

O-063-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2296214
BY CRIMINAL CLOTHING LIMITED TO REGISTER A
TRADE MARK IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION No. 91225
THERE TO BY AYTAN'S MANUFACTURING (UK) LTD**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 2296214
by Criminal Clothing Limited to register a
trade mark in Class 25**

and

**IN THE MATTER OF Opposition No. 91225
thereto by Aytan's Manufacturing (UK) Ltd**

Background

1. On 15 March 2002, Criminal Clothing Limited applied to register the following trade mark for: "Articles of clothing, headgear, footwear; parts and fittings for the aforesaid goods" in Class 25:



2. The application was accepted and published for opposition purposes.

3. On 6 November 2002, Aytan's Manufacturing (UK) Ltd filed a notice of opposition. The grounds of opposition are in summary:

a) Registration of the mark would be contrary to the provisions of Section 5(2)(b) of the Act. The Opponent is the owner of earlier United Kingdom trade mark registration number 2070540 and Community trade mark registration number 2137123 for the following:



registered in respect of: Articles of clothing; boots, shoes, slippers, sandals.

The trade mark CRIMINAL is confusingly similar to the Opponent's earlier trade marks CRIMINAL DAMAGE and is applied for in respect of identical goods in Class 25.

b) Under Section 5(4)(a) of the Act. The Opponent enjoys extensive goodwill and reputation in the trade mark CRIMINAL DAMAGE (which has been used since 1991) and use of the trade mark applied for would constitute a misrepresentation and would thereby tarnish the reputation the Opponent enjoys in the trade mark CRIMINAL DAMAGE and would consequently damage the Opponent's business.

4. The Applicant filed a counterstatement in which they admit that the goods applied for are identical to those covered by the Opponent's registrations; the grounds of opposition are denied.

5. Both sides ask for an award of costs to be made in their favour; both sides filed evidence.

6. The matter came to be heard on 16 November 2004. At the hearing, the Opponent was represented by Mr Simon Malynicz of Counsel, instructed by Marks and Clerk; the Applicant was represented by Mr Philip Roberts of Counsel, instructed by Rouse and Co International.

Opponent's Evidence

7. This consists of a witness statement together with eight exhibits, dated 27 May 2003 from Mr Jagtar Aytan. Mr Aytan explains that he is the Chairman and Founder of Aytan Manufacturing Limited, the Opponent. He explains that his company began trading in 1981 and over two decades have established good portfolios of clients which supply high street shops within major United Kingdom cities.

8. The CRIMINAL DAMAGE brand was conceived by Mr Aytan some time in 1993 and it has been used since then on casual clothing such as jeans, T-shirts, sweatshirts etc without interruption. CRIMINAL DAMAGE was applied for and registered as a trade mark in 1996; exhibit JA1 consists of a copy of that registration certificate.

9. CRIMINAL DAMAGE is used both with and without the skull and crossbones device, with an emphasis placed upon the CRIMINAL element as exemplified at Exhibit JA2 which shows how the trade mark is used on garments.

10. Turnover figures for the brand have increased year by year since 1993, with the figures for 2000-2001 totalling £1.6m and 2001-2002 being in excess of £3m. CRIMINAL DAMAGE clothing is sold by small, independent retailers. A list is provided which shows retailers in major cities throughout the United Kingdom who stock CRIMINAL DAMAGE products.

11. Promotional figures are also given for the brand. Mr Aytan accepts that they are modest, culminating in figures of £133k for the year 2002-2003. Exhibit JA3 contains examples of past advertisements as featured in publications such as Menswear Buyer and Menswear. I note that the majority are either undated (although Mr Aytan certifies the dates of some in his witness statement) or are dated after the relevant date in these proceedings.

12. A table giving details of exhibitions and trade fairs that the Opponent has attended is also provided. I note that a number of these took place before the relevant date in these proceedings,

the vast majority in London and Birmingham. Exhibit JA4 shows photographs and literature of the clothing exhibited at a trade fair in Madrid in 2001.

13. Mr Aytan explains that he has been aware of the Applicant's trading activities for the last couple of years. This was not initially of concern as the Applicant was using the trade mark LIFER BRAND CRIMINAL. In Mr Aytan's opinion, the words LIFER BRAND add a distinctive element to the trade mark and helps to differentiate it from CRIMINAL DAMAGE.

14. The Applicant's trade mark registration No. 2267948 for the word only trade mark CRIMINAL was not opposed as the goods in Class 18 and services in Class 42 did not, in Mr Aytan's view, overtly conflict with the Opponent's trading activities. However, when the Applicant commenced trading as CRIMINAL, the Opponent's trade mark attorneys sent a "cease and desist" letter to them. Exhibit JA6 is a copy of the letter dated 8 August 2001.

15. Mr Aytan goes on to give details of two incidents that occurred between the Applicant and Opponent companies. The first occurred at an exhibition in London on 14 August 2001 and involved his son, his Sales Representatives Mr Lee and Mrs Tina Anderson and Mr Wayne Collins, a Director of the Applicant Company. It appears that Mr Collins accused Mr Aytan's son of copying their trade mark CRIMINAL and expressed concern about confusion being caused between the CRIMINAL and CRIMINAL DAMAGE trade marks. Exhibit JA7 contains attendance notes made by Mr Aytan's solicitor at the time, giving details of the incident. Exhibit JA8 consists of a Statement by Wayne Charles Collins' in which Mr Collins provides his version of the incident, which I note differs from that given by the Opponent. I also note that this statement is neither dated, nor signed by Mr Collins and does not seem to follow any particular format.

16. Mr Aytan completes his statement by asserting that the Applicant had been aware of his company's trading activities for a considerable amount of time and that in his view the Applicant is trying to create a deceptively similar identity for their products, which has already succeeded in deceiving CRIMINAL DAMAGE customers into thinking that the CRIMINAL clothes marketed by the Applicant were marketed by his company. In Mr Aytan's view, this harm is compounded by the fact that the Applicant has targeted the same market segment and confusion is therefore inevitable.

Applicant's Evidence

17. This consists of two witness statements. The first, dated 27 August 2003, is from Jonathan Parker. Mr Parker explains that he is a registered trade mark attorney with the firm of Rouse and Co. International, the Applicant's professional representative in this matter.

18. In relation to exhibit JA2, attached to the witness statement of Mr Aytan, dated 27 May 2003, Mr Parker comments that:

- These proceedings are based on earlier United Kingdom registration No. 2070540 and Community trade mark registration No. 2137123, both trade marks being composite marks consisting of the words CRIMINAL DAMAGE! with a border alongside a skull

and crossbones device. Many of the examples contained in exhibit JA2 clearly show the “registered” symbol alongside the variety of CRIMINAL DAMAGE formats denoting that the trade marks in question are registered.

- Exhibit JSP1 shows details of two trade marks. The first is United Kingdom registration number 2301129 CRIMINAL DAMAGE (word only) registered in January 2003, the second is German registration number 30240304 for CRIMINAL DAMAGE (word only) registered as of 25 October 2002. Mr Parker comments that as CRIMINAL DAMAGE (word only) was not registered in the United Kingdom until January 2003 or in Germany until October 2002, the use of the “registered” symbol would appear to suggest that many of the examples, i.e. all those which are not for the composite mark which forms the basis of the opposition, filed in JA2 postdate the relevant date in these proceedings.

19. The second witness statement, dated 26 August 2003, is from Reza Dehghani. Mr Dehghani is the Managing Director and co-founder of two companies – Criminal Clothing Limited (the Applicant) and Caracal Agencies Limited, both companies being involved with the CRIMINAL brand. The following relevant points emerge from his witness statement:

- The Applicant’s first collection featured the trade mark LIFER BRAND CRIMINAL, illustrations of which are shown at exhibit RD1. CRIMINAL was first used on it’s own around May 2000, with illustrations of the products shown at exhibit RD2. These are dated Autumn/Winter 2000.
- To date, goods bearing the trade mark CRIMINAL have been sold to 124 retailers and 184 retail shops in the United Kingdom. The witness statement also provides details of turnover figures for the brand CRIMINAL, together with money spent on promotional activities. Table 1 below details the turnover figures for the UK and Table 2 details total promotion figures.

