

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE MARKS
IN PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

In the matter of applications for registration of Trade Mark Nos. 244394, 244395 and 244396 and in the matter of Oppositions thereto.

BUDDHA BRAND INDUSTRY LIMITED

Applicant

(Represented by Woods, Ahern, Mullen Solicitors)


LLOYD SHOES GmbH

Opponent

(Represented by FRKelly)

The Application

1. On 28 September, 2010 BUDDHA BRAND INDUSTRY LIMITED, an Irish company, of City Business Park, Dundalk Road, Castleblaney, Co. Monaghan, Ireland made applications under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the following three marks as trade marks in respect of “*Clothing, footwear, headgear*” in Class 25:




Application Number	Mark
2010/01726	LLOYD & PRYCE
2010/01727	 LLOYD&PRYCE
2010/01728	LLOYD & PRYCE SUPERSTARS SERIES

2. The applications were accepted for registration and advertised accordingly under Nos. 244394, 244395 and 244396 respectively, in Journal No. 2166 dated 22 December, 2010.
3. Notices of Opposition to the registration of the marks pursuant to Section 43 of the Act were filed on 21 March, 2011 by LLOYD SHOES GMBH, of Hans-Hermann-Meyer-Str. 1, D-27232 Sulingen, Germany. The Applicant filed counter-statements on 2 June, 2011 and evidence was, in due course, filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 (“the Rules”).
4. The Applicant attended a hearing of the matters, while the Opponent filed written submissions in lieu of attending the Hearing. Acting for the Controller, I decided to dismiss

the opposition and to allow the applications to proceed to registration. The parties were informed of my decision by way of letter dated 19 December, 2013. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Opponent in that regard pursuant to Rule 27(2) of the Trade Mark Rules 1996.

Grounds of the Opposition

5. In its Notices of Opposition the Opponent refers to its proprietorship of the following trade marks:

Number	Mark	Registration Date	Publication Date	Relevant Goods
Irish mark 142809		2 May 1990	7 April 1993	Shoes, boots and slippers
Irish mark 213536		9 April 1999	1 November 2000	Clothing, footwear, headgear
CTM 43810		1 April 1996	8 December 1997	Footwear and hosiery

and then raises objection to the present applications under various Sections of the Act, which I shall summarise as follows:

- Section 8(4)(a) – *use of marks prohibited by enactment or rule of law;*
- Section 10(2)(b) – *likelihood of confusion on the part of the public, and likelihood of association with the Opponent’s earlier marks;*
- Section 10(3) – *use of marks would take unfair advantage of, or be detrimental to, distinctive character or reputation of the Opponent’s mark;*
- Sections 37(2) and 42(3) – *marks applied for not used or proposed to be used by the Applicant, or with its consent in relation to the goods specified in the applications.*

The Opponent also claims the marks applied for are contrary to EU Council Directive No. 89/104 to approximate the laws of the Member States relating to trade marks and, that the applications ought, in the discretion of the Controller, to be refused.

Counter-Statement

6. In its Counter-Statement the Applicant denies all the grounds of opposition and only admits the Opponent is the registered proprietor of the marks mentioned in the Opponent’s Notices of Opposition.

7. The Applicant states it is a stranger as to whether the Opponent has for many years extensively used, or otherwise used, the Opponent's marks in connection with goods and requests proof thereof. The Applicant denied the Opponent's marks denote to the trade or to the public goods provided by the Opponent or that they distinguish such goods from like goods of other manufacturers or traders.

Rule 20 Evidence

8. Evidence submitted by the Opponent under Rule 20 in support of the three oppositions consists of a Statutory Declaration, dated 22 November, 2011, of Maximilian Müller, of Lloyd Shoes GmbH. He states that his company is the proprietor of the trade mark LLOYD and attaches at "Exhibit 1" printouts from the Registers of Irish Trade Mark Registrations Nos. 142809 and 213536 and Community Trade Mark No. 43810. On the basis of his company's earlier registered rights, he requests the refusal of the applications. That is the totality of the evidence submitted under Rule 20 in support of all three oppositions.

