

**IN THE MATTER OF Application No 2186647  
by Rajesh Talwar to register a trade mark in Class 25**

**AND IN THE MATTER OF Opposition thereto  
under No 50096 by Rare Limited**

**Background**

1. On 20 January 1999, Rajesh Talwar applied to register the trade mark RARE in the form shown below in respect of "Clothing made from cotton, denim, silk, suede, artificial fibres or a combination of these materials, none incorporating wool."

**R A R E**

2. The application was subsequently published for opposition purposes and on 19 August 1999 Rare Limited filed Notice of Opposition. The grounds of opposition have since been amended (twice). The grounds pursued before me were:

- "(1) *That the Opponent is and has since 1985 been incorporated under the name RARE Ltd and has at all material times developed and published computer and video games in the UK and world-wide under the marks RARE, RAREWARE and RAREWARE plus Logo. Since 1989 the Opponent has also supplied items of clothing such as would fall in Class 25 under the said marks. The Opponent has a substantial business and reputation in computer games and clothes under its trade marks RARE, RAREWARE and RAREWARE plus Logo sufficient to prevent the Applicant from using the Applicant's Mark in the UK in respect of all of the Class 25 goods the subject of the Application. Accordingly, registration of the Applicant's Mark should be refused as contrary to section 5(4)(a) of the TMA.*
- (2) *Since prior to the date of the Applicant's application and by virtue of the Opponent's extensive business in the UK RARE, RAREWARE and RAREWARE plus Logo are well known trade marks which have, prior to the date of filing of the opposed application been registered in a numerous convention countries. Accordingly, the said marks are entitled to protection under the Paris Convention and constitute earlier trade marks within the meaning of section 6 of the TMA in relation to use/registration by the Applicant of the trade mark RARE for identical, similar or dissimilar goods.*
- (3) *Further that the Opponent has since 6 October 1994 been the registered*

*proprietor of UK Registered Trade Mark No. 1587112 RAREWARE in respect of: amusement machines; electronic games, arcade games, computer games, video games, data processing apparatus and instruments, computers, computer software; magnetic discs, optical discs and magnetic tapes, all bearing computer software; parts and fittings for all the aforesaid goods, all included in Class 09 which is a mark with a reputation in the UK. Accordingly, the Applicant's Mark would be refused registration under section 5(3) as its use would without due cause take unfair advantage and/or be detrimental to the distinctive character or repute of the Opponent's said mark.*

- (4) *The application was filed without a bona fide intention of using it on the full range of clothing applied for and without a bona fide intention to use it throughout the UK by reason that the Applicant used and/or intended to use the mark only in relation to a limited range of ladies' sequin-embellished clothing and knitwear through one small retail outlet in Liverpool. Accordingly, and to that extent, registration of the Applicant's Mark should be refused under Section 3(6) of the TMA."*

3. The applicant denies the grounds of opposition.

4. Both sides seek an award of costs.

5. The matter came to be heard on 15 August 2001 when the applicant was represented by Mr P J Smith of Sergeants, Trade Mark Attorneys and the opponent was represented by Dr P Mc L Colley of Counsel, instructed by Lewis & Taylor, Trade Mark Attorneys.

6. I indicated at the hearing that I rejected the grounds of opposition under Sections 3(6) and 5(4)(a) of the Act. These are my reasons for doing so.

### **Section 3(6)**

7. Section 32(3) of the Act states that:

*"The application shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he has a bona fide intention that it should be so used."*

8. Mr Alwar's application includes such a statement. The opponent says it was made in bad faith. The onus rests on the opponent to establish a prima facie case of bad faith for the applicant to answer. In this respect the opponent relies upon the evidence of Carmel Patricia Corcoran who submitted under the cover of a witness statement, an investigative report compiled by Carratu International into the commercial activities of the applicant.

9. The report appears to have been compiled by a Mr Roy Lane of Carratu International, although he himself has not made a witness statement or given evidence in any other form. The report describes various investigations which revealed that the applicant is the proprietor of a business based on a shop in Liverpool called 'Le Monde'.