Table 1

Year	UK
1999/2000	£190,000
2000/2001	£600,000
2001/2002	£1,600,000
2002/2003	£1, 902,721
TOTAL	£2,390,000

Table 2

	2000	2001	2002	2003	TOTAL
Promotion	£18,000	£35,000	£54,000	£70,991	£177,991
Commission	£500	£5,000	£46,000	£79,549	£131,049
TOTAL	£18,500	£40,000	£100,000	£150,540	£309,040

- The marketing strategy for the brand shunned traditional methods and preferred to concentrate instead on the Internet and other “non-traditional” forms of advertising. Exhibit RD8 is a CD featuring three previous websites owned by the Applicant. Copies of marketing material are shown at exhibit RD9.
- The Applicant has been involved in sponsoring various events, but it is not clear whether these refer to the actual trade mark applied for.
- There are details of various celebrities who have worn CRIMINAL branded products on National TV, together with a list of television programmes where the brand has appeared. The Applicant has also exhibited at a number of trade fairs/exhibitions, including the Clothes Show in 2000, 2001 and 2002. Features on the brand have also appeared in a variety of magazines, examples of which are shown at exhibit RD14. I note that a number of these are dated after the relevant date in these proceedings and some refer to magazines which do not appear to have been sold in the United Kingdom, e.g. Habit Swedish Magazine, La Nazione (Italy), FHM (Germany), and Oyster (Australia).
- In Mr Dehghani’s view, the Applicant has made extensive use of the brand CRIMINAL and has consequently built up a substantial reputation and goodwill in the CRIMINAL name. He confirms that he is not aware of any confusion having occurred between CRIMINAL and CRIMINAL DAMAGE.

Opponent’s Rule 13(10) Evidence

20. This consists of three witness statements. The first, dated 24 December 2003, is from Humair Zakeria. Mr Zakeria explains that he has worked in the retail business for four years and for this period he has been aware of the brand CRIMINAL DAMAGE.

21. He explains that approximately two years ago, he became aware of a clothing range called CRIMINAL and since then, he has been inundated with comments from customers who have been confused by the CRIMINAL clothing on the market and the CRIMINAL DAMAGE clothes which he stocks. He goes on to say that customers notice that the CRIMINAL DAMAGE clothing which he stocks differs from that seen elsewhere (it being CRIMINAL clothing that they have seen in other outlets). He concludes that customers generally consider CRIMINAL DAMAGE and CRIMINAL to come from the same manufacturer.

22. In response to the witness statement of Mr Parker, Mr Zakeria confirms that he has sold garments bearing various forms of the brand CRIMINAL DAMAGE over the years, examples of which are shown at exhibit HZ1.

23. The second witness statement, dated 23 December 2003, is from Sunil Syal. Mr Syal explains that he has worked in the retail business for approximately ten years. He explains that he has been aware of the CRIMINAL brand for two years and receives regular complaints from customers who genuinely confuse the CRIMINAL clothes which are on the market with the CRIMINAL DAMAGE clothes which he stocks in his shop. He adds that

whilst the complaints occur frequently, due to the constraints of running a busy business, he does not have time to document and specifically note each complaint.

24. In response to the witness statement of Mr Parker, he confirms that he has sold garments bearing various forms of the CRIMINAL DAMAGE brand, examples of which are shown at exhibit 1.

25. The third witness statement, dated 28 November 2003, is from the same Jagtar Aytan who submitted a witness statement earlier in these proceedings. Mr Aytan confirms that the brand CRIMINAL DAMAGE has been used in various formats without the “registered trade mark” symbol or “TM” appearing alongside. Exhibit JA10 consists of swing tickets and labels.

26. In relation to the Applicant’s turnover figures as evidenced in Mr Dehghani’s witness statement, dated 26 August 2003, Mr Aytan points out that the Applicant has not stated whether these figures relate solely to the trade mark the subject of these proceedings and adds that the figures for 1999/2000 and 2000/2001 should be disregarded because they occurred prior to the alleged date of creation of the trade mark. Any sales occurring after March 2002 occurred after the material date. Mr Aytan further comments that, in his view, the advertising spend is very low.

27. In relation to alleged sponsorship deals, Mr Aytan comments that one of the events referred to (the Slinky music event) occurred before the trade mark which is the subject matter of the Application was created. Furthermore, no evidence has been supplied to back up the events claimed and no proof is offered that these associations and sponsorships relate to the trade mark in question.

28. In relation to magazine articles, Mr Aytan points out that in the main they consist of examples prior to November 2000, when the trade mark was alleged to have been created and the vast majority of examples are post March 2002.

29. Mr Aytan notes that there is no mention of the incident that occurred on 14 August 2001. He exhibits at JA13 copies of faxed letters from Mr D R Knott and Mr Adam Goodall which relate to the incident and which are dated 17 and 18 September 2001 respectively. These individuals appear to have witnessed the incident on 14 August 2001 and both appear to correspond with the Opponent’s version of events, although I note that the second fax appears to be incomplete.

30. Also included at Exhibit JA13 are two e-mails, allegedly from customers. In Mr Aytan’s view these show that the public is generally confused by the existence of the CRIMINAL brand. The date of the first e-mail is unclear, it appears to have been sent on to the Opponent’s representatives by the Opponent on 28 November 2003, but the date of the original e-mail is not provided. The second e-mail is dated 25 November 2003.

Applicant's Rule 13(11) Evidence

31. This consists of two further witness statements, dated 2 September 2004 and 20 September 2004 respectively, from the same Reza Dehghani mentioned above. Mr Dehghani explains that he did not address the incident of 14 August 2001 in his first witness statement as he was not present at the time and did not witness it. He confirms that he is not aware of any confusion arising out of the use of the CRIMINAL brand name, but comments on the manner in which the Opponent has attempted to move away from its CRIMINAL DAMAGE and device trade mark. This is seen as an attempt to mimic the CRIMINAL brand. Exhibit RD15 shows an example of a baseball cap sold by the Opponent. Unfortunately, the image is unclear and cannot be made out.

32. The second witness statement exhibits a clear copy of the photograph of the baseball cap referred to above.

33. That concludes my review of the evidence provided in so far as I think it is necessary.

Decision

34. Before I consider the substantive issues in these proceedings, I need to deal with an interlocutory issue which arose in the course of proceedings.

Background to the interlocutory issue

35. On 20 May 2003, the Opponent filed their evidence in chief; this consisted of a witness statement by Jagtar Aytan together with nine exhibits. On 28 August 2003, the Applicant filed their evidence in chief, which consisted of two witness statements; the first from Reza Dehghani, together with fourteen exhibits and the second from Jonathan Parker, together with one exhibit. In an official letter dated 2 September 2003, the Opponent was set a deadline of 28 November 2003 in which to file their evidence-in-reply.

36. On 28 November 2003, the Trade Marks Registry received a letter from Marks & Clerk (the Opponent's professional representatives), the relevant parts of which read:

“Please find enclosed the Witness statement of Jagtar Aytan dated 28th November 2003 together with four exhibits (JA10, JA11, JA12 and JA13) also signed and dated 28th November 2003. This forms the opponent's evidence in reply to the Witness Statements of Jonathan Parker and Reza Dehghani lodged by the applicant.

Also enclosed is a request for an extension of time within which to lodge further evidence. We consider this evidence to be important to the case in hand and it concerns examples of confusion which the Opponent's customers have experienced. Whilst every effort has been made to collate evidence and Witness Statements etc., from such customers it has not been possible to do so within the current deadline. It appears that members of the clothing industry frequently travel on business and we have experienced delays in communication due to this. We therefore trust that the Examiner is willing to

grant extension of one month from 28th November 2003 up to 28 December 2003 so that the Opponent may lodge same. We feel that the request for a one month extension is justified given that we are in the run up to the Christmas period which is the busiest time for the retail sector. We enclose a draft Witness Statement of Gurmail Bhakar and confirm that we have spoken to and await Statements from Silver Stop Limited and Attitude Clothing as well as others and we are in the process of collating Witness Statements for various other of our client's customers. We trust that we have shown the Examiner that an extension of time request is justified and we look forward to learning that it has been granted. We hope to be able to file the relevant Witness Statements very shortly."

