate company of the opponent.

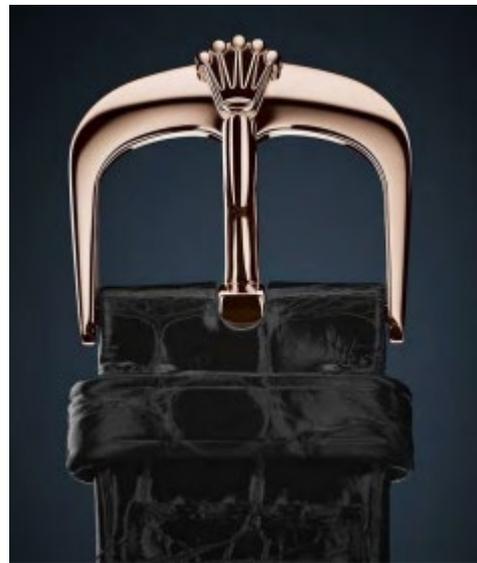
13. Mr De Leyser explains that the opponent has used a form of crown device to identify its goods since the early 1900s and that in 1948, the device was modified by Andre Heiniger, creating the Rolex crown, shown in the pleadings, above. A statutory declaration made by Mr Heiniger on 26 February 1991 has been provided at Exhibit RDL4. At the time the declaration was made, Mr Heiniger was the Managing Director and Chief Executive of Rolex Geneva. The declaration details the history of the Rolex crown, explaining that the original crown device was devised by the opponent's founder, Hans Wilsdorf and was used on watches and other goods from the early 1900s and extensively in the 1920s and 30s. Mr Heiniger states that he modified the original crown device in or about July 1948 and that the modified version was used from that date to promote and market its goods.

14. Mr De Leyser refers to the use of the Rolex crown for over 70 years and states that it features prominently on all watches manufactured and sold by the opponent, specifically, on the dial of the watch, on the winding button to the side of the watch and on the clasp of the watch bracelet. Exhibit RDL6 contains photographs of these elements:<sup>1</sup>



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<sup>1</sup> Similar images are also seen in the opponent's catalogues at Exhibit RDL12.



15. Mr De Leyser also states that the Rolex crown is the sole trade mark featured on: the top of the presentation box and its outer sleeve, which accompanies all of the opponent's watches; on the guarantee card provided with all Rolex watches; and on the blocks on which the watches are mounted in shop windows. Exhibits RDL7 and 8 contain photographs of these elements:





16. Mr De Leyser states that the Rolex crown features in every webpage of the opponent's website (www.rolex.com) and provides printouts as examples at Exhibit RDL9. The number of views of the website are shown in the tables below.

| Year | Approx. number of UK views (in millions) |
|------|--|
| 2017 | 4.7                                      |
| 2018 | 5.4                                      |
| 2019 | 5.2                                      |
| 2020 | 5.9                                      |
| 2021 | 6.7                                      |

| Year | Approx. number of worldwide views (in millions) |
|------|---|
| 2010 | 19.3  |
| 2011 | 22.1  |
| 2012 | 24.7  |
| 2013 | 34.2  |
| 2014 | 40.0  |
| 2015 | 49.2  |
| 2016 | 51.6  |
| 2017 | 70.2  |
| 2018 | 87.1  |
| 2019 | 82.8  |
| 2020 | 89.1  |
| 2021 | 98.4  |

17. UK sales figures for watches featuring the Rolex crown have been provided as per the table below. There are no sales figures for the years 2015 to 2018.

| Year | Revenue in £ (in excess of:) |
|------|------------------------------|
| 2013 | 25m                          |
| 2014 | 15m                          |

|      |      |
|------|------|
| 2019 | 100m |
| 2020 | 115m |

18. The opponent’s UK advertising spend is shown in the table below. There are no figures for the years 2015 to 2017. These are supported by UK advertising examples for the years 2010 to 2019 including in catalogues and in newspapers and magazines such as The Economist, Time, Harper’s Bazaar, Vogue and Fortune.<sup>2</sup> The majority of the use of the Rolex crown is as part of the composite ROLEX and crown device, similar to the one shown below:



| Year | Advertising spend in £ (in excess of:) |
|------|--|
| 2013 | 250,000                                |
| 2014 | 250,000                                |
| 2018 | 3.3m                                   |
| 2019 | 2.6m                                   |

