

**TRADE MARKS ACT 1938 (AS AMENDED)
AND TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 1496284
BY B.F.P. S.R.L. TO REGISTER THE MARK
BRUMAS'S BK (STYLISTED) AND DEVICE IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
NO 39987 BY JACK SCHWARTZ SHOES, INC**

**TRADE MARKS ACT 1938 (AS AMENDED)
AND TRADE MARKS ACT 1994**

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**IN THE MATTER OF Application No 1496284
by B.F.P. S.r.l. to register the mark
Brumas's BK (stylised) and device in Class 25**

10 **and**

**IN THE MATTER of Opposition thereto under
No 39987 by Jack Schwartz Shoes, Inc**

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DECISION

20 On 6 April 1992, B.F.P. S.r.l. of Monte San Giusto, Italy, applied under Section 17(1) of the
Trade Marks Act 1938 (the old Act) to register a trade mark under No 1496284 in Class 25 in
respect of:

25 "Shoes, boots, sandals, sabots, slippers, skirts, trousers, shirts, clothing belts, dresses,
coats, jackets, overcoats, raincoats, T-shirts, pullovers, hats, scarves, gloves, foulards
(neckerchieves); all included in Class 25".

The mark sought to be registered is in the following form:

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35 The mark was examined and with the agreement of the applicants, the specification was
amended to that set down above and a disclaimer to the exclusive use of the letters "BK" was
entered on the Application Form TM3. The application was then advertised for opposition
purposes.

40 On 30 June 1994, Jack Schwartz Shoes, Inc of New York, USA, filed notice of opposition to
this application. The grounds of opposition are, in summary:

i They are the owners of the following registered mark:

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| | MARK NO | MARK | GOODS |
|----|---------|------|--|
| 5 | 1518165 | BK | Shoes, boots, sneakers, trainers and athletic shoes; sportswear; casual clothing; shirts; T-shirts; jackets; trousers; pants; sweatpants; sweatshirts; sweaters; socks; suits; warm-up suits; jogging suits; tracksuits; coats; headwear; all included in Class 25. |
| 10 | | ii | As the goods covered by the opponents' registration are the same or are of the same description as those covered by the applicants' application and the respective marks are confusingly similar, registration of the applicants' mark would be contrary to the provisions of Section 12 of the Act. |
| 15 | | iii | Substantial use has been made of the registered mark which has acquired considerable reputation and goodwill and the use pre-dates the filing date and any use of the applicants' mark. Registration would therefore be contrary to the provisions of Section 11 of the Act. |
| 20 | | iv | The applicant is not entitled to claim to be the proprietor of the mark applied for and therefore registration of the application would offend against the provisions of Section 17(1). |
| 25 | | v | The Registrar is asked to exercise his discretion and refuse the application. |

The applicants deny the opponents' grounds of opposition and they also seek the exercise of the Registrar's discretion in their favour.

30 Both parties seek an award of costs in their favour.

Only the opponents filed evidence in these proceedings and the matter came to be heard on 18 February 1998. At the hearing the applicants were not represented. The opponents were represented by Mr J R Olsen and Mr A Leitch of S J Berwin & Co, their trade mark agents.

35 By the time this matter came to be heard, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. These proceedings having begun under the provisions of the Trade Marks Act 1938 however, they must continue to be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, all references in this decision are references to the provisions of the old law.

Opponents' evidence (Rule 49)

45 In support of their opposition, the opponents filed Statutory Declarations by: Larry Schwartz of New York, USA; Trevor Michael Banks of Bradford, West Yorkshire; Norman Connor of

Brentford, Middlesex; Brian Geminder of Edgware, Middlesex; and Peter David Lincoln of Watford, Hertfordshire. I turn first to consider Mr Schwartz's' evidence.

Mr Schwartz, who is Vice President of the opponent company, Jack Schwartz's Shoes, Inc., filed two declarations. In his first declaration, dated 12 October, 1994, Mr Schwartz says that he has held the position of Vice President since June 1980 and that his company commenced use of the mark BK in the USA in relation to footwear in 1986, and subsequently other clothing. Exhibit A comprises a press cutting about the BRITISH KNIGHTS brand name together with photocopies of brochures promoting sports clothing bearing the mark BK.

Use in the United Kingdom began in 1989 and since then has been in respect of the following goods:

"Footwear, including shoes, boots, sneakers, trainers and athletics shoes; sportswear; casual clothing; shirts; t-shirts; jackets; trousers; pants; sweatpants; sweatshirts; sweaters; socks; suits; warm-up suits; jogging suits; track suits; coats, headwear and bags".