37. In an Official letter dated 11 December 2003, the Trade Marks Registry indicated that its preliminary view was to grant the Opponent's request for additional time indicating that the extended period would expire on 28 December 2003. The Official letter also pointed out that the witness statement and exhibits received was a copy and as such, it could not be admitted into the proceedings. The period ending on 28 December 2003 was allowed for the Opponent to correct this deficiency. The parties were allowed until 25 December 2003 to comment on the Trade Marks Registry's preliminary view.

38. In a letter dated 18 December 2003, Rouse & Co. International, (the Applicant's professional representatives) responded. The main points which emerge from their letter are reproduced verbatim below:

"The reasons put forward do not support the extension of time allowed by the Registrar. The Opponent brought these opposition proceedings, we contend knowing that they would be vigorously defended by the applicant given other on going opposition proceedings between these parties. Therefore they would have been aware that the applicants were going to defend this action and therefore should have taken appropriate steps toward collating their evidence in November 2002 and beyond. As the Opponent itself is in the clothing industry, the reasons that the clothing industry frequently travel on business is irrelevant and/or at least would have been known by the Opponent company, given that they operate in this trade and therefore they should have factored this into their prosecution of this opposition. The fact that Christmas approaches and therefore travel on business increases, we contend is irrelevant."

AND:

".....It is our contention that additional evidence the Opponent is seeking to adduce is not in accordance with rule 13(10) as it is substantive evidence that should have been brought forward under rule 13(7).

AND:

"Witness statement of Jagtar Aytan dated 28 November 2003

The opponent has also filed evidence under the above witness statement which falls outside the ambit of rule 13(10). In particular exhibit JA13 puts forward copies of faxes the witness has stated he has located from his archive. This is evidence which should have been filed under rule 13(7) by the opponent and not under 13(10) when the applicant has no opportunity to respond to such evidence. Again the Opponent is using rule 13(10) to adduce evidence which should have been filed earlier in the proceedings and which the applicant has no opportunity to respond to. Exhibit JA13 and the relevant comments relating thereto must be struck out by the Registrar.”

39. In a letter dated 24 December 2003, Marks & Clerk responded to the above comments. They did so in the following terms:

“We enclose the Witness Statement of Sunil Syal to be submitted into the proceedings together with one Exhibit.

We believe that the opponent’s extension of time was correctly granted and would encourage the Registrar to uphold her decision. The other side contends that the fact that a business man travels on business is irrelevant. The Registrar will no doubt take into account that business people in many lines of trade and not just the clothing industry, travel and that this takes up a lot of time and therefore the obtaining instructions and discussing of trade mark matters with such clients is very much hampered by this. Furthermore the time of year at which deadlines are set are completely relevant. The fact that the UK biggest public holiday falls immediately before this deadline is indeed a significant fact especially in the clothing industry.

We further contend that Rouse & Co have probably misread the draft statement of Gurmail Bhakar as it clearly refers to Jonathan Parker’s Witness Statement and is therefore in response to the applicant’s evidence under Rule 13(10). The extension of time within which to lodge such evidence has been granted for valid reasons and Rouse & Co have failed to show otherwise.

We turn to Exhibit JA13 and paragraphs 17 and 18 of Jagtar Aytan’s Witness Statement which the other side have requested to be struck out. Our comments and this Exhibit relate specifically to Jonathan Parker’s Witness Statement and Reza Dehghani’s Witness Statement and as such clearly fall under the ambit of Rule 13(10) and should be allowed into the proceedings.”

40. I note that in a letter dated 29 December 2004, Marks & Clerk filed a Witness Statement of Humair Zakeria together with Exhibit HZ1. In their letter to the Trade Marks Registry dated 13 January 2004, Rouse & Co International objected to this evidence on the same basis i.e. it was not evidence-in-reply. In their letter they comment:

“We note in paragraph 3 that the witness makes reference to the Witness statement of Mr J Parker filed on behalf of the Applicant, however we fail to see how the content of the Witness Statement, paragraph 2 in particular, relates to Mr Parker’s Witness Statement.

We would therefore ask that the Witness Statement as a whole be struck out or at least paragraph 2 of the Witness Statement as not being evidence in reply”

41. In an Official letter dated 18 February 2004, the Trade Marks Registry advised the parties that having considered their comments, the preliminary view to grant the request for additional time was maintained. In addition, it expressed the preliminary view that the evidence filed by the Opponent under Rule 13(10) was admissible and: “will be left for the Hearing Officer’s judgement at the determination of this case.” A period expiring on 3 March 2004 was allowed for the parties to comment.

42. In a letter dated 3 March 2004, Rouse & Co International provided detailed reasons for their submissions and requested a hearing. I do not propose to include here their submissions on the extension of time issue as these were covered in their skeleton argument. However, their specific concerns regarding the Opponent’s evidence-in-reply are reproduced below.

Firstly, in relation to Mr Aytan’s Witness statement:

“Paragraph 1 refers to how the trade mark has been used. This is not a new issue – the use of the mark is fundamental to the Opponent’s claim as to passing off and should have been addressed in the evidence in chief....

Paragraphs 2-16 raise no new issues and contain no factual statements. It is open to the Opponent to criticise the Applicant’s evidence at the hearing if it so wishes but that is not the purpose of evidence in reply...”

“Paragraph 17 is a blatant attempt to introduce what should have been evidence in chief into the proceedings after the due date in particular the content of Exhibit JA13. There is not even an attempt to try and claim that this is evidence in reply to a new issue raised by the Applicant....

Paragraph 18 is another blatant attempt to introduce what should have been evidence in chief into the proceedings after the due date in particular the contents of Exhibit JA13. ... The Opponent tries to claim that this is evidence in reply but it quite clearly is not. The question of whether there was any confusion and the particular form of that confusion was an issue for the Opponent to address in its evidence in chief; there is no new issue raised in the Applicant’s evidence that is addressed by the Opponent’s evidence in reply...

Paragraph 19 contains no facts and is simply the Opponent’s view of the Applicant’s evidence. Again it is open to the Opponent to criticise the Applicant’s evidence at the hearing if it so wishes but that is not the purpose of evidence in reply...”

In relation to Mr Syal’s Witness statement:

“Paragraphs 1-3 are a blatant attempt to introduce what should have been evidence in chief into the proceedings after the due date. There is not even an attempt to try and claim that this is evidence in reply to a new issue raised by the Applicant.....

We are happy for the content of paragraph 4 to stand in a re-executed statement without the offending paragraphs 1-3.”

In relation to Mr Zakeria’s witness statement:

“Paragraphs 1-2 are a further blatant attempt to introduce what should have been evidence in chief into the proceedings after the due date. There is not even an attempt to try and claim that this is evidence in reply to a new issue raised by the Applicant.....

We are happy for the content of paragraph 3 to stand in a re-executed statement without the offending paragraphs 1-2.”

43. An interlocutory hearing took place before me on 3 June 2004 to determine (i) the Opponent’s request for additional time in which to file their evidence-in-reply and (ii) the acceptability or otherwise of that evidence as evidence-in-reply.

The Skeleton Arguments

The Opponent’s Arguments

44. The key parts of the Opponent’s skeleton argument appear verbatim below:

“Principles regarding time extensions

12. O’s submission is that this objection is being pursued on principle for purely tactical reasons rather than out of any concern about prejudice to the proceedings or to the A. No such prejudice has ever been identified.

