

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2061604  
IN THE NAME OF VALUCCI DESIGNS LIMITED  
(TRADING AS HUGO HOG'S)**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NUMBER 45580 IN THE NAME OF  
I.P.C. MAGAZINES LIMITED**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF application No 2061604 in the name of  
Valucci Designs Limited (trading as Hugo Hog's )**

5

**and**

**IN THE MATTER OF opposition thereto under No 45580  
in the name of I.P.C. Magazines Limited**

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**Background**

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On 20 March 1996, Valucci Designs Limited (trading as Hugo Hog's), of 84 Commercial Road, London, E1 1NU, applied to register the trade mark LOADED in Class 25 in respect of:

Articles of clothing for men, women and children, excluding footwear.

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On 3 October 1996, I.P.C. Magazines Limited filed notice of opposition to this application in which they say that they are the leading publishers of a wide range of periodical magazines, that since 1994 they have published a magazine aimed at young men under the title LOADED, and have sold clothing and other items of merchandise under the trade mark LOADED. The opponents say that they have a substantial reputation in the name LOADED and associated goodwill. The grounds of opposition are in summary:-

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1. **Under Section 5(4)(a)** By virtue of the law of passing-off.
2. **Under Section 3(6)** Because the application was made in bad faith.
3. **Under Section 56(2)** Because the opponents' trade mark LOADED is entitled to protection under the Paris Convention as a well-known trade mark and thus constitutes an earlier trade mark, and that the goods of the application are identical or similar to the earlier trade mark, and therefore, registration of the application would be contrary to Section 5(1) or Section 5(2)(a).
4. **Under Section 5(3)** Because the opponents are the owners of an earlier trade mark which is registered for an identical trade mark in respect of goods and services which are not the same or similar and in which the earlier mark has a reputation.

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The earlier trade mark referred to in the grounds of opposition is as follows:

No.	Mark	Journal/Page	Specification
5 1554526	LOADED	6063/0100	Printed publications; all included in Class 16

10 The applicants filed a counterstatement in which they admit that the opponents publish a magazine under the title LOADED, but not that they have a reputation or have conducted any merchandising under that mark. They deny all of the grounds of opposition and ask the Registrar to refuse the opposition and to make an award of costs in their favour.

15 Both sides filed evidence in these proceedings. The matter came to be heard on 5 November 1999, when the applicants were represented by Mr Guy Burkhill of Counsel, instructed by S E Kingsley, their trade mark attorneys, the opponents were represented by Mr Thomas Moody-Stuart of Counsel, instructed by F. J Cleveland, their trade mark attorneys.

### 20 Opponents' evidence

25 This consists of two Statutory Declarations executed by Luci Rathan, a publisher employed by I.P.C. Magazines Limited, a position she has held since February 1997, having previously been employed as Strategic Planning Manager with the same company from 1992. Ms Rathan says that in both of these positions she has been fully aware of the magazines published by IPC Magazines Limited, and confirms that unless otherwise indicated, the information contained in her Declaration comes either from her own personal knowledge or from the company records.

30 The first Declaration is dated 4 April 1997, and Ms Rathan begins by saying that her company is the leading publisher of consumer and general interest magazines and since April 1994, a magazine under the title LOADED which she says is aimed at young men between the ages of 20-35 and which, inter alia, includes features on fashion, celebrities, travel, lifestyle and sport. She refers to exhibit LR1 which consists of copies of a magazine called LOADED, the earliest dating from May 1994, and a pack containing media information for this magazine which appears to date from 1997 and which shows that the magazine was amongst the leaders in its category.

35 Ms Rathan says the magazine has been very successful and has rapidly become the leading magazine in its field, and that she is told that this was already the case at the relevant date in March 1996. She sets out turnover figures for 1994 to 1996, which are as follows:

40	Year	Turnover
	1994	£1,205,000 (9 months)
	1995	£3,930,000
45	1996	£9,002,000

She says that the turnover can be apportioned into revenue from copy sales and from advertising as follows:

	<b>Year</b>	<b>% copy sales</b>	<b>% advertising</b>
5	1994	71.6%	28.3%
	1995	60.3%	28.3%
	1996	56.5%	40.8%

10 She next sets out the circulation figures taken from an audit by ABC which she says is the industry standard:

	<b>Period</b>	<b>Circulation (copies per issue)</b>
	launch - June 1994	69,400
15	July - December 1994	95,800
	January - June 1995	127,700
	July - December 1995	174,880
	January - June 1996	239,000
20	July - December 1996	323,000