Rule 21 Evidence

9. Evidence submitted by the Applicant under Rule 21 consists of a Statutory Declaration dated March, 2011, of Leo McArdle, a Director and Manager of the Applicant, of Castleblayney, Co. Monaghan. He states that the evidence placed before the Controller by Maximilian Müller does not contain any substantive evidence in support of the allegations made in the Notices of Opposition.
10. Mr. McArdle states that his company has invested a considerable amount in the promotion and sale of goods in respect of which registrations are sought, including by contracting with Irish sportsman, Tommy Bowe, for endorsements of the company's products. He says there was a successful launch of the products in March 2011 which received a significant amount of media coverage on TV, radio and in newspapers and magazines. The brands currently consist of fifteen styles. He states that the applicant is not aware of any incident of confusion that has taken place as between the marks applied for and the Opponent's marks. That is the totality of the evidence submitted in support of all three applications.

Rule 22 Evidence

11. Evidence filed under Rule 22 consists of a second Statutory Declaration, dated 6 July, 2012 of Maximilian Müller. Mr Müller submits that the Applicant has failed to substantiate any of

the claims, made in its evidence under Rule 21. He states the Applicant has not furnished any evidence regarding the alleged endorsement by Irish International rugby player, Tommy Bowe. There is nothing to support the Applicant's claim of a product launch in March 2011, and no evidence of any media coverage of the alleged event. The Applicant's evidence fails to support claims of business activity or any use of the Applicant's marks since the alleged launch in March 2011. The Applicant has not produced any newspaper, magazine or other publication evidence in respect of the alleged promotion and sale of goods bearing the marks for which registration are sought. Nor has the Applicant provided brochures, invoices or sales figures to substantiate its claims.

Written Submissions in lieu of attending at a Hearing

12. The written submissions repeated the commentary of Mr. Müller concerning the lack of supporting evidence to substantiate the Applicant's claim that it launched, and is using, its marks since March 2011. It appears to me the Opponent is attempting to justify its claim that the Applicant has not used the marks nor has a bona fide intention to do so, on the basis of a lack of evidence of use. However, in attempting to do so, the Opponent has been careful not to claim the Applicant was incorrect or telling untruths about its claims of use nor is the Opponent claiming the declaration made by the Applicant in its trade mark application forms were false. In any event, I am satisfied that nothing rests on this, as the applications contained the statements required by Section 37(2) and no objection can lie against it based on that provision. Therefore, I must dismiss the oppositions based on Section 37(2) and 42(3).

13. The Opponent did not provide any evidence or arguments in support of any other grounds of opposition other than those relating to the provisions of Section 10(2) of the Act. This was where the arguments made in the Opponent's submission were focussed.

The Hearing

14. At the Hearing the Applicant was represented by Jonathan Newman BL, instructed by Simon McArdle, solicitor, of Woods, Ahern, Mullen Solicitors. Mr. Newman's confined the focus of his arguments to the lack of evidence of use by the Opponent of its earlier marks and, on foot of the Opponent's focus solely on grounds relating to Section 10(2), to defending the applications against the claims of a likelihood of confusion arising between the respective marks.