13. Indeed, Rouse & Co. actually wrote to the Registry “putting it on notice” that it would object to any extensions of time right at the outset of the proceedings; see their letter of 29-1-03. At that time such a stance appeared needlessly aggressive given that there had not been any delay by either side. In A’s submissions, this letter shows that A always intended to object as a matter of principle, irrespective of the actual merits of any time extension request.

14. Obviously that is not the right approach for R to take. R has to decide such requests on their individual merits.

15. Taking account of the guidance set out in the *Practice Direction – Extension of Time Requests*, it is submitted that this request was correctly granted:-

15.1. It was a first request, made within the time given for filing the evidence;

15.2. It was for a short period, namely one month;

15.3. Proper reasons were given, namely travel, the effect of the pre-Christmas rush on the retail sector, and the fact that the evidence had to be obtained from third parties not subject to O's control;

15.4. It was accompanied by evidence in draft in order to demonstrate progress to date;

15.5. It was accompanied by specifics on the sort of evidence that would be forthcoming and who would be giving it (and that evidence is now actually before R);

15.6. As stated earlier, no prejudice to A or to the proceedings generally has been shown.

The reply evidence point

16. The applicable principles governing reply evidence are contained in three patent cases involving similarly worded provisions:- *Ford Motor Company Ltd (Nastas) Application* [1968] RPC 220; *Ernest Scragg & Sons Ltd's Application* [1972] RPC 679 and *Peckitt's Application* [1999] RPC 337.

17. Taking account of the guidance in those cases, it is submitted that the evidence complained of is clearly in reply in that it specifically addresses matters raised in the A's evidence. Dealing specifically with A's complaints:-

17.1. They object to paragraph 1 of Aytan's witness statement, but it specifically addresses the fact that Mr Parker's statement proceeds on a false assumption;

17.2. A objects to paragraphs 2-16 and 19 of Aytan. Those paragraphs contain factual evidence based on Mr Aytan's own knowledge and from the perspective of someone experienced in the relevant trade; see for example, paragraphs 3, 8, 13 and 19;

17.3. In addition, paragraph 9 of Mr Aytan responds to the Internet evidence of the applicant, which the O must be entitled to do;

17.4. It is accepted that the paragraphs contain a certain amount of submission or comment on the evidence mixed in with factual evidence. However this is hardly unusual in Registry proceedings and is, in any event, a matter of weight (not admissibility) for the Hearing Officer to decide;

17.5. Paragraphs 17 and 18 are objected to on the basis that they ought to have been evidence in chief. These paragraphs respond to Mr Dehghani's paragraph 16. Further, evidence of confusion is obviously relevant to the issues R has to decide;

17.6. The witness statements of Messrs Syal and Zakeria are objected to on the basis that it is a "blatant attempt to introduce what should have been evidence in chief" and that it is

an “abuse of process”. In fact their evidence goes to two issues:- the lack of confusion alleged by Mr Dehghani and the wrong inferences drawn by Mr Parker.”

The Applicant’s Arguments

45. The key parts of the Applicant’s skeleton argument appear verbatim below:

“2. Request for Refusal of Extension of Time

2.1. The practice on extensions of time has been set out in one of the Registrar’s Law Practice Directions, a copy of which is at Attachment A. The practice is based on the comments of Mr Simon Thorley Q.C, acting as the Appointed Person in the Muslim Parliament case dated 9 October 2001.

2.2. When considering these comments and implementing the Practice Direction, we would submit to the Registrar that the following facts are to be taken into account:

(a) The party requesting the additional time initiated these proceedings back in November 2002.

(b) The Applicant put the Opponent on notice in January 2003 that it would contest any request for additional time.

(c) There were no settlement discussions or any other event to suggest that these proceedings would not be prosecuted in full to a decision. As the Opponent would have been aware at the time of bringing this opposition, the Applicant was already vigorously defending other oppositions and there was nothing to suggest this would not be the case in this matter.

2.3. Turning to the requirements of what is to be shown for an extension to be granted it can be seen that these have not been met.

(a) The Opponent has not explained what it has done [there are no details of dates of persons contacted and why they would not provide the evidence];

(b) The Opponent refers to the fact that the run-up to Christmas is a busy time, yet the fact is that the evidence was due between 28/8 and 28/11. The Opponent knew when filing the Opposition in November 2002 that this evidence would be required as the Applicant had been defending other oppositions between the parties. Further the Opponent had already had to file evidence in reply in CTM opposition proceedings between the parties and therefore some if not the majority of the work required in this matter had already been undertaken by August 2002 when the Opponent’s evidence in reply in the CTM matter had been filed.

3. The Request that the Refusal of the evidence filed under Rule 13(10) be considered at an Interlocutory Stage

3.1. The Registrar's letter of 18 February 2004 states that the admissibility of the evidence filed under Rule 13(10) should be considered by the Hearing Officer at the determination of the case. The Applicant requests that this decision be made now to avoid the Hearing Officer being influenced by evidence which he hears but then decides is inadmissible. Also it seems far more appropriate for the conduct of the case for both the Opponent and the Applicant to know the evidence on which the matter will be decided. It will save both the Registrar's Hearing Officer and the parties, time and effort when preparing for the final hearing, if they have to prepare submissions only in respect of evidence which will be considered by the Hearing Officer in the final determination of these proceedings.

4. Request for Refusal of the evidence filed under Rule 13(10)

4.1. These arguments apply to the evidence filed on 28 November 2003 and, in the event that the extension of time request is maintained, to the evidence filed on 29 December 2003.

4.2. Rule 13(10) is reproduced at Attachment B and clearly states that evidence filed should be in reply to the evidence filed under Rule 13(9). We then propose to take the Registrar through the evidence illustrating each part of the relevant evidence which does not meet this criteria. In support of our submission we would refer the Registrar to the cases of *Ernest Scragg and Sons Ltd's Application* [1972] RPC 679 as per the Registry reference manual on evidence in reply; and *Peckitt's Application* [1999] RPC 353-356 a patent preliminary decision in which the Comptroller's Hearing Officer considers evidence in reply."

My decisions following the Interlocutory Hearing

46. Having considered the parties skeleton arguments and submissions at the hearing, my decisions were: (i) to grant the request for an extension of time to 28th December 2003 and (ii) to allow into the proceedings the witness statements of Mr Humair Zakeria, Mr Sunil Syal and Mr Jagtar Aytan. In response to the Applicant's submissions that some of this evidence should be struck out as being not strictly in reply or merely submissions, I decided that the three witness statements should be admitted into the proceedings in totality. However, I concluded that paragraphs 17 and 18 of Mr Aytan's Witness statement of 28 November 2003 and Exhibit JA13 were not strictly in reply. That said, having exercised my discretion and admitted the offending paragraphs and exhibit into the proceedings, I allowed the applicant a period of three months from the date of the hearing to file any evidence directed to the paragraphs and the exhibit mentioned. Having heard submissions on costs, I decided that each side should bear its own costs.

47. Subsequent to my decision indicated above, Rouse and Co. International filed a Form TM5 requesting a written statement of the grounds of my decision. As it was not possible for this written statement to be issued ahead of the substantive hearing, I asked the parties at the

substantive hearing if they were content for my written reasons to be included in this decision; they confirmed that they were.

The Opponent's request for additional time

48. The Official letter of 2 September 2003 set the Opponent a deadline (under the provisions of rule 13(10) of the Trade Mark Rules 2000) of 28 November 2003 for this purpose. In a letter dated 28 November 2003, the Opponent sought an extension of this period of 1 month i.e. until 28 December 2003.

Extensions of time are governed by rule 68 of the Trade Mark Rules 2000 the relevant parts of which read:

“Alteration of time limits (Form TM9)

68. –(1) The time or periods-

(a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (3) below, or

(b) specified by the registrar for doing any act or taking any proceedings,

subject to paragraph (2) below, may, at the written request of the person or party concerned, or on the initiative of the registrar, be extended by the registrar as she thinks fit and upon such terms as she may direct.