19. Since 2013, the Rolex brand has placed in the top four in Global RepTrak’s 100 most reputable companies, securing first place in the years 2016 to 2019 and in 2022. Rolex was ranked number two in 2010 and 2011 and number one in 2012 in the ‘Official Top Consumer Superbrands’ – a list of brands voted for based on the opinions of marketing experts, business professionals and the public. Between 2014 and 2017, Rolex was ranked second or third in the ‘Top 20 Consumer Superbrands’ list and the winner of the “watches” category during this period; it ranked fourth in 2019.<sup>3</sup>

20. Rolex has appointed official Rolex retailers, including Goldsmiths, Fraser Hart, Mappin & Webb, Watches of Switzerland and Wempe in the UK. Use by these retailers of the Rolex crown is shown at Exhibit RDL10. The Rolex crown solus appears on the

<sup>2</sup> Exhibit RDL11.

<sup>3</sup> See Mr De Leyser’s witness statement at [6] and Exhibit RDL2.

parts of the watch previously mentioned in this decision. The remainder of the use of the Rolex crown is as part of the composite mark with the word ROLEX, aside from one example of the Rolex crown solus on the website of Goldsmiths.

21. The opponent sponsors major sporting and cultural events including, for example, sponsoring Wimbledon since 1978, as well as having associations with high profile sporting and cultural individuals.<sup>4</sup> The related use of the Rolex crown is shown in Exhibits RDL13-RDL15.

22. An article by Ad Week dated 3 April 2013 refers to the Rolex crown as one of the most recognizable luxury brand symbols in existence.<sup>5</sup>

23. The opponent's social media presence is evident at Exhibit RDL17: over 7 million people follow and like its Facebook page, its Instagram account has 12.6 million followers and its Twitter account over 800 thousand followers. Use of the Rolex crown solus as well as part of the composite ROLEX and crown device is evident.

24. TV commercial stills featuring the Rolex crown are provided at Exhibit RDL18; the Rolex YouTube channel has been viewed over 5 million times in the UK "over the last 10 years".<sup>6</sup>

25. Finally, the opponent has filed a number of decisions of the UK IPO in which ROLEX was found to have a reputation<sup>7</sup> and the Rolex crown was found to have a reputation independent of the composite ROLEX word and crown device mark.<sup>8</sup> I am not bound by other first instance decisions and so they will not form part of my decision in these proceedings: I will say no more about these exhibits.

### **Section 5(3)**

26. Section 5(3) states:

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<sup>4</sup> See Mr De Leyser's witness statement at [18] and [19].

<sup>5</sup> Exhibit RDL16.

<sup>6</sup> See Mr De Leyser's witness statement at [21].

<sup>7</sup> Exhibit RDL3.

<sup>8</sup> Exhibit RDL19.

“(3) A trade mark which-

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 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.”

27. The relevant case law can be found in the following judgments of the Court of Justice of the European Union (“CJEU”): Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oréal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

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

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

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

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there

is a serious likelihood that such an injury will occur in the future; Intel, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; Intel, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; Intel, paragraphs 76 and 77 and Environmental Manufacturing, paragraph 34.

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

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

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

28. The conditions of section 5(3) are cumulative. First, the opponent must show that the earlier marks are similar to the contested mark. Secondly, it must satisfy me that the earlier marks have achieved a level of knowledge/reputation amongst a significant part of the relevant public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the contested mark. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods/services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

### Reputation

29. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

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

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot

be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

30. The significant majority of the opponent’s evidence relates to use of the earlier marks for watches which, in my view, clearly shows use of the mark for those goods. The evidence also establishes that the Rolex crown has a qualifying reputation independently of the composite word and device mark: there is sufficient evidence of the Rolex crown used by itself to conclude that, given the scale of the opponent’s advertising through its marketing, social media and sponsorships, a significant part of the public will have been exposed to and would recognise the earlier marks – the Rolex crown – on watches. Whilst the Rolex crown by itself is unlikely to have the same level of reputation as that of the word ROLEX either by itself or with the crown, I am satisfied that, in relation to watches, the earlier marks have a moderate reputation amongst a significant part of the relevant public.