Lack of Evidence of Use

15. Before dealing directly with the likelihood of confusion question under Section 10(2) I must address the lack of evidence of use issue. The only evidence submitted by the Opponent in respect of all three oppositions is copies of the three earlier trade mark registrations the Opponent is relying upon. No evidence of use of any of the three marks was laid before the Controller by the Opponent. In its Counter Statement the Applicant called on the Opponent to provide proof of use of its marks, but the Opponent failed to do so.
16. This is the first time I have encountered an opposition based on earlier trade marks, which have been registered for more than the required period allowed for putting them to use, and where the Opponent has not provided any evidence of use. Also, I have been unable to identify any similar cases coming before this Office. I am aware that in some EU Member States and at the Office for Harmonisation in the Internal Market (OHIM) the lack of evidence of use, in cases where the publication of the registration of the earlier mark was effected more than five years before opposition proceedings began, results in an automatic dismissal of the opposition. While such circumstances are repeated here, I am not bound by any decisions or practices of other offices. Nonetheless, I feel it is incumbent upon me to address the lack of evidence of use and I do so now in the full knowledge that my conclusions will set a precedent for future opposition proceedings.
17. Proprietors have a 5-year grace period in which to put their marks to use. If they fail to do so within that timeframe, and there are no good reasons for the non-use, proprietors risk their marks coming under attack by way of an application for revocation. In the instant case the registration procedures for all three of the Opponent's earlier marks were completed at least 5 years before the start of the period of five years ending with the date of publication of the Applicant's marks. Therefore, all three of the Opponent's marks should have been put to use by November 2005.
18. This Office does not inquire of its own volition as to whether earlier trade marks have been used or not, but once the Applicant cast doubt on the Opponent's use of its marks and requested proof of same (as the Applicant did in its Counter Statement); such proof, or genuine reasons for non-use, should have been forthcoming. In cases where proof of use is not provided, it could be argued the Applicant should formally seek to revoke an Opponent's marks on the grounds of non-use. If the current Applicant applied for revocation of the Opponent's marks, the Opponent would have to provide proof of use of same, which is

precisely what the Opponent was asked to do by the Applicant in these proceedings. It would have required three separate applications for revocation on behalf of the current Applicant, which would significantly delay these proceedings and increase costs for both parties. The more efficient, less costly and ultimately fairer approach is that, when proof of use is requested during opposition proceedings, such proof should be provided. Furthermore, the requirement that the registered proprietor of earlier trade marks must show that it is using its marks in a genuine manner, is specifically dealt with under Section 99 of the Act, which is written in the following terms:

“Where, in any civil proceedings under this Act, an issue arises as to the use made by any person of any registered trade mark, the onus of proving such use shall lie with the proprietor.”

19. It is most curious that the Opponent has attacked the Applicant for lack of evidence of use of the marks for which the Applicant seeks registration, during a period where there is no requirement that the Applicant must or should be using the marks applied for, while at the same time the Opponent, who should be using its marks, has not produced a single shred of evidence to support the claimed use of its earlier marks. While the Opponent states in its Notices of Opposition that it uses its marks, there is no mention whatsoever of use, or evidence attesting to use, in the sworn evidence filed by the Opponent under Rule 20 or Rule 22. The Opponent rests its case solely on the basis that it has earlier registrations. In my opinion, that is not a sufficient basis on which to succeed in opposition proceedings on relative grounds. It cannot be the case that the Opponent, the proprietor of earlier registered marks that have long been required to be put to use, but have not, can simply produce registration certificates from its back pocket, wave them in front of the Controller and proclaim *“I have these earlier marks - I win”*.

20. I find the Opponent has failed to show how the Applicant’s marks, if used in a normal and fair manner, would be likely to be confused with, take unfair advantage of, cause damage or be detrimental to, the Opponent’s unused marks. Accordingly, in the absence of proof of use by the Opponent, I must dismiss the oppositions on all relative grounds.

Section 10(2) - Likelihood of Confusion

21. Lest on appeal the Court finds that I have erred in dismissing the oppositions because of the lack of evidence of use, I will consider the question of likelihood of confusion under Section

10(2), the relevant part of which, insofar as the present applications are concerned, reads as follows:

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

(a)

(b) it is similar to an earlier trade mark and would 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 of the later trade mark with the earlier trade mark.

22. As is evident from the wording of Section 10(2), the four basic requirements that must be met in order for an objection under it to succeed are that, (i) there must be “an earlier trade mark”, (ii) the goods of the application must be identical with or similar to those in respect of which the earlier trade mark is protected, (iii) the mark applied for must be similar to that earlier trade mark, and, (iv) there must be a resultant likelihood of confusion on the part of the public.

23. The first two of these conditions are clearly fulfilled in this case. The Opponent’s trade marks were filed at this Office or the OHIM prior to the relevant date, and by virtue of Section 11(1)(b) of the Act, are earlier trade marks as against the present applications for the purposes of Section 10. The goods of the applications for registration (“*Clothing, footwear, headgear*”) are identical with or similar to the goods for which the Opponent’s earlier trade marks stand protected.