(2) Where a request for the extension of a time or periods prescribed by these Rules-

(a) is sought in respect of a time or periods prescribed by rules 13, 18, 23, 25, 31, 32, 33 or 34, the party seeking the extension shall send a copy of the request to each person party to the proceedings;

(b) is filed after the application has been published under Rule 12 above the request shall be on Form TM9 and shall in any other case be on that form if the registrar so directs.

(3) the rules excepted from paragraph (1) above are rule 10(6) (failure to file address for service), rule 11 (deficiencies in application), rule 13(1) (time for filing opposition), rules 13(3) and 13(5) (time for filing counter-statement), rule 13(4) (cooling off period) save as provided for in that rule, rule 23(4) (time for filing opposition), rule 25(3) (time for filing opposition) rule 29 (delayed renewal), rule 30 (restoration of registration), rule 31(2) (time for filing counter-statement), rule 32(2) (time for filing counter-statement), rule 33(2) (time for filing counter-statement) and rule 47 (time for filing opposition).

(4) subject to paragraph (5) below, a request for extension under paragraph (1) above shall be made before the time or period in question has expired.”

I note that in accordance with rule 68 of the Trade Mark Rules 2000, the request was made before the time or period in question had expired, was made on Form TM9 (together with the appropriate fee) and was copied to the Applicant for registration.

49. In deciding whether in the exercise of his discretion granting additional time is appropriate, the Registrar applies the guidance provided by the Appointed Persons in *Liquid Force* [1999] RPC 429 and *Siddiqui's Application* (BL 0/481/00) details of which are included in the Trade Mark Registry's Practice Direction entitled: Extensions of time in Inter-Partes Proceedings. In *Liquid Force* Mr Hobbs said:

“In the interests of legal certainty it is plainly desirable that valid applications for registration should succeed and valid objections to registration should be upheld without undue delay. The time limits applicable to opposition proceedings under the 1994 Act and the 1994 rules were formulated with that consideration in mind. The Registrar endeavours to ensure that prescribed time limits are observed, subject to his power to grant fair and reasonable extensions of time in appropriate cases.”

In *Siddiqui's Application* Mr Thorley said:

“1. It must always be borne in mind that any application for an extension of time is seeking an indulgence from the Tribunal. The Act and the Rules lay down a comprehensive code for the conduct of prosecution of applications and for the conduct of opposition. The code presumes a normal case and provides for it.

2. There is a public interest which clearly underlies the rules that oppositions and applications should not be allowed unreasonably to drag on.

3. In all cases the Registry must have regard to the overriding objective which is to ensure fairness to both parties. Thus, it can grant an extension when the facts of the case merit it.”

AND:

“Accordingly, it must be incumbent on the application for the extension to show that the facts do merit it. In a normal case this will require the applicant to show clearly what has been done, what he wants to do and why it is that he has not been able to do it. This does not mean that in an appropriate case where he fails to show that he has acted diligently but that special circumstances exist an extension cannot be granted. However, in the normal case it is by showing what he has done and what he wants to do and why he has not done it that the Registrar can be satisfied that granting an indulgence is in accordance with the overriding objective and that the delay is not being used so as to allow the system to be abused.”

50. The full reasons for the Opponent's request are produced in paragraph (36) above, but can be summarised as: additional evidence regarding examples of confusion from the Opponent's

customers is to be provided; members of the clothing industry frequently travel on business resulting in delays in communication; and the run up to Christmas is the busiest period for the retail sector. To further support the request, the Opponent provided a draft witness statement from Gurmail Bhakar and indicated that they had spoken to and were awaiting statements from Silver Stop Limited, Attitude Clothing and others.

51. In my view, when the comments of the Appointed Persons are borne in mind, the reasons provided by the Opponent justified the granting of additional time. In *Siddiqui's* Application Mr Thorley suggests that in considering requests for additional time, the following three criteria should be applied: the applicant will be required to (i) show clearly what has been done, (ii) what he wants to do and (iii) why it is that he has not been able to do it.

52. Testing the Opponent's reasons for additional time against the three point test suggested by Mr Thorley, one can see that in so far as point (i) of the test is concerned, one can infer that the opponent had contacted a number of their customers with a view to them providing statements on their behalf within the statutory period allowed. The fact that the Opponent had filed the draft witness statement of Mr Bhakar and were able to provide an indication that they had spoken to and awaited statements from Silver Stop Limited, Attitude Clothing and others, indicates to me that they had been diligent. In so far as points (ii) and (iii) of Mr Thorley's criteria are concerned, the Opponent clearly indicated that they were awaiting statements from their client's customers and had been unable to furnish these statements because those responsible for the statements had been travelling on business. The Opponent also mentions that the additional month requested i.e. 28 November 2003 to 28 December 2003 falls during the run up to Christmas which is the busiest time for the retail sector.

53. Whilst an Opponent is clearly able to exercise control over the timeliness of the filing of their own evidence (and in this regard I note that the witness statement of Mr Aytan was filed in time), I agree with the comments in Mr Malynicz's skeleton argument, i.e. that the Opponent's are, when the evidence is to be provided by third parties, to a greater or lesser extent, in the hands of those third parties. In these proceedings the Opponent wished to rely on statements from their customers as to the confusion which had already arisen between the respective trade marks. If this evidence was persuasive, it would clearly go to the concerns expressed by Mr Hobbs when in *Liquid Force* he said:

“In the interests of legal certainty it is plainly desirable that valid applications for registration should succeed and valid objections to registration should be upheld....”

Finally, when as in these proceedings an Opponent is relying on evidence from third parties, I think it is reasonable to take into account that the provision of such statements may not be accorded the priority the parties to the proceedings and the Trade mark Registry may wish. Whilst it would obviously have been preferable for the third party statements to be provided in the prescribed period provided, the fact that those from whom statements were sought were travelling on business can not be ignored; nor can one ignore that as the statements were not to hand by 28 November, those responsible for them may be required to focus their attentions on other matters given that the extended period sought ran over the Christmas period.

54. In all the circumstances, I concluded that as: (i) the additional period sought was short, (ii) the reasons provided by the Opponent satisfied the *Siddiqui* criteria mentioned above and (iii) the evidence which the Opponent wished to provide may have a bearing on the final determination of the proceedings, the Opponent's request for additional time should be allowed.

The Evidence in reply

55. Rules 13(10) and 13 (11) of the trade mark Rules 2000 read as follows:

“13(10) Within three months of the date upon which a copy of the applicant's evidence is sent to him under paragraph (9) above, the person opposing the application may file evidence in reply which shall be confined to matters strictly in reply to the applicant's evidence, and shall send a copy thereof to the applicant.

13(11) No further evidence may be filed, except that, in relation to any proceedings before her, the registrar may at any time if she thinks fit give leave to either party to file such evidence upon such terms as she may think fit.”

56. In their skeleton arguments, both parties drew my attention to a number of patent cases which dealt with the issue of evidence in reply. It is, I think, well established that the most recent authority on what does and what does not constitute evidence in reply is that in *Peckitt's Application* [1999] RPC 337. Head note (12) of that case reads as follows:

“(12) Evidence “strictly in reply” must not be evidence of a sort which would give cause for the other party to put in further evidence on a substantive issue and must not involve a departure from a case put in chief. It might, however, comment upon the other party's evidence with the aim of finality and the fixing of a hearing at an early stage. If it neither altered nor strengthened the party's case and was not such as to prolong the pre-hearing procedure by justifying another round of evidence from the other party, it should be allowed to stand. (paras. 57-64, 66) *Ford Motor Co. Ltd (Nasta's Application* [1968] R.P.C. 220 at 225 line 37 (Lloyd-Jacob. J), and *Ernest Scragg & Sons Ltd's Application* [1972] R.P.C. 679 at 682 (Graham. J.)), applied.”

57. The applicant's specific criticisms of the Opponent's evidence in reply are reproduced above at paragraph (42). Turning first to Mr Aytan's witness statement dated 28 November 2003, it was my view that paragraphs (1), (2) to (16) and (19) did constitute evidence in reply as they fell within the guidance provided in *Peckitt's Application*. I shall deal with each of the paragraphs in turn.