10. The report goes on to describe how the investigators (it is not clear if this included Mr Lane) made contact with the shop and spoke to an assistant, who gave his name as 'John'. The report continues:

*"John accepted our cover story and informed us that Mr Rajesh Talwar is the proprietor of the business, which markets a range of female clothing under the name of RARE.*

*He stated that Mr Talwar's son markets a range of knitwear named Rare and that Mr Talwar Snr markets sequin embellished clothing, jackets, tops, dresses, tunics and cuffs, all with the Rare label*

*He also stated that there are no brochures of any kind available and any viewing of the products would require a visit to the shop.*

*He also stated that the RARE clothing has been marketed from the shop for some 8 years and that there is no other outlet."*

11. The report concludes:

*"The subject person is the proprietor of a shop selling a range of clothing under the trade mark of RARE and has done so for some 8 years."*

12. I do not consider that this report presents a prima facie case of bad faith for the applicant to answer. Dr Colley submitted that the evidence showed highly localised use and on a very limited range of products. The first point is irrelevant. There is no requirement for the use, or intended use, to be on more than a local basis. The second point would only be relevant if there was a requirement for the mark to have been in use at the date of the application. However, an intention to use is enough to satisfy the requirement. A claim by an applicant to have a bona fide intention to use his mark in relation to clothing made of "cotton, denim, silk, suede or artificial fibres" cannot be rejected simply because it is shown (which it hasn't been) that he has previously only used the mark in relation to goods made from a sub-set of those materials. On the contrary, an established trade in clothing made of (say) cotton and silk provides every reason to accept the applicant's claim to have an intention to trade in clothing made of a wider range of materials.

13. Because the opponent's evidence presents no prima facie case of bad faith on the applicant's part, I feel no need to consider the evidence that the applicant submitted to rebut the allegation.

#### **Section 5(4)(a)**

14. Section 5(4)(a) of the Act is as follows:

*"5.-(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 -*

- (a) *by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, ..”*

15. The opponent seeks to rely on its common law rights under the names RARE and RAREWARE in support of its Section 5(4)(a) ground of opposition.

16. Dr Colley invited me to adopt the approach taken in Reckitt & Coleman (products) Ltd v. Borden Inc. [1990] RPC 341 at 406. Lord Oliver considered that the tort of passing off is constituted where there is:-

- (1) reputation or goodwill attaching to the goods of a trader in the mind of the buying public; and
- (2) a misrepresentation to the public by another trader likely to lead the public to believe his goods were those of the first trader; and
- (3) damage or a really serious risk of damage to the first trader as a result of the erroneous belief engendered by the misrepresentation.

17. I propose to adopt this test. The matter must be determined as at the date of the application, although in order to do that it may in some cases be necessary to answer the further question of whether the applicant's use could have been restrained at the time it commenced.

18. The opponent's principal witness is Carole Stamper who is the Company Secretary of Rare Limited. Ms Stamper says that the company was incorporated in England in 1985. She continues:

*"Since incorporation the company has traded continuously under the name Rare Limited. The company was formed in order to develop and publish computer and video games designed for use with computers and games consoles as well as for use in video games arcades."*

19. Ms Stamper explains that:

*"During the period 1990 to date, the computer games developed by the company have been distributed worldwide by Nintendo and these games have borne the trade marks of the company, namely, RARE and RAREWARE. In particular, I can state that the foregoing goods are sold extensively in the UK, and throughout Europe, the US and Japan."*

and that;

*"During the aforesaid period, the company has developed games for use on Nintendo Entertainment System (NES), Super Nintendo Entertainment System (SNES), Nintendo 64 (N64) and GameBoy/Color Game Boy (DMG/CGB)."*

20. Ms Stamper provides sales figures for the year 1990 to 1999 from which it appears that the opponent sold well over a million units of its computer game software in 1997, and a further 265K units in 1998.

21. Ms Stamper further states that in 1998 and 1999 her company won a BAFTA award for "Developer of the Year" and best game award for "Golden Eye 007". Ms Stamper explains that her client's games are sold through toy shops, through electrical stores, through general high street stores, as well as through specialised computer games outlets. As Nintendo (which bought a 25% stake in the company in 1996) distribute the opponent's games, the opponent is not responsible for advertising the games.

22. Exhibit CS3 to Ms Stamper's declaration consists of copies of two articles from publications. They both have hand written dates in 1994/5 and report on the link-up between Rare and Nintendo. One of the articles may come from the Times (the opponent is not sure). The other has the word 'Cyberspace' at the head of the page but it is not clear whether this is also the name of the publication.