Sales have continued and UK wholesale turnover figures for the goods sold under the mark BK and advertising expenditure for the period July 1989 to January 1994 have been as follows:

| | Turnover (wholesale) | Advertising expenditure |
|---------------------------|-----------------------------|--------------------------------|
| | £ | £ |
| July 1989 to January 1990 | 1,326,302 | 42,332 |
| year ending January 1991 | 5,481,527 | 252,063 |
| year ending January 1992 | 7,635,269 | 303,864 |
| year ending January 1993 | 6,800,000 | 435,000 |
| year ending January 1994 | 4,800,000 | 783,000 |

Exhibit B comprises examples of brochures showing use of the mark in relation to variety of sports and leisure clothing from the period 1991 to 1994. A price list dated Autumn 1993 contains details about BK BRITISH KNIGHTS footwear.

Exhibits C and D include photocopies of labels, tags, a shoe box top, wrapping paper, window displays and retailers' display units.

Mr Schwartz goes on to say that as shown in these exhibits, the letters BK is a predominant trade mark or "house mark" which is employed in relation to his company's full range of goods. The mark, Mr Schwartz says, is used not only alone, but also in conjunction with BK DYMACEL, BK BRITISH KNIGHTS, KNIGHTS BK, BK PINNACLE, BK ADVANCER, BK OPTION, AMBASSADOR BK and BK HIKERS and other marks.

Exhibits E, F, G and H show how the mark has been advertised and promoted by the opponents and also as reported by the media in the United Kingdom and Europe.

5 Mr Schwartz states that his company has exhibited BK footwear and clothing at various European trade shows. Exhibit I comprises the February 1994 issue of the his company's European Newsletter which outlines promotion activities. Mr Schwartz says that the mark BK has become well known not only in the trade but also to the public and particularly young adults throughout Europe. He says that the filing of application no 1492284 (BRUMAS'S BK) cannot have been in ignorance of the extensive advertising and sales that there have been 10 made in relation the mark BK. Use of the mark BRUMAS'S BK in the United kingdom would constitute use which is likely to lead to deception and/or confusion of the public and which is calculated to derive benefit from his company's extensive reputation and goodwill in the mark BK.

15 Mr Schwartz's says that investigations undertaken on his company's behalf have located no use of the mark BRUMAS'S BK in the United Kingdom. Exhibit J consists of a copy of the investigation report made in this regard. Enquiries were made by various means which resulted in the following disclosures:

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- (a) Staff at the Italian Trade Centre said that the applicants are not known as an exporter to the United Kingdom;
 - (b) Searches of databanks have failed to trace any record of the use of the mark 25 BRUMAS'S in the United Kingdom;
 - (c) A member of staff of INDUSTRIA ITALIANA CALZATURE (which is at the same address as that given for the applicants) said that the applicants do not sell its products in the United Kingdom and that any purchases would have 30 to be made direct from Italy.

Mr Schwartz concludes his first declaration by producing Exhibit K, a copy of the Registration Certificate for the mark BK which in respect of identical goods to those of application no 1496284 for BRUMAS'S BK. Mr Schwartz says that his and his company's 35 view is that in relation to clothing, footwear and headgear, use of the mark BRUMAS'S UK is likely to be confused with his company's registered mark BK, leading to confusion and/or deception of the public and trade.

40 In his second declaration, dated 13 March 1996, Mr Schwartz refers to a schedule of his company's existing world-wide trade mark registrations (Exhibit A) and pending applications (Exhibit B), all in Class 25. Mr Schwartz says that it can be seen that his company values its trade mark very highly and has taken steps to protect its exclusive right to use the BK mark in many countries throughout the world. He goes on to say that his company is not publicly owned and therefore the world-wide turnover and advertising expenditure associated with the 45 BK mark is confidential information and he is not permitted to disclose such figures in the context of these proceedings.

Exhibit C to Mr Schwartz's declaration comprises catalogues from Spring 1991 to Spring 1994. Exhibit D includes copies of advertisements. Exhibit E includes press cuttings and advertisements from a variety of publications, which Mr Schwartz says confirms the significant reputation of his company.

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Mr Schwartz refers to opposition made by his company to the applicants' mark in Canada and Italy which have still to be determined. He concludes his second declaration by saying that it is inconceivable that the applicants could have been unaware of his company's interest in the BK mark at the time of filing its United Kingdom application. The use of the letters BK in their mark is a clear attempt to imitate his company's BK mark and to trade off the resulting confusion and/or association with his company amongst retail customers and consumers.

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I now go on to consider the third statutory declaration, dated 21 February, 1996, which is from Trevor Michael Banks. Mr Banks is the Divisional Buyer at Empire Stores Limited responsible for sportswear, sports shoes and men's footwear and he has held the position for twelve years. He states that Empire Stores has purchased and sold through its mail order catalogue footwear under the name of BK BRITISH KNIGHTS and this brand is well known to him and is often referred to by the name BK or BRITISH KNIGHTS or BK BRITISH KNIGHTS. Orders are made by himself to the distributors, BK Sports, using both the code number and the style name which often includes the reference BK. He concludes by saying that he is not aware of any other brand of footwear that has a brand name incorporating the letters BK but if he did come across such a name he would automatically associate it with BK BRITISH KNIGHTS since they are the only company that uses the mark BK.