She next sets out the amounts spent on promotion of the magazine:

	<b>Year</b>	<b>Promotion</b>	<b>Sale of return</b>
	1994	£275,000	£98,000
25	1995	£197,000	£181,000
	1996	£355,000	£482,000

30 Ms Rathan says that the magazine has become very well known and somewhat notorious, saying that references such as LOADED readers have become generic in the media, and refers to exhibit LR2 which consists of extracts from other publications, some from the media industry, referring to the emergence, and in some instances, the success of the magazine in the market. These are, however, all dated after the relevant date and can be given little if any weight. Ms Rathan says that the magazine has been the named sponsor in a number of events, including, the Phoenix Music Festival in July 1995/6, the Jerry Sadowitz show at the Edinburgh Festival in August 1996, and the LOADED Road Show in December 1996.

40 She says that the magazine advertises clothing, contains features about men's and women's clothing and has sold clothing itself, which makes this an important area of trade. Ms Rathan says that the magazine advertised T-shirts and polo shirts costing £11.99 each in the June, July and August 1995 editions and sold 10,000. She says that in the April to September 1996 editions the magazine advertised a LOADED jacket costing £69.99 each, saying that these sold out, but not how many jackets were sold. She refers to exhibits LR3 and LR4. The first exhibit consists of copies of advertisements for "LOADED" T-shirts and endorsed June - September 1995, a LOADED polo shirt which is endorsed November 1995, LOADED jackets endorsed February 45 1996 - May 1996 and a collage of photographs showing LOADED on football jerseys. Exhibit LR4 which consists of photographs showing LOADED on a T-shirt and a jacket.

Ms Rathan goes on to give general details about her company's intention to sell further products under the LOADED trade mark, saying that there is a cachet in being seen with products bearing the LOADED name. She expresses her surprise that the application had been accepted because she considers that the trade mark when used in relation to clothing is bound to be associated with the opponents. She concludes this Declaration saying that her company is sensitive about its image and that use in connection with inappropriate products sold under the mark LOADED could significantly harm her company and threaten potentially valuable merchandising opportunities.

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The second Statutory Declaration from Ms Rathan is dated 3 October 1997, and she begins by saying that she wanted to elaborate on his earlier Declaration.

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She restates that the reputation of LOADED magazine rose rapidly since its launch in April 1994, and goes on to say that in the latter part of 1995 her company was receiving regular enquiries from companies wishing to licence the mark for use in relation to products and services, which she concludes was due to the standing of the LOADED mark in the magazines market sector. She says that such enquiries have continued to increase and that she receives approximately eight calls each day, many from companies wishing to use the mark in relation to a range of clothing. She refers to existing licensing deals with the Virgin V2 record company for a compilation album to be called LOADED, with BT for touchpoint machines in pubs and more recently with Barnet football club.

### **Applicants' evidence**

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This consists of two Statutory Declarations. The first is dated 31 December 1997, and comes from Manoj Puri, who says that he is a Director of Valucci Designs Limited, (the applicants) and has been associated with the company for 5 years.

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Mr Puri begins by saying that the applicants decided on the trade mark LOADED in 1996. He says that this particular name was chosen because they felt it reflected the type of technology of interest to young people, and refers to computer literature which he says uses terms such as down loading. He says that they considered LOADED would appeal to the computer literate and fashion conscious customer.

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Mr Puri continues saying that before using the trade mark the applicants carried out a search of the trade mark register. He says that he subsequently learnt that at the time of the search the opponents had a pending trade mark application, but he had no reason to believe that the opponents had any interest in clothing because the application did not include Class 25 or any other textile class, nor any mention of fashion in the specification shown for Class 42. Mr Puri says that based on the results of the search the application was filed in good faith, and refers to the results of the official examination carried out by the Trade Marks Registry (shown at exhibit MK1) which did not show any conflict with the opponents' application.

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Mr Puri says that the applicants started to use the trade mark LOADED in April 1996, initially on jeans, tops, shirts, jackets and knitwear, and he gives the figures for retail sales which are as follows:

1996 (9 months)	£322,500
1997	£417,000

5 He says that the goods are usually promoted at trade fairs and exhibitions, and that the applicants have spent in the region of £27,500 in recent years in promoting the mark in this way. Mr Puri says that sales have been nationwide, and he gives his view that the mark is recognised and known to belong to the applicants. He refers to exhibit MK2 which consists of two labels and a swing tag for use with clothing. All three bear the name LOADED in conjunction with a geometric design in an oval border.