23. Exhibit CS4 consists of thirteen copies of packaging for the opponent's games software. All bar one of these copies shows use of a logo mark incorporating a very stylised letter 'R' and the word RAREWARE. Only one copy shows use of the trade mark RARE in relation to games software, and this dates back to 1991.

24. This evidence suggests that the position at the relevant date was that the opponent had made considerable use of the RAREWARE plus device mark in relation to computer games software and the opponent's business was known as RARE. The latter point is not entirely surprising given that the opponent's company name has at all material times been Rare Limited.

25. Ms Stamper also claims that:

*"Further and from 1989 to date, the company has supplied to the public clothing and decorative items such as lapel and stick pins bearing its trade marks RARE/RAREWARE."*

26. There is no specific claim that the opponent has sold or offered clothing for sale under the marks RARE or RAREWARE. Ms Stamper uses the words "supplied to the public." No sales figures for clothing have been provided.

27. Exhibit CS2 comprises Internet pages containing references to clothing said to feature characters developed by the company for its games products, but there is nothing to suggest that these goods were offered for sale under the trade marks RARE or RAREWARE. Further, there is no claim that this material existed at the relevant date in these proceedings.

28. Exhibit CS5 consists of "sample invoices and order forms relating to the supply of these (clothing) items", as well as samples of pictures of clothing bearing the opponent's RAREWARE plus device mark and an example of a badge bearing the word RARE said to be for attachment to items such as baseball caps.

29. The pictures and samples of goods and badges bearing the mark RAREWARE and device and RARE are not dated. Further, the clothing pictured (T-shirts) features the RAREWARE and device mark on the right hand side of the chest and not in the label, which carries the trade mark of another party (that looks like "CATER BANKS"). Another sign - "DK64" (probably short hand for DONKEY KING 64 BIT - one of the opponent's games) - appears on the left hand side of the chest of the garments pictured with equal prominence to the RAREWARE plus device mark.

30. The opponent's use of its mark on clothing is plainly intended to promote the opponent's main business as a developer of computer games software. However, there is no rule that so-called "T-shirt use" cannot confer on the user of the mark a goodwill in relation to a trade in T-shirts. The question is whether the secondary goods merely act as a billboard for promotion of the main goods or whether there is a separate albeit smaller trade in respect of the secondary goods. See Daimler Chrysler AG v Javid Alavi 2001 RPC 813, at paragraphs 20 and 21 on page 823, (the Merc case).

31. There are a number of indications that the opponent's use of its mark RAREWARE and device in relation to T-shirts and like goods falls into the 'billboard' category. The fact that the goods bear another party's trade mark in the neck label is one indication. It is not conclusive in itself. However, combined with the absence of sales figures for clothing under the opponent's RARE/RAREWARE marks it is a clear pointer as to the nature of the "supply" of clothing bearing the opponent's marks. The evidence indicates that it was merely promotional use.

32. At first glance the sample order forms and invoices may suggest otherwise, but closer examination reveals that those documents refer to orders for sweatshirts etc. placed by the opponent with suppliers of promotional clothing rather than to the opponent's sale of such goods.

33. I conclude that the opponent had no goodwill as a trader in clothing at the relevant date.

34. In order to demonstrate a prima facie case that its reputation extends to clothing the opponent has provided evidence from a number of trade witnesses.

35. Andrew McVitie is a Publisher at EMAP Active Ltd who publish various types of magazines including computer games magazines. Mr McVitie made a witness statement in which he describes how he was contacted by Carmel Corcoran of the opponent's Trade Mark Attorneys, who told him she was seeking evidence on behalf of Rare Limited for use in legal proceedings. Mr McVitie records how he was asked if he was aware of Rare Ltd and that he responded that he had known them as a developer of computer games for 10 years and that their reputation was "second to none." Mr McVitie continues:

*"Ms Corcoran then asked whether I felt there was any 'spill over' of this reputation to other consumer items such as clothing. I stated that I felt that there could be some spill over, for example, I knew of a cartoon featuring, Donkey Kong, a Nintendo character based on a video game 'Donkey Kong Country' developed by Rare for Nintendo. I also was aware in a general sense of computer games developers producing clothing but could give no further information here as this was not my area*

*of experience."*

36. Despite the blatantly leading nature of the enquiries made of Mr McVitie the most that can be gleaned from his evidence is that there "could be" some spillover of the opponent's reputation into clothing. I do not consider that this evidence provides any assistance to the opponent's case under Section 5(4)(a).