Comparison of the marks

24. I have compared the respective marks of the parties on the criteria of visual, aural and conceptual similarity and have attempted to make an overall assessment of the extent to which they should be regarded as similar or different. It is important to stress that this is an assessment of the overall impression the marks make on me, having put myself in the shoes of the average consumer of the goods for which the Applicant is seeking protection. Notwithstanding the detailed comparisons I make below I am mindful that the European Court of Justice has noted (*Sabel BV v Puma AG and Rudolf Dassler Sport Case C-251/95*) that the average consumer normally perceives a mark as a whole and does not proceed to

analyse its various details. For this reason, the appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impressions given by them, rather than on specific points of detail that are likely to go unnoticed by the average consumer.

25. In assessing the degree of visual similarity I must make my judgement based solely on the construct and content of the marks and ignore all other facts, specifically, that all marks contain either family and/or given name(s). That is a factor that is to be taken into account in assessing the conceptual qualities of the marks.
26. The word “LLOYD” comprises the entirety of the Opponent’s mark and it is fully contained in, and is the initial element of, all three of the Applicant’s marks. The Opponent argues that these factors and the fact that consumers generally tend to focus on the first element of a sign are particularly relevant when assessing the likelihood of confusion between the respective marks. The Applicant argues that the emphasis by the Opponent on the word LLOYD serves to ignore the very significant additional elements of an ampersand and the word PRYCE, such additional elements resulting in there not being a visual similarity at all. The Applicant relied upon the judgement of Court of Justice of the European Union (CJEU) in *Limoncello*¹ where the Court found “...assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark”.
27. Clearly there is some level of visual similarity between the marks, but there are differences also. All of the Opponent’s LLOYD marks are presented in an identical and distinctive thick black font. Both of the “L’s” are unusual, in that the right-hand side is represented by triangles. The other three letters are all split in two (in one case the letter “D” is split by a red line). While the differences in font between the respective marks are noticeable, it is only of minor significance in the overall visual comparison of the marks. In my opinion the Applicant’s LLOYD & PRICE word mark (No. 244394) shares a medium level of visual similarity with the Opponent’s marks. The Applicant’s LLOYD & PRYCE SUPERSTARS SERIES mark (No. 244396) is more dissimilar than similar. I consider the mark shares a low to medium level of visual similarity with the Opponent’s marks. The figurative element in the Applicant’s LLOYD & PRICE (logo) mark (No. 244395) does not serve to put any distance of significance between the respective marks. While I do not consider it should be

disregarded completely, it has minor impact on the visual comparison between the marks. I find the level of similarity between that mark and the Opponent's marks falls between the similarity levels of the other two, but much nearer to that of the LLOYD & PRYCE word mark.

28. Phonetically the Applicant's LLOYD & PRYCE word and logo marks share a medium level of similarity with those of the Opponent, while, again, the Applicant's LLOYD & PRYCE SUPERSTARS SERIES mark is much more dissimilar than similar.

29. Conceptually all three of the Applicant's marks convey the same message – a partnership between two people whose names are LLOYD and PRYCE. While one of the Applicant's marks also contains the words SUPERSTARS SERIES, these words will be understood by the consumer to denote a particular range under the LLOYD & PRYCE brand. In its written submissions, the Opponent argued that it is well established that family names have, in principle, a higher intrinsic value as indicators of origin than first names. However, the Opponent's LLOYD could be seen as either a family name or given name, whereas both names used in the Applicant's marks would immediately be understood to be family names. At the Hearing, Mr. Newman argued that the definite two family name concept of the Applicant's marks when compared to the uncertainty as to whether the Opponent's marks related to a family or given name, conveys the message that conceptually the marks are quite different. All things considered, I do not believe anything of significance turns on whether the Opponent's LLOYD relates to a family or given name. The overriding conceptual difference between the respective marks is that the Opponent's marks relate to a single person named LLOYD, whereas the Applicant's marks refer to a partnership, one of which is named LLOYD. In my opinion that is not an insignificant conceptual difference.