10 Mr Puri next goes to the Declarations filed by Ms Rathan, noting that the opponents are a publishing house and that a magazine with the title LOADED was launched two years prior to the applicants' use of the trade mark on clothing. He refers to the statement made by Ms Rathan that the magazine is stocked by virtually all newsagents, and proceeds to say that at the time the applicants started to use the mark, he calculate that the sales were barely enough for one magazine in each newsagents' shop across the country.

15 He says he has been advised that the opposition must be determined of the facts as they existed at the date of application, and comments that much of the opponents evidence post dates the relevant date.

20 He returns to Ms Rathans' Declaration, saying that it is clear that the T-shirts referred to in paragraph 9 are promotional items and that the word LOADED is being used as decoration rather than as a trade mark, noting that no labels have been exhibited. He refers to paragraph 10 in which Ms Rathan says the opponents intend to offer a greater range of merchandise and that there is demand for clothing bearing the LOADED mark, saying that at the time the Declaration was made in April 1997, the applicants were already building a reputation and it may well be that it is their's and not the opponents' clothing that the demand is for. Mr Puri says that the applicants' clothing is available in the mid-to-up-market independent retail sector.

25 Mr Puri returns to Ms Rathans' Declaration and in particular to comments about the opponents' sensitivity to their image, saying that despite this they made no attempt to register the trade mark LOADED until several months after his company had filed their application. He refers to an extension of time request saying that the evidence from trade sources mentioned in the request appears not to have been filed. He refers to Ms Rathans' second Declaration, the contents of which he says has no bearing on this opposition. He concludes by referring to the opponents' claim that the title of its magazine is a well known trade mark with a reputation, noting that he has not seen any mention of a single instance of confusion.

30 The second Statutory Declaration is dated 31 December 1997, and comes from Stewart Gregory Rayment, a partner in the searching firm of Kingsley and Talboys.

35 Mr Rayment refers to a visit to a news stand at Chancery Lane Station at which he says he arbitrarily selected a number of what he considered to be well known magazine titles. He says that he carried out register search of these names in Classes 16 and 25, and that the results showed a number of pairings, details of which he sets out, and from which he draws the conclusion that the Registrar does not consider there to be any conflict between magazines and clothing.

### Opponents' evidence in reply

5 This consists of 6 Statutory Declarations. The first is dated 30 September 1998, and comes from Claire Derry, Managing Director of Link Licensing Limited, a licensing agency which acts on behalf of companies who wish to extend their brands into other merchandise. Ms Derry says that she has worked in this area for 15 years and her company is currently working with I.P.C. Magazines Limited in relation to merchandising connected with the magazine SHOOT.

10 Ms Derry says that she has probably been aware of LOADED magazine since late 1995 or early 1996, although it is not a publication that she subscribes to. She gives her view that it is a popular magazine with a non-pc image that appeals to young men and women. She says that about a year or so ago her company made enquiries about possible licensing arrangements, intimating that this was prompted by the magazines popularity.

15 Ms Derry says that she has been shown an example of a casual shirt (a photograph of which is shown as exhibit CD1) which has a LOADED collar label of the type shown in exhibit MK2. She says she was asked if she recognised the brand, saying that whilst she did not know the brand she would think that it had something to do with the LOADED magazine, or that the product had been authorised by the magazine. She says in her view the word LOADED is not in common usage and that people between the ages of 15 and 35 would associate a product bearing the word  
20 LOADED with the magazine.

Ms Derry says that she was asked what she thought of the shirt and she explains why she thought it to be of poor quality, and gives her opinion on the ages of the persons the product is aimed at and how she thinks the target group would regard the shirt. She goes on to give her opinion as to the likely damage and detriment to the magazine if the shirt were to be sold in large quantities saying that it is essential that the image of the core product be maintained.  
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30 The second Statutory Declaration comes from Lucy Barclay, a Press Manager for 8 years at Target Media, a media buying agency. Ms Barclay says that her job is to buy advertising space, and that she mainly acts for clients in the leisure and entertainment business and that she is required to what magazines are likely to be read and to know which brands are popular.