37. Alex Croft is Head of Buying at Electronics Boutiques. He describes how Carmel Corcoran contacted him in a similar fashion to that described above and asked him the same (blatantly leading) questions. He says:

*"I informed Ms Corcoran and am able to state from my experience of the trade that Rare Limited possesses a reputation in the mark RARE for computer games which is second to none in the UK. Indeed, in my view, they would be regarded as one of the top 5 developers of games in the UK and would be widely known to gamers using Nintendo consoles and hand-held units.*

*In relation to clothing, I feel that a 'gamer' who has used games for Nintendo consoles/hand-held units would be likely to think that a t-shirt bearing the mark RARE in the type-face used by Rare Limited did in fact originate from Rare Limited."*

38. Despite the leading nature of the questions, Mr Croft's answers do not support the proposition that 'gamers' would expect the opponent to produce T-shirts bearing the name 'RARE'. Mr Croft's view appears to be that 'gamers' would only expect such a connection if the word RARE appeared in the "typeface" used by the opponent. In fact the example of the typeface exhibited at AC1 reveals the reference to a "typeface" to be a reference to the RAREWARE plus device mark described earlier.

39. I do not consider that this evidence, or the similar evidence of Mr David Darling of Codemasters Software Company, presents a prima facie case that the opponent's reputation as a games software developer extends to clothing. I consider this evidence to be of very little value.

40. The opponent also provided a witness statement by Shelley Friend, who is a Public Relations Officer for Nintendo. She describes how Carmel Corcoran contacted her collecting evidence on behalf of Rare Limited. Ms Friend continues:

*"Ms Corcoran asked whether I felt that Rare Limited possessed a reputation for computer games. I stated that as PR executive it was my job to ensure that Nintendo was well known and received publicity and that in this connection I was aware that Rare Limited had received extensive coverage in the past through the press and, for example, through features in the national press and men's lifestyle magazines. I also stated that to my knowledge Rare Limited had a reputation in the trade and among purchasers of video games as an undisputed leader and developer of some of the best games around.*

*Ms Corcoran then asked whether I felt there was any 'spill over' of this reputation to*

*other consumer items such as clothing. I stated that in my view an ordinary consumer would be likely to associate RARE on clothing with Rare Limited and to assume that the item originated with Rare Limited."*

41. Ms Friend offers the unqualified opinion that an ordinary consumer would expect clothing bearing the mark RARE to originate from the opponent. Ms Friend offers no basis for this view. She is not an entirely independent witness because Rare Limited is partly owned by Nintendo. Further, my criticisms of the way Messrs Croft and Darling's evidence was obtained applies equally to the evidence of Ms Friend. Overall, I consider that no weight should be given to the opinion evidence of Ms Friend.

42. The opponent's "best" evidence comes from Joao Sanches, who is the Deputy Editor of Edge magazine. The magazine is directed at the interactive and video games market. It has a circulation of approximately 30,000.

43. Paragraphs 3 and 5 of Mr Sanches' witness statement are as follows:

*"I can state from my experience in the trade that amongst the games-playing public Rare Limited is very well known as a developer of some of the best games around and I can also state that to persons who are at all familiar with video games Rare Limited is known simply as 'RARE'. I would estimate that virtually every Edge back number contains a review of a game developed by RARE or some reference to them under this name.*

*I also think that if a 'gamer' saw an item of clothing prominently bearing the mark RARE then they would be likely to link this with RARE and that this would be especially likely if RARE appeared on clothing items generally worn by young people. I say this, firstly, because for many years people have been wearing items such as t-shirts emblazoned with marks such as 'ATARI', and other like names, and so people who know about games would be likely to think that the mark of a well known developer on a piece of clothing showed an association with that developer and also, of course, because RARE is so well known to these people."*