#### Link

31. My assessment of whether the public will make the required mental ‘link’ between the marks must take account of all relevant factors. The factors identified in *Intel* are:

#### The degree of similarity between the conflicting marks

32. Since there is no section 5(2) ground, I have not yet considered the similarity between the marks. The opponent contends that the marks are highly similar owing to the shared crown devices whereas the applicant argues that its mark does not contain a crown; rather, the figurative element looks like “towers of a church or cones” consisting of “four elongated triangles with an oval element at their end”.<sup>9</sup>

33. In my view, it is clear that a proportion of the relevant public will see in the contested mark a crown. However, whilst the marks will be seen as containing crown devices, I remind myself that just because two marks may share representations of the same

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<sup>9</sup> See the applicant’s submissions in lieu.

thing, the result is not automatically a finding of visual similarity.<sup>10</sup> The parties' depictions of crowns are not the same but they are not so stylistically different that it renders them visually dissimilar. The earlier marks contain five prongs topped by circular shapes and the contested mark contains four prongs topped by oval shapes. The bottom part of each crown device also differs: the bottom of the earlier marks clearly represent the base of a crown whereas the same part of contested mark is less obvious due to the inclusion of the word element and the horizontal line below it. The word element creates further visual difference owing to it having no counterpart in the earlier mark. Given the inclusion of this word element, the overall impression of the contested mark is not simply that of a crown, though I accept it plays an equally dominant and distinctive role in the overall mark. The point of similarity is the crown, so there is a shared concept, but there are no words in the earlier mark, which is a significant point of difference. It follows that there is no aural similarity. Overall, the level of similarity between the marks is between low and medium.

The nature of the goods for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods, and the relevant section of the public

34. Other than that they are all worn on the body, there is no similarity between the opponent's watches (for which they have shown use and a moderate reputation under the earlier mark) and the applicant's goods. The goods are likely to be purchased by the same section of the public, but I bear in mind that the user base for the parties' goods is so vast that this is not particularly compelling.

The strength of the earlier marks' reputation

35. The earlier marks have a moderate reputation for watches.

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<sup>10</sup> See *The Royal Academy Of Arts v Errea Sport S.P.A* BL O/016/16.

The degree of the earlier marks' distinctive character, whether inherent or acquired through use

36. Again, I have not yet assessed the earlier marks' distinctive character. I consider them to have no more than an average degree of inherent distinctiveness. However, based on the evidence before me, including the significant sales figures, advertising figures and overall presence of the earlier marks in the relevant market – whilst bearing in mind the use of the Rolex crown solus compared with its use alongside the word ROLEX – I am satisfied that they have acquired a moderate degree of distinctive character through use.

Whether there is a likelihood of confusion

37. I have not had to decide whether there is a likelihood of confusion since there is no section 5(2) ground, though a link may be found without a likelihood of confusion.

38. Taking account of all factors relevant to the circumstances of the case before me, my conclusion is that the nature and extent of the opponent's reputation in the Rolex crown solus is insufficient for the public to make a link between the contested mark and the earlier marks when it is used on any goods other than watches. Further, whilst both marks contain crown devices, they have visual differences sufficient to not create a link. Finally, given the addition of the word 'SPOOKS', I fail to see any basis upon which the average consumer would be caused to wonder if the earlier marks, associated with 'ROLEX', are linked to the applicant's mark containing the word 'SPOOKS' when used on different goods. Consequently, the section 5(3) ground of opposition fails.

**Section 5(4)(b)**

39. The opponent's case under this ground is as follows:

“17. The Rolex Crown Design was designed by Mr Andre Heiniger, the former Managing Director and employee of the Opponent, in or around 1948.