Paragraph 1

58. This paragraph responds to the comments made by Mr Parker in his witness statement dated 27 August 2003; as such, it is evidence in reply.

Paragraphs 2-16 and 19

59. The Applicant objects to these paragraphs on the basis that they contain no factual statements and are simply a critique of the Applicant's evidence which should be made at the hearing and not in the form of evidence; this point has some merit. However, the question of what constitutes judicial evidence has been recently reviewed in Tribunal Practice Notice (TPN) 5 of 2004. In this regard I note the comments of Simon Thorley QC in *Academy Trade Mark* [0/169/00] when he said:

“It is important in proceedings before the Registry as in any other proceedings that a proper line is drawn between that which is truly evidence, which should be the subject of a properly prepared affidavit, statutory declaration or witness statement as the case may be, and submissions or arguments in relation to the matter in dispute which need not. To allow the two to be present in the same document is bound to lead to confusion and misunderstanding.”

I also bear in mind the following comment which appears in the TPN mentioned:

“...The Trade Marks Registry will not refuse to accept or comment on ‘dual purpose’ documents, but Principle Hearing Officers may well raise the matter with parties or comment in their decisions. It is therefore, in everybody's interest, parties to disputes, practitioners, the Trade Marks Registry and Principle Hearing Officers for ‘evidence’ to be evidence of fact and for ‘submissions’ to be presented at an appropriate point bringing the facts stated in the evidence and the case law together for the attention of the Hearing Officer.”

60. In this regard, I agree with comments at paragraph 17.4 of Mr Malynicz's skeleton argument i.e. that the paragraphs indicated contain a mixture of fact and submission. Keeping in mind the Peckitt criteria and the Trade Marks Registry's stated policy on this matter indicated above, it was my view that these paragraphs should not be struck out as not being evidence in reply.

Paragraphs 17 and 18

61. In relation to these paragraphs and Exhibit JA13 to which they refer, having applied the Peckitt criteria, I agreed with the Applicant that they could not be considered strictly in reply. However, as the evidence contained within these paragraphs and the associated exhibit related to apparent instances of confusion between the respective trade marks, they may, in my view, have been of assistance in the final determination of these proceedings. Consequently, I exercised my discretion in the Opponent's favour and allowed the offending paragraphs and exhibit into the proceedings. Having done so, I allowed the Applicant a period of three months to file any evidence in reply to these paragraphs they considered appropriate.

62. In reaching this conclusion, I was once again mindful of the comments of the Appointed Person Mr Hobbs QC in *Liquid Force*, namely:

“In the interests of legal certainty it is plainly desirable that valid applications for registration should succeed and valid objections to registration should be upheld...”

In order to avoid a potential multiplicity of proceedings, it was sensible, in my view, to allow this evidence to be admitted into the proceedings at first instance; the applicant would not have been prejudiced by this approach, as they were allowed a period of three months in which to respond to the offending paragraphs and exhibit.

The witness statements of Mr Syal dated 23 December 2003 (paragraphs 1-3) and Mr Zakeria dated 24 December 2003 (paragraphs 1-2)

63. I note that in paragraph 19 of his first witness statement dated 27 May 2003, Mr Aytan comments, inter alia, that:

“..What the Applicant’s are doing is trying to create a deceptively similar identity for their products, which has already succeeded in deceiving customers of my company into thinking that the CRIMINAL clothes marketed by the Applicant were manufactured by Aytan’s manufacturing...”

In paragraph 16 of his first witness statement dated 26 August 2003, Mr Dehghani comments, inter alia, that:

“..I confirm that I am not aware of any confusion having taken place by customers due to our use of CRIMINAL brand name and the use by Aytan’s Manufacturing Company (UK) Limited of its CRIMINAL DAMAGE & device trade mark.”

64. Having applied the Peckitt criteria to these witness statements, I find myself in agreement with Mr Malynicz’s comments in paragraph 17.6 of his skeleton argument, in so far as he comments that the two witness statements indicated respond to the comments made by Mr Dehghani. Although this evidence could arguably have been submitted with the Opponent’s evidence in chief, once the assertion made by Mr Aytan was effectively challenged by Mr Dehghani, it was, in my view, reasonable for the Opponent to reply in the manner they did. It is for these reasons that I considered the witness statements indicated to be evidence in reply.

The Substantive Objections

65. I now turn to consider the substantive objections to the application. The first is based on Section 5(2)(b) of the Act. This reads:

“5.-(2) A trade mark shall not be registered if because -

(a)

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

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

An earlier right is defined in Section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,”

66. In reaching a decision I take into account the well established guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Mayer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all the relevant factors; *Sabel BV v. Puma AG*;

(b) the matter must be judged through the eyes of the average consumer of the good/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and circumspect and observant – but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*

Comparison of goods

67. In his skeleton argument and at the hearing, Mr Roberts sensibly conceded that the Applicant's goods were either "identical or closely similar" to those of the Opponent's earlier trade marks.

Comparison of marks

68. Although this opposition is notionally based on two earlier trade marks, I note that they are effectively identical. Consequently, for present purposes, I shall refer only to United Kingdom registration No. 2070540 which is registered with effect from 3 May 1996 for a specification of goods reading: "Articles of clothing; boots, shoes, slippers, sandals." For convenience, the respective trade marks at issue in these proceedings are reproduced below:

Opponent's trade mark:



Applicant's trade mark:



69. The reputation of a trade mark is an important consideration when making a determination under Section 5(2) of the Act, as it may enhance the distinctive character of the earlier trade mark and in so doing widen the penumbra of protection. Whilst the Opponent has filed evidence of use of their CRIMINAL DAMAGE trade marks in these proceedings, I note that at the hearing Mr Malynicz focused on the inherent characteristics of the Opponent's mark. In response to criticisms of the Opponent's evidence by Mr Roberts, Mr Malynicz said:

"The submission that followed that was that somehow we had no evidence of acquired distinctive character and therefore the wider penumbra of protection. I hope I made it clear in my opening, and if I did not I should do so now, that the acquired distinctive

character, the penumbra is relied upon per se, that the mark is fancy, catchy, eye catching etc. So it does not really matter whether there has been any evidence of use of it....”

70. This was a sensible approach. As I indicated at the hearing, both parties trade marks are, in my view, inherently distinctive for the goods at issue and both would enjoy a wide penumbra of protection; as such, the question of what use has been made of the Opponent’s earlier trade mark for this purpose is largely academic.

71. With these observations on the distinctive character of the trade marks in mind, I now go on to compare the respective trade marks from the visual, oral/aural and conceptual perspectives, keeping in mind that the average consumer for the goods at issue in these proceedings is the general public. The Opponent’s trade mark consists of the device of a skull and cross bones together with the words CRIMINAL DAMAGE and an exclamation mark; the totality is set in a rectangular box with the device element appearing in a square as the first element of the mark which in turn creates the effect of separating the device element from the words. The Applicant’s trade mark consists of the word CRIMINAL alone also in a rectangular box presented in what one might describe as a manuscript type appearance. Clearly the Opponent’s trade mark contains a number of additional elements to that of the application in suit; however, both have the word CRIMINAL in common; to that extent at least there must be a degree of visual similarity. That said, in my view the skull and cross bones device, the word DAMAGE and the presence of the exclamation mark appearing in the Opponent’s trade mark, when taken together, render the respective marks visually dissimilar. In this regard, I note that at the hearing Mr Malynicz said:

“You mentioned the device aspect. Obviously my learned friend stresses this because effectively this is, in my submission, his only argument of substance, which is that visually the marks can be distinguished, and that is undoubtedly the case...”

In light of that concession, I need say nothing further about the visual comparison.