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The fourth statutory declaration is made by Norman Connor, dated 7 March 1996, who is the Finance Director of Cobra Sports Limited, a retailer of sports shoes, clothing and equipment. He says he has held the position of Finance Director for seven years and his company has for a number of years purchased and sold through its retail stores a variety of goods under the brand name BK BRITISH KNIGHTS. To his knowledge, all goods sold under the brand bear an emblem comprising the letters BK. He is informed by his company's buying department that stock is ordered by reference to the brand name (incorporating the BK mark) and by code number. Mr Connor says he believes (and has spoken with colleagues responsible for buying stock) that there is no other brand for footwear or clothing, as far as he and his company is aware, that uses the element BK as apart of its name or logo. Mr Connor concludes by stating that if he were to see such a brand he would think that they were possibly trying to copy or imitate BK BRITISH KNIGHTS in some way and would certainly be concerned about the origin of the goods.

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The fifth statutory declaration is made by Brian Geminder and is dated 27 February 1996. Mr Geminder is the Managing Director of Geminder Brothers Sales Limited and says he has been involved in the sale of footwear products for approximately thirty years. His company, which sells its products to customers in response to orders using catalogues prepared by BK Sports, has for a number of years purchased footwear under the brand name BK BRITISH KNIGHTS. Customers, he says, order products by reference both to the code numbers and names of the products (which invariably incorporate the mark BK). He goes on to say that he has neither heard, nor is aware of any other company active in the footwear industry, that uses

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a name incorporating the letters BK, including the brand BRUMAS'S BK. Mr Geminder concludes by saying that if he did hear of the brand BRUMAS'S BK, he would immediately enquire whether it was connected with BK Sports or BK BRITISH KNIGHTS in some way.

5 The sixth and final statutory declaration is dated 19 February 1996, and made by Peter David Lincoln. Mr Lincoln is the Finance Manager of BK Sports Inc, which is the United Kingdom distributor for the opponents in relation to the brand of clothing and footwear known as BK BRITISH KNIGHTS. He says he has held the position of Finance Manager for approximately one year and is a fully qualified chartered accountant. He states
10 that BK Sports (and its predecessor Brooklyn Sports) have been responsible for the development of the brand in the United Kingdom market since it was first introduced in 1989 and the following goods have been sold under the opponents' trade marks:

15 "Shoes, boots, sneakers, trainers and athletic shoes, sportswear, casual clothing, T-shirts, jackets, trousers, pants, sweat pants, sweatshirts, socks, coats, jogging suits, tracksuits, headgear, bags and backpacks"

20 He goes on to say that in relation to the goods, various trade marks are used in connection with the brand but each one incorporates the element BK. Exhibit A comprises copies of catalogues for the brand from Autumn 1994 to Autumn 1996 illustrates this.

25 Mr Lincoln says goods bearing the BK mark are sold through a variety of channels (his company services over 1,000 individual accounts in the United Kingdom) and although it is not possible to provide the number of units sold to these accounts, his company's biggest customers are:

Blanc Leisure Limited, Cobra Sports, Allsports, Dolcis, Jack Shah, M Bros, Grattans, Foothold, Geminder Bros, John David Sports.

30 Mr Lincoln says that the brand is well known in the clothing and sports industries and turnover to date amounts to some £30 million. He sets out the turnover figures associated with the BK mark in the United Kingdom since June 1992.

35 Mr Lincoln refers to the marketing associated with the BK mark, which has been in the order of between 8% to 12% of sales, or approximately £3.2 million. He says that advertising and promotional activity has taken place through extensive use of television and cinema campaigns as well as through catalogues, participation in United Kingdom trade shows and campaigns in both trade and consumer magazines. He refers to television advertising on Channel 4 and by
40 MTV which reaches over 51 million homes throughout Europe.

Exhibit B consists of a press release by MTV relating to the sponsorship by BK Sports of its Movie Awards programme. The expenditure with MTV in 1994 was £600,000 and in 1995 (to 1 November) was £400,000.

45 Exhibit C comprises video cassettes containing commercials shown on MTV.

Exhibit D comprises a list of consumer publications together with copies of various magazines in which the BK mark is advertised.

5 Mr Lincoln concludes his evidence by stating that he is not aware of any goods sold under the applicants' mark BK BRUMAS'S or any other brand or clothing or footwear on sale by reference to a BK mark. In his opinion use of any mark incorporating the element BK would doubtless lead to confusion since customers are likely to assume that any product bearing a mark incorporating the element BK emanates from the opponents or is associated with the opponents' brand in some way.