44. It is not clear how Mr Sanches' evidence was obtained. He offers the unqualified opinion that 'gamers' "would be likely to link" clothing prominently bearing the mark RARE with the opponent. The reason he gives for holding this opinion is that "for many years people have been wearing items such as T-shirts emblazoned with marks such as ATARI." This suggests that the "association" he has in mind is between the name of a trader in computer games (or in this case games software) and T-shirts bearing that name in an advertising function or perhaps as a badge of allegiance. It does not follow from this that 'gamers' (who form but one small part of the relevant public for the applicant's goods) would necessarily expect all T-shirts "emblazoned" with RARE to originate from the opponent. A similar point arose in the Merc case. See paragraphs 23-30 on pages 823-825. There, as here, there was evidence of some superficial association between MERC T-shirts and the well known car manufacturer and the evidence of a motoring journalist (which was found to be unrepresentative). However, in the Merc case the claimant could at least point to a secondary trade in clothing under its MERCEDES BENZ mark. The opponent cannot do that.



45. The opponent has not filed any evidence from ordinary members of the public and I am not prepared to accept that Mr Sanches can speak on behalf of ordinary 'gamers'. His close involvement in the trade through his position in the business of publishing reviews of computer games suggests that his views are unlikely to be representative of the average 'gamer'. His opinion as to the likelihood of an "association" between RARE T-shirts and the opponent is, in any event, ambiguous.

46. I conclude that the opponent has offered no persuasive evidence that its reputation as a computer games developer extended to clothing at the relevant date.

47. If I had come to the opposite conclusion, I would have had to consider the applicant's evidence, which includes a claim that he has used the mark RARE in relation to clothing since 1992/3. Mr Talwar claims that more than a million garments had been produced under the RARE brand by January 2001 (not all of them are claimed to have been offered for sale in the UK).

48. Accordingly, if the opponent had presented a prima facie case of passing off at the relevant date, I may have had to consider whether the applicant's use was passing off when it commenced and, if so, whether the applicant had established an independent goodwill under the mark by January 1999 with the result that, even if his use in 1992/3 was passing off, his own goodwill would have meant that his continued use of RARE in 1999 would not have been a misrepresentation. However, in the light of my earlier findings, I do not need to deal with this issue further.

49. The Section 5(4)(a) objection fails because the opponent has not established that it enjoyed any goodwill as a trader in clothing at the relevant date, and the goodwill it enjoyed under the mark RAREWARE is of no assistance because its reputation as a computer games developer did not extend to clothing. Consequently, the applicant's use of RARE in relation to clothing cannot constitute a misrepresentation.

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

50. Section 5(3) of the Act is as follows:

5.-(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

51. The purpose and scope of Section 5(3) of the Act has been considered in a number of case including General Motors Corp. v Yplon SA (Chevy) 1999 ETMR 122 and 2000 RPC 572, Premier Brands UK Limited v Typhoon Europe Limited 2000 FSR 767 (Typhoon) and the Daimler Chrysler v Alavi (Merc), and C.A. Sheimer (M) Sdn Bhd's TM Application (Visa) 2000 RPC 484.

52. The points that come out of these cases are as follows:

- a) 'Reputation' for the purposes of Section 5(3) means that the earlier trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (paragraph 26 of the ECJ's judgement in Chevy);
- b) Protection is only available where the respective goods or services are not similar (paragraph 29 of the Advocate General's opinion in Chevy);
- c) The provision is not intended to give marks "an unduly extensive protection" - there must be actual detriment or unfair advantage (not merely risks) which must be substantiated to the satisfaction of the national court or tribunal (paragraph 43 of the Advocate General's Opinion in Chevy and paragraph 88 of Pumfrey J.'s judgement in the Merc case);
- d) The provision is not aimed at every sign whose use may stimulate the relevant public to recall a trade mark which enjoys a reputation with them (per Neuberger J. in the Typhoon case);
- e) The stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it (paragraph 30 of the ECJ's judgement in the Chevy case);
- f) Confusion as to the trade source of the goods or services offered for sale under the later mark is not a necessary condition before there can be detriment, but is one form of detriment (paragraph 88 of Pumfrey J.'s judgement in the Merc case);
- g) Detriment can take the form of either making the earlier mark less attractive (tarnishing) or less distinctive - blurring (paragraph 88 of Pumfrey J.'s judgement in the Merc case);
- h) Unfair advantage can take the form of feeding on the fame of the earlier mark in order to substantially increase the marketability of the goods or services offered under the later trade mark (per G Hobbs QC in Visa at page 505, lines 10-17).