18. Mr Heiniger was of Swiss nationality at the time the Rolex Crown Design was created. The Rolex Crown Design was first published in Switzerland in or around 1948.

19. The Rolex Crown Design satisfied the requirements of an artistic work protected by copyright under UK law on the following basis:

a. UK subsistence of copyright was governed by the Copyright Act 1911 at the time the work was first published.

b. Pursuant to s.29(1) of the 1911 Act copyright subsists in artistic works first published in a foreign country, or created by a citizen of a foreign country, as if they were first published within the dominions to which the Act applied (i.e. the UK and its colonies etc.) if an Order of Council was passed that related to the country in which the work was first published. On 24 June 1912, a general Order of Council was passed for the purpose of the 1911 Act to works originating in countries of the Berne Copyright Union. Switzerland was a founder member of the Berne Copyright Union and, thus, works first published in Switzerland or created by a Swiss national qualified for copyright protection from 1912. Copyright in the Rolex Crown Design subsists as an artistic work accordingly. It was created by Andre Heiniger, while a director, and the subsisting copyright is owned by his employer, the Opponent.

c. The duration of copyright (including artistic works) was harmonised by the Berne Copyright Union to be 50 years after the death of the author. This was the term of copyright for the UK and Switzerland as at the date of the Role Crown Design in 1948.

d. The author of the Rolex Design died in 2000 and so copyright continues to subsist in the UK as at the filing date in the Rolex Design accordingly.

20. The Rolex Crown Design has been used consistently on Rolex branded watches and for associated goods and services all around the world, including the United Kingdom, for over 70 years.

21. The opponent submits that the crown device included in the Applicant's mark is so similar that it must have been copied from the Rolex Crown Design, and that it reproduces the whole or substantial part of the Opponent's copyright work. Similarities include the fact that both the Rolex Crown Design and the crown device in the Application are black, and that both contain highly similar prongs, each of which has a circle on top.

22. Being without the Opponent's consent, the Applicant's mark therefore infringes the Opponent's copyright and its use is liable to be prevented under the law of copyright."

#### Relevant law

40. Section 5(4)(b) of the Act states:

"(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

[...]

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) or (aa) above, in particular by virtue of the law of copyright or the law relating to industrial property rights.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

41. The law of copyright in the United Kingdom is governed by the Copyright, Designs and Patents Act 1988 ("CDPA"), the relevant provisions of which are as follows:

“1 (1) Copyright is a property right which subsists in accordance with this Part in the following descriptions of work –

(a) original literary, dramatic, musical or artistic works,

[...]

4 (1) In this Part “artistic work” means –

(a) a graphic work, photograph, sculpture or collage, irrespective of artistic quality,

[...]

11 (1) The author of a work is the first owner of any copyright in it, subject to the following provisions.

(2) Where a literary, dramatic, musical or artistic work, or a film, is made by an employee in the course of his employment, his employer is the first owner of any copyright in the work subject to any agreement to the contrary.

[...]

16 (1) The owner of the copyright in a work has, in accordance with the following provisions of this Chapter, the exclusive right to do the following acts in the United Kingdom –

(a) to copy the work;

(b) to issue copies of the work to the public;

(ba) to rent or lend the work to the public;

(c) to perform, show or play the work in public;

(d) to communicate the work to the public;

(e) to make an adaptation of the work or do any of the above in relation to an adaptation;

and those acts are referred to in this Part as the “acts restricted by the copyright”.

(2) Copyright in a work is infringed by a person who without the licence of the copyright owner does, or authorises another to do, any of the acts restricted by the copyright.

(3) References in this Part to the doing of an act restricted by the copyright in a work are to the doing of it –

(a) in relation to the work as a whole or any substantial part of it, and

(b) either direct or indirectly;

and it is immaterial whether any intervening acts themselves infringe copyright.

[...]

17 (1) The copying of the work is an act restricted by the copyright in every description of copyright work; and references in this Part to copying and copies shall be construed as follows.

(2) Copying in relation to a literary, dramatic, musical or artistic work means reproducing the work in any material form.

This includes storing the work in any medium by electronic means.

[...]