Likelihood of confusion

31. Having decided the goods are identical or similar, and that there is some degree of similarity between the marks, the case now rests on whether that similarity is sufficient to come within the meaning of Section 10(2)(b) of the Act. In support of their opposing positions on the question of likelihood of confusion the parties referred me to a number of decisions of the OHIM (which I am not obliged to follow) that dealt with family and/or given names. For its part the Opponent relied upon the decisions of the OHIM Opposition Division in *Lloyd Shoes*

¹ OHIM v. Shaker [2007], ECR I-4529, at paragraph 41

*GmbH v. David Lloyd Branding Limited*² and *Aldi GmbH & Co. KG, v Giada S.r.l.*³, and the Applicant on the OHIM Board of Appeal decision in *Amundsen v Amundsen & Scott*⁴. Both cases cited by the Opponent concern a single name where the addition of another name in the contested marks does not create the concept of two distinct people (e.g. David added to Lloyd identifies one person called David Lloyd). In those cases the OHIM Opposition Division ruled there would be a likelihood of confusion and refused the applications. In the case relied upon by the Applicant the addition of another name (i.e. Scott added to Amundsen) does create the concept of two distinct people. In that case the OHIM Board of Appeal rejected the opposition and allowed the application to proceed. Of the cases cited the particulars of *Amundsen & Scott* are more in tune with the circumstances of the instant case.

32. Little by way of authorities that I must follow, involving personal names, was cited in support of either party's case. Mr. Newman did refer to *PUCCF*⁵ where the General Court, when considering the distinctive role a surname has to play in trade marks, had this to say: "*According to the case-law, a surname does not retain an independent distinctive role in every case solely because it will be perceived as a surname. The finding with respect to such a role may, therefore, be based only on an examination of all the relevant factors of each case...*" This quotation does no more than confirm the long-established practice that each case must be judged on its own merits.

33. The criteria against which the assessment of likelihood of confusion should be made have been enunciated in a number of decisions of the European Court of Justice⁶ in this area and they include the following:

- a) a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa,
- b) the more distinctive the earlier mark, the greater will be the likelihood of confusion,
- c) in determining the distinctive character of the earlier mark, it is necessary to make an overall assessment of its capacity to identify the goods for which it is registered as

² OHIM Opposition Decision No. B1850562 of 23 February, 2012

³ OHIM Opposition Decision No. B1842312 of 29 November, 2012

⁴ OHIM Board of Appeal Decision (Case R 766/2008-1) of 8 October, 2009

⁵ *El Corte Ingles SA v. OHIM* [2012], at paragraph 57 (Case T-39/10)

⁶ *Sabel BV –v- Puma AG and Rudolph Dassler Sport* (Case C-251/95) [1998] 1 CMLR 445; *Canon Kabushiki Kaisha –v- Metro-Goldwyn-Mayer Inc.* (Case C-39/97) [1999] 1 CMLR 77; *Lloyd Schuhfabrik Meyer & Co. GmbH –v- Klijsen Handel BV* (Case C-342/97) [1999] 2 CMLR 1343

coming from a particular undertaking and thus to distinguish those goods from those of other undertakings,

- d) in making that assessment, account should be taken of the inherent characteristics of the mark; the market share held by it; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested in its promotion; the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking; and statements from chambers of commerce and industry and other trade and professional associations,
- e) a global appreciation of the likelihood of confusion must, as regards the visual, aural and conceptual similarity of the marks in question, be based on the overall impression created by them, and the importance to be attached to each of those elements must take account of the category of goods and the way in which they are marketed,
- f) the assessment must be made from the perspective of the average consumer who is deemed to be reasonably well-informed, observant and circumspect but who rarely has the chance to make a direct comparison of the marks and must rely on the imperfect picture that he has of them in his mind,
- g) the likelihood of confusion must be appreciated globally, taking into account all of the factors relevant to the circumstances of the case.