53. The opponent relies on its registration of the word mark RAREWARE on 6 October 1994 for, inter alia, "electronic games", "computer games", "video games" and "computer software" in Class 9.

54. These goods are plainly dissimilar to clothing. Did this mark have a relevant reputation at the material date? I have already reviewed the evidence of Joao Sanches, Shelley Friend,

Andrew McVitie, Alex Croft and David Darling, which provides some support for the opponent's claim that RARE and, by extension, its trade mark RAREWARE are familiar names in the computer and video games market.

55. Mr Smith pointed out that the evidence indicates that the word RAREWARE is used as part of the logo described earlier, and often with other signs, such as NINTENDO and the names of individual computer games.

56. Nevertheless, I believe the evidence is sufficient for me to conclude that the mark RAREWARE had a relevant reputation for computer games software at the relevant date.

57. The opponent contends that use of the applicant's mark will be detrimental to the earlier trade mark or obtain a parasitic benefit from the repute of the earlier mark.

58. Dr Colley pointed to the fact that the applicant had used its mark in relation to clothing such as Lurex 'boob tubes' which might not, he suggested, be the sort of goods that the opponent would wish to be associated with. In this respect, Dr Colley referred me to the following words from Mr G Hobbs' decision in the Visa case:

*"It seems to me that if a trade mark proprietor ought to be free to decide for himself by what goods he will make (or break) the reputation of his trade mark in the United Kingdom (Colgate-Palmolive Ltd v Markwell Finance Ltd [1989] R.P.C. 497 at page 531, per Lloyd L.J.) He ought also to be able to prevent other traders, on the terms and conditions laid down in section 5(3), from using his trade mark so as to cause it to carry connotations, when used by him, that are truly detrimental to the distinctive character or repute that the trade mark would otherwise enjoy in his hands. That seems to me to be the case here."*

59. It is important to recognise that this comment followed and elaborated Mr Hobbs' finding that the use of the later mark VISA in respect of condoms was detrimental to the distinctive character and repute of the earlier mark (also VISA) for financial services.

60. There are a number of factors which distinguish this case from VISA including:

- a) The RAREWARE mark has not been shown to enjoy a reputation in its field on the same scale that VISA does in the field of financial services;
- b) The marks at issue in this case RARE v RAREWARE are similar rather than identical;
- c) The common element - RARE - is a very common word in the English language;
- d) Any association between computer games software and Lurex 'boob tubes' is unlikely to be "truly detrimental" (if indeed it is detrimental at all) to the earlier trade mark in the way that the association between financial services and condoms was found to be in the Visa case.

61. A mere risk of detriment is not sufficient to found an objection under Section 5(3). Even if it were, the objection would not succeed on the facts before me.

62. As regards the objection that the applicant's proposed use is parasitic, I find that argument wholly without foundation. There is no evidence before me that could justify the conclusion that the applicant's use of the word RARE as a trade mark for clothing would feed off the reputation of RAREWARE for computer games software. There is no persuasive evidence that the opponent's trade has stimulated a market for clothing "emblazoned" with the word RARE. Even if there was, it would not necessarily follow that the applicant's use of RARE as a trade mark for clothing would be able to take advantage of that demand, let alone unfair advantage.

63. In this respect I note that in the Visa case, Mr Hobbs accepted that the applicant would gain attention for its products by feeding off the reputation of the opponent's mark but he found that insufficient to constitute an unfair advantage. He said (at lines 10-17 on page 505):

*"I think it is clear that Sheimer would gain attention for its products by feeding on the fame of the earlier trade mark. Whether it would gain anything more by way of a marketing advantage than that is a matter for conjecture on the basis of the evidence before me. Since I regard it as quite likely that the distinctive character or reputation of Visa International's earlier trade mark would need to increase the marketability of Sheimer's products more substantially than that in order to provide Sheimer with an unfair advantage of the kind contemplated by section 5(3) I am not prepared to say that requirement..... is satisfied."*

64. I reject the opponent's allegation that the use contemplated by the applicant will feed parasitically off their repute. The Section 5(3) ground of opposition based upon the registered trade mark RAREWARE therefore also fails.

65. The opponent further claims that the mark RARE is entitled to protection as an "earlier trade mark" under Section 6(1)(c) of the Act because it qualified as a "well known mark" at the relevant date in accordance with Section 56.