72. Notwithstanding the visual dissimilarity between the respective trade marks, Mr Malynicz argued that the marks were similar when considered both orally/aurally and conceptually. Having reminded me of the general principle that words in marks tend to speak louder than devices (see in this regard the comments of the Hearing Officer in *Oasis Stores Ltd’s Application* [1998] RPC 631) in relation to the former, he drew my attention to the decision of the Court of First Instance in *Claudia Oberhauser v OHIM* [2003] ETMR 58 and in particular the comments reproduced below:

“38. However when assessing the visual aspects of the signs in question it is important to note the relative complexity of the earlier mark, which is a mixed sign, containing the verbal components already described, together with a number of figurative components in very varied colours. It must therefore be held, just as it was by the Board of Appeal (para. [18] of the contested decision), that the signs in question, assessed as a whole, are not visually similar.”

“40. Notwithstanding this, it must be pointed out that, in the light of the considerations set out above concerning the similarity of the dominant component of the earlier mark to the mark claimed, the two signs are in fact aurally similar. The fact that the entire sign in respect of which registration was applied for is incorporated in the dominant component of the sign comprising the earlier mark justifies the conclusion that the figurative components are left out of account when comparing the aural aspects of the signs makes the similarities between the signs stand out more clearly than in the visual comparison.”

“47. It should be pointed out, in the context of the global assessment of the likelihood of confusion, that, because the average consumer retains only an imperfect image of the mark, the predominant component of the mark in question is of major importance. Thus the dominant verbal component of the earlier mark, “Miss Fifties”, is of major importance when analysing the sign as a whole, because the average consumer looking at a jeans label takes in and remembers the predominant word element of the sign, which enables him to make the same choice on the occasion of a subsequent purchase. It must be observed in that connection that consumers do not take in the various figurative aspects of the earlier mark, because they see them as decorative features of a label that is commonplace for jeans in its form and components, and not as the most important element indicating the origin of the product.”

In relation to this case, Mr Malynicz said:

“I would say those words read on to this case, that effectively, looking at our trade mark CRIMINAL DAMAGE, the only way that a consumer can remember that is to remember the word CRIMINAL DAMAGE. He does not remember the skull and cross bones brand. He never refers to it as the skull and cross bones brand. When he wants a repeat purchase he does not go and ask for a skull and cross bones brand. He goes and asks for a CRIMINAL, or CRIMINAL DAMAGE brand, and that is where the confusion lies.”

73. I note that the above decision relies on the fact that the words “Miss Fifties” appearing in the earlier trade mark are the dominant verbal component of that trade mark and that as a result the potential for confusion is heightened through imperfect recollection. At the hearing Mr Malynicz argued that the CRIMINAL element was the distinctive and dominant element of the Opponent’s trade mark. He pointed out that as the first word in the trade mark it would be considered more important, that it was a longer word than the second word with more syllables and that grammatically it qualified the second word. Not surprisingly Mr Roberts disagreed. He said:

“In my submission, there is no clear distinctive or dominant component of . . . the earlier mark.”

74. Whilst both parties agreed that one can not elevate the principles that words in trade marks speak louder than devices and that the first word appearing in a trade mark is the most important into rules of law, they are nevertheless important factors that I must keep in mind. Having considered the parties submissions, it is my view that the Opponent’s trade mark is most likely to be remembered and referred to as CRIMINAL DAMAGE. While the skull and cross bones

device and the exclamation mark are liable to impact on the visual impact the trade mark will make, it is by the words appearing in it that it is most likely to be remembered and referred to. The Applicant's trade mark consisting as it does of the word CRIMINAL alone, can only be remembered and referred to as CRIMINAL. That being the case, as both marks share the word CRIMINAL as the first/only word, they must also share a degree of oral/aural similarity. In relation to the importance of aural similarity when considering likelihood of confusion, I note that in *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] FSR 77, it was held by the European Court of Justice that:

“29. In the light of the foregoing, the answer to the questions referred to the Court must be that it is possible that mere aural similarity between trade marks may create a likelihood of confusion within the meaning of Article 5(1)(b) of the Directive. The more similar the goods or services covered and the more distinctive the earlier mark, the greater will be the likelihood of confusion. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make a global assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings. In making that assessment, account should be taken of all relevant factors and, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered. It is not possible to state in general terms, for example by referring to given percentages relating to the degree of recognition attained by the mark within the relevant section of the public, when a mark has a strong distinctive character.”

75. Turning now to the conceptual comparison. In his skeleton argument Mr Roberts argued that apart from the inclusion in the Opponent's trade mark of the various visual elements mentioned above, the word CRIMINAL in the Applicant's trade mark would be seen as a noun whereas the word CRIMINAL in the phrase CRIMINAL DAMAGE uses the word adjectivally. Mr Malynicz responded that even if that were the case there would still be conceptual similarity. He said:

“Only a criminal commits the crime of criminal damage. There is an obvious conceptual association there.”

76. In addition, Mr Malynicz took me to examples of the Applicant's use of its trade mark appearing in exhibit RD3, for example: CRIMINAL FIGHT CLUB, CRIMINAL ALL STARS and in exhibit RD9 for example: CRIMINAL LOCKDOWN and CRIMINAL RUN. As Mr Malynicz, pointed out there is nothing to restrict the Applicant's use of their trade mark to noun use and the use indicated above clearly shows the Applicant using it in adjectival form.

77. Having considered the parties submissions in this regard, it is my view that the respective marks are conceptually similar. The use of the word CRIMINAL either alone or in the phrase CRIMINAL DAMAGE clearly relate either to a person who commits crime, or a particular category of crime such a person may commit. Both marks have, as Mr Malynicz put it, negative,

anti-establishment connotations; as such, they will, in my view, create similar mental pictures in the minds of the average consumer of the goods in question.

78. Mr Malynicz then drew to my attention other factors which he felt would contribute to the likelihood of confusion. These were (i) the identical nature of the goods at issue, (ii) the manner in which such goods are marketed, (iii) the potential for the Opponent's mark to be abbreviated and (iv) the evidence of confusion provided by the Opponent.

79. In so far as (i) is concerned I have already noted that Mr Robert's helpfully conceded that the goods were either identical or closely similar. In relation to (ii) Mr Malynicz drew my attention to the decision of the Court of First Instance in *Jose Alejandro SL v OHIM* [2004] ETMR 15 and in particular paragraph 57 where the court said:

"57. It is appropriate, however, to examine the objective conditions under which the marks may be in opposition on the market. It must be observed that it is common in the clothing sector for the same mark to be configured in various different ways according to the type of product which it designates. It is also common for a single clothing manufacturer to use sub brands (signs that derive from a principle mark and which share with it a common dominant element) in order to distinguish his various lines from one another (women's, mens, youths). In such circumstances it is conceivable that the relevant public may regard the clothing designated by the conflicting marks as belonging, admittedly to two distinct ranges of products but as coming, none the less, from the same undertaking (see, to this effect, Fifties para. [49]). Accordingly, the Board of Appeal was right to find that the public might believe that the products designated by the mark BUDMEN formed part of a new range of products and were marketed by the proprietor of the BUD mark or by an economically-linked undertaking para. [22] of the contested decision."

80. In relation to (iii) Mr Malynicz argued as follows:

"Likelihood of abbreviation is also important. We say that there is a likelihood of abbreviation. CRIMINAL DAMAGE is a long mark. we say it will be, and is, abbreviated to CRIMINAL, for two reasons. First of all, that is the first word. Often people cannot be bothered saying the second word. Also we say that is where the distinctive part of the mark really is."

81. Finally, in relation to (iv) the evidence of confusion filed by the Opponent, Mr Malynicz said:

"... I need to be quite clear about this. Our position on the evidence is that this is a matter for you. You do not need evidence of confusion, but we say the evidence in this case, although some of it has its limitations, only appears to confirm what should be obvious to you as a matter of applying the legal standards and looking at the notional and fair use of both marks, which is that these marks are plainly confusingly similar, and indeed the evidence confirms that."