34. In applying the criteria I am satisfied the Opponent's marks have an average degree of inherent distinctiveness. However, no evidence was offered to indicate any sales, promotion or market presence, as a result of which I must conclude that no additional distinctiveness has been acquired through use. The criteria laid out above credits the average consumer (in the present case that must be deemed to be the general public) as being reasonably well-informed, observant and circumspect. It also suggests that the average consumer is someone who has had some exposure to the Opponent's mark(s), but may rely only on an imperfect picture of the mark(s) she has in her mind.

35. It is commonly held that the issue must be judged in accordance with CJEU guidance to decision-makers, which can be summarised as follows: *imagine a typical purchasing scenario involving the average consumer who already knows the product sold under the earlier trade mark and ask yourself whether it is likely that she will select and purchase a product bearing the mark put forward for registration in the mistaken belief that it is the product she knows by the earlier mark (direct confusion) or that it is related to that product*

(indirect confusion by association)). In the present case I have difficulty answering that question because there is no evidence to suggest the average consumer knows any product sold under the Opponent's marks, which should have long been put to use, but which were not. So the question arises "*when there is no use, can there be confusion?*" However, as I have already dismissed the oppositions on the basis of non-use of the Opponent's marks, lest on appeal I am found to have erred, I am prepared to put that question aside when considering the question of likelihood of confusion. Therefore, in these particular proceedings, I will consider the Section 10(2) issue on the assumption of fair and normal use of the respective marks.

36. I have found the goods for which the Applicant has applied for the protection of its marks are identical or similar to those of the Opponent and the earlier marks of the Opponent share a low-to-medium or medium level of similarity. Overall this is a very finely balanced case, which I had some difficulty in deciding, but decide I must do and, on balance, I have reached the conclusion there is no likelihood of confusion, for the following reasons:

- i. The word LLOYD in the Opponent's marks is presented in a particular style, which would not go unnoticed by the average consumer. That style is not reproduced in the Applicant's marks. The Opponent argued that consumers may think the Applicant's marks refer to different product lines of the Opponent. However, in order for that to hold true consumers would also have to recognise that the Opponent had abandoned the long-used and particular style of presentation of the word LLOYD in its marks.
- ii. The Opponent did not suggest it has any other brands other than LLOYD, or that it trades in products lines bearing any mark other than the word LLOYD. Therefore, consumers have no experience of any product range from the Opponent bearing any mark other than the single word LLOYD, and therefore, in my opinion, would not be likely to associate it with the owners of LLOYD & PRYCE.
- iii. The Opponent's marks relate to a single person, whereas the Applicant's relate to a couple. I am satisfied a mark consisting of two names conveys a different concept to one comprising a single name, even where a name is repeated in both marks. In my opinion and allowing for imperfect recollection, consumers would remember the Applicant's marks consist of two names. Even if they couldn't recall both those names they are likely to remember it was "something and PRYCE", or "LLOYD and something". They would not be mistaken to such an extent that they would recall the mark consists merely of a single word.

iv. Consumers are familiar with companies merging and being renamed to reflect the merger. However, trade marks cannot be merged in a similar fashion. Companies may rebrand products but they do not do so by merging two trade marks. In my opinion, consumers are very familiar with marks that contain dual names in Class 25 (e.g. Jack & Jones, Lyle & Scott, Abercrombie & Fitch, Marks & Spencer) but would never understand their origins to be the merger of two individual marks, or that, for example, Jack & Jones was a new range launched by the owners of the Jack brand. It is not likely the average consumer would think that an undertaking which used the name LLOYD alone would then adopt the names LLOYD & PRYCE together. Consumers see dual named marks as brands in their own right, not offshoots from one of the names contained therein.

Conclusion

37. For these reasons, I have decided that the prior registrations of the Opponent's marks do not constitute grounds for refusal, under Section 10(2) of the Act, of the applications to register the Applicant's LLOYD & PRYCE marks. Therefore, I have decided to dismiss the oppositions and to allow the applications to proceed to registration.

Dermot Doyle

Acting for the Controller

10 July, 2014