66. Section 56(1) is as follows:

*"56.-(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -*

*(c) is a national of a Convention country, or*

*(d) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,*

*whether or not that person carries on business, or has any goodwill, in the United Kingdom.*

*References to the proprietor of such a mark shall be construed accordingly.”*

67. A "Convention country" is defined in Section 55(1) of the Act as *"a country, other than the United Kingdom, which is a party to the Convention."*

68. Dr Colley pointed out that, according to the evidence of Ms Stamper, the opponent has the mark RARE registered in the USA with effect from 17 May 1991 in respect of *"Equipment sold as a unit for playing a board game; video game cartridges and video game programmes, in Class 28."*

69. The USA is a member of the Paris Convention and the opponent can therefore claim to have been the proprietor of the mark RARE in a Convention country at the relevant date.

70. Dr Colley referred me to the evidence (see above) that the opponent's RARE mark had a reputation in the UK at the relevant date. To the extent that this ground of objection provided the opponent with a better basis for its Section 5(3) objection, Dr Colley invited me to consider it separately to the case based upon the earlier UK registration of RAREWARE in Class 9.

71. In General Motors Corporation v Yplon SA (1999 ETMR page 122), Advocate General Jacobs considered the difference between marks with a "reputation" and marks which are "well known". He concluded that:

*"33. The protection of well-known marks under the Paris Convention and TRIPS is accordingly an exceptional type of protection afforded even to unregistered marks. It would not be surprising therefore if the requirement of being well-known imposed a relatively high standard for a mark to benefit from such exceptional protection. There is no such consideration in the case of marks with a reputation. Indeed as I shall suggest later, there is no need to impose such a high standard to satisfy the requirement of marks with a reputation in Article 5(2) of the Directive."*

72. I do not believe that the opponent's evidence is sufficient to establish that RARE met the high standard necessary to qualify as a well known mark in the UK in January 1999. In particular, there is no evidence from ordinary customers for computer games software.

73. I find that particularly significant in this case because it appears that whilst the opponent company is generally referred to as RARE, its goods are primarily marketed under the name RAREWARE, usually in the form of a logo. It is to be expected that the average consumer will be more familiar with the signs used to distinguish the opponent's goods in the market place than the signs used to identify the company that makes them.

74. Dr Colley drew my attention to the Christmas 1997 edition of Edge magazine included in exhibit JS1 to Joao Sanches' evidence. I note that the front page includes the RAREWARE logo and the name RARE. However, the use of those signs is consistent with my findings. RARE is used as a reference to the company and RAREWARE as a reference to its goods. Further, I note that the circulation of Edge magazine is only 30,000 whereas the opponent claims to have sold over a million copies of one of its games in the UK in 1997 alone, indicating

that the readers of Edge magazine make up only a small proportion of the relevant public.

75. I further note that of the opponent's fifteen registrations around the world that pre-date the application in suit, only the US registration in Class 28 is for the mark RARE. All the others consist of, or contain, the word RAREWARE.

76. I do not, therefore, accept that RARE was entitled to protection in the UK in January 1999 as a well known trade mark.

77. Even if I am wrong about this, the identity of the marks would not still be enough to cause me to come to different conclusions to those expressed above with regard to the Section 5(3) objection.

78. This ground therefore also fails.

### **Costs**

79. Mr Smith complained that the applicant had been put to additional expense because the opponent twice amended its grounds of opposition, causing the applicant to file an amended counterstatement. He asked for an additional £135 reflecting the scale costs for perusing a notice of opposition and filing a counterstatement.

80. Dr Colley argued that the applicant had not been put to any significant extra work. The applicant had simply undertaken in smaller chunks the work that would have been required if all the grounds were included in the original notice of opposition. I do not accept this. The late addition of Section 3(6) ground of opposition - which I have found to be groundless - must have added unnecessarily to the applicant's costs because of the delay in raising it. I will therefore award the applicant an additional £135 as a contribution towards these additional costs. This should be added to the £1000 that I would normally have awarded the applicant, making £1135 in total.

82. I therefore order the opponent to pay the applicant £1135 within seven days of the end of the period allowed for appeal.

**Dated this 29<sup>TH</sup> day of October 2001**

**ALLAN JAMES  
For the Registrar**