10 As indicated above, the applicants filed no evidence in support of their application so I go on to consider the grounds of opposition. I first consider the grounds of opposition under Section 12(1) of the Act, which reads as follows:

15 Section 12(1): Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

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- (a) the same goods
 - (b) the same description of goods, or
 - 25 (c) services or a description of services which are associated with those goods or goods of that description.

The reference in this Section to a near resemblance is clarified by Section 68 (2B) of the Act which says that reference in the Act to a near resemblance of marks are references to a
30 resemblance so near as to be likely to deceive or cause confusion.

At my instigation the opponents considered their attack under this section, bearing in mind the relevant date of these proceedings, which is 2 April 1992, the date when the applicants applied to register their mark. At that date the opponents did not have their mark BK
35 registered in the United Kingdom nor indeed had they applied to register it. Having considered the matter the opponents decided not to pursue their ground of opposition under Section 12(1) of the Act. This in my view must be the right decision since they had neither an application for registration or a registration at the relevant date. I therefore find formally that the opponents fail in their ground of opposition under Section 12(1) of the Act.

40 I next consider the ground of opposition under Section 11 of the Act, which reads as follows:

Section 11: It shall not be lawful to register as a trade mark or part of a trade mark any
45 matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.

The established test for an objection under this section is set down in Smith Hayden & Co Ltd's application (Volume 1946) 63 RPC 101 as adapted by Lord Upjohn in the BALI trade mark case (1969 RPC 496). In relation to the present case the test may be expressed as follows:

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“Having regard to the user of the mark BK, is the tribunal satisfied that the mark applied for, BRUMAS'S BK if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?”.

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I now turn to the evidence in these proceedings and the submission made by Mr Leitch, who represented the opponents.

In relation to the opponents' evidence, Mr Leitch emphasised the impact that advertising and promotion of the mark has made in the market place. The goods appealed to a fashion conscious young age group. The application, he said, could not have been made in ignorance of the extensive advertising and sales there had been in relation to the mark BK and use of the applicants' mark BRUMAS'S BK would likely lead to deception or confusion of the public. Mr Leitch submitted that the public would take the applicants' mark, which contains the letters BK, as an indication of the opponents' goods and the applicants would derive benefit from the opponents extensive reputation and goodwill in their mark. Mr Leitch referred to the absence of any evidence from the applicants in the proceedings.

It is established to my satisfaction that the opponents have a significant reputation in the mark BK in the United Kingdom and in relation to a wide range of clothing and footwear. The evidence submitted by the opponents details extensive use of their mark from July 1989 to the relevant date of the applicants' application. As Mr Leitch pointed out, advertising and promotion of the mark has made it very well known in the market place. Against this, the applicants have not filed any evidence and have not discharged the onus which is on them to show that normal and fair use of their mark will not lead to confusion in the marketplace.

Bearing in mind the opponents' use of their mark BK and their reputation in it, it appears to me to be self evident that if the applicants commenced to use their mark, which includes as a prominent element the letters BK, in relation to identical goods the likelihood of confusion and deception of a substantial number of the public as regards origin of the goods, must be high. I find therefore that the opponents succeed in their ground of opposition under Section 11.

I now go on to consider the matter under Section 17(1), that is to say the opponents' claim that the applicants cannot claim to be the owners of the mark. I add here that there is no reference in the opponents' ground of opposition under this section to the applicants intention to use their mark in the United Kingdom.

In his submissions, Mr Leitch referred to the report commissioned by the opponents (Exhibit J to Mr Schwartz's declaration dated 12 October 1998) which sets out to discover whether or not the applicants have used their trade mark in the United Kingdom. While I am

prepared to accept that its findings are probably correct in establishing that there has not been any use of the applicants' mark in the United Kingdom, and there are legitimate doubts about the applicants intentions, it has not been proven to my satisfaction that the applicants are not the proprietors of the mark BRUMAS'S BK. The opposition under Section 17(1) therefore fails.

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The opponents, having succeeded in their opposition under Section 11, no exercise of the Registrar's discretion is appropriate.

10 Finally there is the matter of costs. Mr Leitch pointed out the applicants' failure to respond to his client's evidence, which had been filed in March 1996, and their withdrawal from the hearing at short notice. This was an abuse of the opposition procedure, he said, and the applicants' conduct merited the opponents' costs being borne in their entirety.

15 I agree with the opponents' view that the applicants' conduct in these proceedings has been less than satisfactory. I therefore take the view that the normal award of some £735; based on the Registrar's scale of costs should, in the circumstances of this case be increased to £1,250. I therefore order the applicants to pay to the opponents the sum of **£1,250**.

20 **Dated this 4 day of March 1998**

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N A HARKNESS
Assistant Registrar of Trade Marks
For the Registrar
the Comptroller-General