(6) Copying in relation to any description of work includes the making of copies which are transient or are incidental to some other use of the work.”

42. The Rolex crown (the earlier marks) qualifies as an artistic work because it is a graphic work. Mr Heiniger designed it in July 1948 while an employee of the opponent. It was created in Switzerland and, in 1948, UK subsistence of copyright was governed by the Copyright Act 1911, covering such work by virtue of the Berne Copyright Union. Duration of copyright is fifty years after the death of the author; Mr Heiniger made his statement in 1991 and died in 2000. I am therefore satisfied that the Rolex crown is protected by copyright and is owned by the opponent.

43. The next hurdle for the opponent is to show that the applicant copied the Rolex crown as a whole or a substantial part of it. The opponent submits that the crown element of the applicant’s mark is “so similar” that it must have been copied from the Rolex crown, and that it reproduces a substantial part of the opponent’s work. The opponent further submits that the applicant has provided “bare denials of copying [...] without providing any explanations or justifications regarding the high level of similarity” and that no evidence of independent creation has been adduced. The applicant submits that any similarities are to be disregarded on the basis that they are considered “commonplace”.

44. In *Temple Islands Collections Limited v New English Teas Limited and Another* [2012] EWPC 1, His Honour Judge Birss QC (as he then was) said:

“30. Copyright is infringed by reproducing the whole or a substantial part of a work in a material form (s16 and s17 of the 1988 Act). It was common ground between the parties that a “substantial part” is a matter of quality not quantity. Mr Edenborough summed up the task here based on *Designers Guild* [2000] 1 WLR 2416 in the House of Lords. First one asks whether there has been

copying and if so which features have been copied, and then asks whether that represents a substantial part of the original. One does not then ask if the alleged infringement looks on the whole similar, because one can reproduce a substantial part without necessarily producing something that looks similar even though of course it may do so.”

45. In the *Designers Guild* case, Lord Hoffman said:

“Plainly there can be no copyright in an idea which is merely in the head, which has not been expressed in copyrightable form, as a literary, dramatic, musical or artistic work. But the distinction between ideas and expression cannot mean anything so trivial as that. On the other hand, every element in the expression of an artistic work (unless it got there by accident or compulsion) is the expression of an idea on the part of the author. It represents her choice to paint stripes rather than polka dots, flowers rather than tadpoles, use one colour and brush technique rather than another, and so on. The expression of these ideas is protected, both as a cumulative whole and also to the extent to which they form a "substantial part" of the work. Although the term "substantial part" might suggest a quantitative test, or at least the ability to identify some discrete part which, on quantitative or qualitative grounds, can be regarded as substantial, it is clear upon the authorities that neither is the correct test. *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273 establishes that substantiality depends upon quality rather than quantity (Lord Reid at p. 276, Lord Evershed at p. 283, Lord Hodson at p. 288, Lord Pearce at p. 293). And there are numerous authorities which show that the "part" which is regarded as substantial can be a feature or combination of features of the work, abstracted from it rather than forming a discrete part. That is what the judge found to have been copied in this case. Or to take another example, the original elements in the plot of a play or novel may be a substantial part, so that copyright may be infringed by a work which does not reproduce a single sentence of the original. If one asks what is being protected in such a case, it is difficult to give any answer except that it is an idea expressed in the copyright work.

My Lords, if one examines the cases in which the distinction between ideas and the expression of ideas has been given effect, I think it will be found that they support two quite distinct propositions. The first is that a copyright work may express certain ideas which are not protected because they have no connection with the literary, dramatic, musical or artistic nature of the work. It is on this ground that, for example, a literary work which describes a system or invention does not entitle the author to claim protection for his system or invention as such. The same is true of an inventive concept expressed in an artistic work. However striking or original it may be, others are (in the absence of patent protection) free to express it in works of their own: see *Kleeneze Ltd. v. D.R.G. (U.K.) Ltd.* [1984] F.S.R. 399. The other proposition is that certain ideas expressed by a copyright work may not be protected because, although they are ideas of a literary, dramatic or artistic nature, they are not original, or so commonplace as not to form a substantial part of the work. *Kenrick & Co. v. Lawrence & Co.* (1890) 25 Q.B.D. 99 is a well-known example. It is on this ground that the mere notion of combining stripes and flowers would not have amounted to a substantial part of the plaintiff's work. At that level of abstraction, the idea, though expressed in the design, would not have represented sufficient of the author's skill and labour as to attract copyright protection.