Likelihood of confusion

82. Having considered the respective trade marks from the visual, oral/aural and conceptual standpoints, I have concluded (i) that although each has the word CRIMINAL in common, they are, overall, visually dissimilar, (ii) that the Opponent's trade mark is likely to be remembered and referred to as CRIMINAL DAMAGE and as such, the trade marks share a degree of oral/aural similarity and (iii) that the presence of the common element CRIMINAL in both is likely to trigger similar conceptual associations in the minds of the average consumer of the goods in question; I must also keep in mind the principle of imperfect recollection. In reaching a decision on the likelihood of confusion I must of course apply a global appreciation to these conclusions keeping in mind the traits of the average consumer of goods purchasing items of clothing and that the goods at issue are effectively identical. In this regard, I note the comments of the Appointed Person in *React Trade Mark* [2000] 8 RPC 285 when he said:

“The Hearing Officer was prepared of his own experience to hold that the initial selection of goods would be made by eye, and I believe this is correct. I must therefore, in taking into account the likelihood of aural confusion, bear in mind the fact that the primary use of the trade marks in the purchasing of clothes is a visual act.”

83. Notwithstanding this comment, given the wide penumbra of protection the Opponent's trade mark enjoys, the degree of oral/aural and conceptual similarity between the respective marks, the identical/closely similar nature of the goods at issue, the traits of the average consumer when purchasing items of clothing, the manner in which such goods are marketed and allowing for imperfect recollection, I am satisfied that there is a real likelihood of confusion and the opposition under Section 5(2)(b) of the Act succeeds accordingly. Finally, I should point out that in reaching this conclusion under Section 5(2)(b) of the Act, I have not needed to rely on any of the evidence of confusion filed by the Opponent in these proceedings. As Mr Malynicz fairly accepted at the hearing, some of this evidence had “its limitations” and, in any case, I did not need evidence of confusion to reach a conclusion in this matter.

84. Finally, I turn to the ground based on Section 5(4)(a) of the Act, which reads:

“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, or
- (b)

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.”

85. In order to determine the issue under Section 5(4)(a) of the Act, I shall adopt the guidance provided by the Appointed Person, Mr Geoffrey Hobbs Q.C in the *Wild Child* case [1998] 14 RPC 455. In that decision Mr Hobbs states that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (i) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (ii) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (iii) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar

that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

86. From the outset I should record that both parties agreed that in these proceedings the ground based on Section 5(4)(a) was not the "make weight" it sometimes is in proceedings before the Trade Marks Registry. I now shall consider each of three elements in turn.

87. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been "acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed" the relevant date may therefore be either the date of the application for the mark in suit or the date at which the acts first complained of commenced – as per the comments in *Cadbury Schweppes Pty Ltd v The Pub Squash Co Pty Ltd* [1981] RPC 429. In this respect, the Applicant's first use of their CRIMINAL mark the subject of the application appears to be in 2001; although I note that a CRIMINAL mark in a different script was first used by the Applicant in May 2000.

Goodwill

88. In his first witness statement, Mr Aytan explains that CRIMINAL DAMAGE has been used by his company since 1993 on casual clothing such as jeans, t-shirts, sweatshirts, fleeces and parkas, that turnover figures have increased from £800k in 1993/94 to £1.6m in 2000/2001 and £3m in 2001/02, that use has been made of the CRIMINAL DAMAGE marks on swing tickets, neck and breast labels and across the front of garments, that advertising spend for the CRIMINAL DAMAGE brand (directed principally at the trade) rose from £4k in 1993/94 to £50k in 2000/2001 and £123k in 2001/2002, that the Opponent has promoted the CRIMINAL DAMAGE brand to the trade at a range of exhibitions and trade fairs since 1995, and that the Opponent's CRIMINAL DAMAGE clothing is stocked by in excess of eighty retail outlets situated throughout the United Kingdom. At the hearing Mr Malynicz said:

“The goodwill, as I say, is not only in the device as registered, but in different versions, and I have taken you to one or two of these.... Effectively, what you have under Section 5(4)(a) is a goodwill in the words CRIMINAL DAMAGE that is not restricted to the mark as registered, but to a number of different ways in which it is got up; and secondly, you have also got uses to emphasise the CRIMINAL part more by making it darker, bolder, or whatever.”

89. To make good these claims Mr Malynicz drew my attention to the examples of the various trade marks used by the Opponent at exhibits JA2 and JA4 of Mr Aytan's first witness statement. I note that all the labels etc provided in exhibit JA2 feature the words CRIMINAL DAMAGE as a prominent element. I also note that in some cases the words appear in a composite mark identical to the form in which it is registered, in others the words appear with other (different) device elements or with the letters CD, or with the words alone, or with the words without a device element but together with descriptive non-trade mark matter; in some cases the word CRIMINAL is presented in a darker typeface or in a contrasting colour to the word DAMAGE which effectively highlights the word CRIMINAL.

90. At the hearing Mr Roberts argued that the Opponent's evidence lacked quantitative and chronological details and instead relied heavily on sweeping assertions. In addition, he argued that at its high point, the evidence only supports the proposition that goodwill has been built up amongst the clothing trade rather than the general public.

91. Whilst I am mindful of the comments of Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer(a partnership)* [2002] RPC 19 regarding the difficulty of assessing a passing off claim on paper, I note that Professor Annand, sitting as the Appointed Person, in *Loaded* (BL 0/191/02), accepted that proof of goodwill could be accomplished by other means. From the evidence provided, I think one can reasonably infer that the Opponent has been using a variety of signs since 1993 all of which feature the words CRIMINAL DAMAGE as a prominent element, on a range of casual clothing which has been sold throughout the United Kingdom and that the turnover of goods bearing these words has amounted to a little over £10m prior to the first use by the Applicant of their CRIMINAL trade

mark the subject of these proceedings, in 2001 and £13m prior to the filing of the application for registration. Whilst I accept that the promotion of the mark appears to have been principally directed at the trade, one can not ignore the fact that when the goods are sold to the general public they will have carried one or more of the CRIMINAL DAMAGE trade marks. Consequently, in my view, the Opponent has satisfactorily demonstrated that they have acquired a goodwill in the words CRIMINAL DAMAGE in relation to casual clothing at both the date of the application for registration and at the date it appears that the Applicant's mark was first used i.e. 2001.

Misrepresentation

92. Earlier in this decision I concluded that the trade mark the subject of the Opponent's registration was similar to that of the Applicant and as the goods at issue were either identical or closely similar, there would exist a likelihood of confusion between the respective trade marks. I need to add little to this conclusion here, other than to highlight the fact that in use, the Opponent uses their CRIMINAL DAMAGE trade marks in a variety of different formats a number of which, for example, the use of the words alone, the use of the words with non-trade mark matter or the use of the words with other features where the word CRIMINAL is highlighted in some manner, simply increases the likelihood of confusion. This view of the position is of course supported by the witness statements of Messrs Zakeria and Syal who are retailers of the Opponent's goods and who have actual experience of the respective marks being confused.

Damage

93. At the hearing Mr Malynicz said:

“My learned friend says there is no damage. I struggle with that because you are dealing with marks that are similar in relation to goods that are similar, in relation to the same sector of the market, direct competitors effectively, damage would follow, so it is simply not understood how he can contend that there would be no damage.”

Once again I have little to add to this assessment. When similar marks are used in relation to identical or similar goods in the same area of trade, damage is inevitable.

Conclusion under Section 5(4)(a) of the Act

94. In my view (i) the Opponent enjoys a goodwill in the words CRIMINAL DAMAGE (ii) that the Applicant's use of their CRIMINAL trade mark the subject of the application would amount to a misrepresentation and (iii) that such misrepresentation would lead to damage on the part of the Opponent. Consequently, the ground of opposition based on Section 5(4)(a) of the Act succeeds.

Costs

95. The opposition has succeeded and the Opponent is entitled to a contribution towards his costs. In relation to the interlocutory issue mentioned earlier in this decision, I directed that both

parties should bear their own costs. I therefore order the Applicant to pay to the Opponent the sum of £1,850. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14th day of March 2005

**M KNIGHT
For the Registrar
The Comptroller-General**