Generally speaking, in cases of artistic copyright, the more abstract and simple the copied idea, the less likely it is to constitute a substantial part. Originality, in the sense of the contribution of the author's skill and labour, tends to lie in the detail with which the basic idea is presented. Copyright law protects foxes better than hedgehogs. In this case, however, the elements which the judge found to have been copied went well beyond the banal and I think that the judge was amply justified in deciding that they formed a substantial part of the originality of the work."

46. I also bear in mind *Copinger and Skone James on Copyright*, Vol 1, 18<sup>th</sup> Edition:

"As has been pointed out, where the claimant's and the defendant's works are similar, there are four possible explanations: the defendant's work was copied from the claimant's; the claimant's from the defendant's; both from a common

source; or mere chance or coincidence. It is only in the first case that an infringement of the claimant's work can have occurred. Although the concept of copying is expressed differently in relation to the different categories of work, the underlying principle is that there can be no infringement unless use Page 20 of 23 has been made, directly or indirectly, of the copyright work. Copyright is not a monopoly right and no infringement occurs by an act of independent creation. This is often expressed as saying there must be a causal connection between the copyright work and an infringing work. This is one of the ways in which copyright differs from true monopoly rights such as patents and registered designs. In the case of the latter rights, a person can infringe even though he has arrived at his result by independent creation.

[Footnote:] The possibility of coincidence should never be ruled out, for: We constantly in life meet with coincidences which suggest a common origin, but which, when investigated and examined, are found to be nothing but coincidences. Experience shews that it is not merely probable, but certain, that improbable events will happen. See *Lucas v Cooke* (1879) 13 Ch. D. 872 at 879. Of course, the more commonplace the subject matter, the less improbable is the explanation of coincidence.”

47. Though the opponent's work is, and the applicant's mark features, a crown, I do not consider a crown to be an invented concept. In my view, the idea of a crown as a whole is so commonplace it cannot by itself constitute a substantial part of the opponent's work. The copyright in the opponent's work is in the totality of the elements, each element being an expression of the author's ideas, i.e. the choice to include five prongs, the choice to top each prong with a circular shape, the length of each prong, and the choice to use an oval shape to represent the base of the crown. Together, these ideas have created the opponent's copyright work. The applicant's mark, however, does not contain the same number of prongs, neither are the four prongs it does contain topped with circular shapes, but oval ones. Whilst acknowledging that infringement of copyright is not decided by looking at the overall similarity, and the term "substantial part" is to be taken as qualitative rather than quantitative, the differences between the Rolex crown and the crown device within the applicant's mark do not persuade me to conclude that a substantial part of the former has been copied. It is far more likely a coincidence that two different crown elements feature a different

number of prongs topped with slightly different shapes. Whilst skill and labour have gone into the creation of the opponent's work, the concept of a crown is not original and, even if that concept has been copied, that does not constitute a substantial part for me to conclude that there has been copying. The opponent has not raised a prima facie case to be answered by the applicant and its case under section 5(4)(b) fails.

## **CONCLUSION**

48. The opponent's case under sections 5(3) and 5(4)(b) have failed. The application will proceed to registration.

## **COSTS**

49. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of £1,000, calculated as follows:

|  |               |
|--|---------------|
| Preparing a statement and considering the other side's statement | £300          |
| Considering the other side's evidence                            | £400          |
| Preparing submissions in lieu of a hearing                       | £300          |
| <b>Total</b>   | <b>£1,000</b> |

50. I therefore order Rolex SA to pay Spooks GmbH the sum of £1,000. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the final determination of the appeal proceedings.

**Dated this 2<sup>nd</sup> day of March 2023**

**E FISHER (née VENABLES)**

**For the Registrar**