35 Ms Barclay says that she first became aware of LOADED magazine when it was launched in 1994, recalling the launch publicity. She gives her views on the image of the magazine and the readership, saying that it is directed at young men with an interest in beer, football and girls, the term "loaded lad" being well understood. She says that it is also read by girls.

40 She recalls a visit to her office by a trade marks agent acting for I.P.C. Magazines Limited at which she was shown a photograph of a T-shirt (shown as exhibit LB1) which is the same shirt as in exhibit CD1 to Ms Derrys' Declaration. Ms Barclay says she was asked if she recognised the brand saying that whilst she did not, she would have assumed that the product was connected with LOADED magazine but was surprised because it was not the type of product they would wish to be associated with because they would go for stylish merchandising, something tongue  
45 in cheek.

Ms Barclay says that the obvious products she would expect LOADED to provide or endorse would be fashion items, clothing, beer, music recordings, anything to do with lifestyle.

5 Ms Barclay next says that she was asked whether she thought it was credible that in 1996 someone in the fashion industry could have chosen the name LOADED without appreciating the connection with the magazine, confirming that she did not believe so. She goes on to give her opinion that based on a circulation of 200,000 to a readership of mostly young male consumers, and the circumstances in which the fashion trade operates, she believes that someone in his (the applicants?) company would surely have heard of the magazine.

10 The next Statutory Declaration is dated 30 September 1998, and comes from Alex Randall who has been a Press planner buyer for 3 years with Carat, an advertising agency. Mr Randall outlines his responsibilities which are essentially the same as described by Lucy Barclay. Mr Randall confirms that his client list includes the opponents' company.

15 Mr Randall outlines his competence to say how LOADED magazine would be perceived and the kind of advertisers who would advertise in the magazine. He says that he first encountered LOADED magazine in Spring 1994, recalling that it coincided with his college examinations. He says that he recalled the magazine to be memorable because it stood out from the aspirational image of mens magazines at the time, and goes on to describe what he calls the philosophy of the new lad with a new target audience of men in their 20s.

20 Mr Randall says that he was asked what kind of products and brands would be advertised in LOADED, indicating that fashion, namely street fashion, alcohol, grooming products and fragrances although in his view clothing would be dominant. He links the advertiser and the advertisements likely to be used in the magazine to the young male market of the magazine itself.

25 Mr Randall next recounts being asked by a trade mark agent acting for the opponents whether he thought the word LOADED was in common usage, and that it was put to him that the word was frequently used by young people, and that the word LOADED would appeal to the computer literate and fashion conscious customer. He says that he is not aware that LOADED is used by young people, other than in conjunction to the magazine title, and that he considered the link between computers and fashion to be tenuous.

30 He says that he was next asked whether in 1996 the fashion trade is likely to have known of LOADED magazine, saying that at that time the magazine was a success and consequently he considered it unlikely that fashion manufacturers and advertisers would not have known of it. He refers to exhibit AR1 which consists of an identical photograph of a shirt included as exhibits in earlier Declarations, saying he was asked whether he knew the mark, which he did not. Mr Randall then goes on to say that in his view the product could deceive the public and that if it was linked to the magazine would have a detrimental effect, particularly in respect of attracting advertisers.

35 The next Declaration is dated 24 September 1998, and comes from Jake Lingwood, an Editorial Director at Ebury Press.



Mr Lingwood says that he became aware of LOADED magazine through advertisements relating to its launch in 1994, and that he bought the third and fourth issues. He says that he has followed the development of the magazine and that he was the editor responsible for producing the Christmas 1996 compendium of articles from LOADED which was published under the title  
5 “Drop me Bacon Sandwich”, and has recently completed as Editorial Director, a book about the history of the magazine, a copy of which is shown as exhibit JL1. He goes on to give his opinion on the image of LOADED magazine, and that its lifestyle content attracted corresponding advertisers, usually for menswear or fragrances, mentioning several well known companies that he says have placed advertisements.

10 He refers to exhibit JL2 which he says is a photograph of a shirt shown to him by a trade mark agent for the opponents, and which is identical to the photographs shown and exhibited by earlier Declarants. He says that he did not think that the shirt had anything to do with the magazine because of the logo on the label, and that the product looked too cheap. Mr Lingwood says that  
15 he was asked to comment on the claim by the manufacturer that LOADED is known and recognised as their mark, saying that he thought this to be rubbish although thought it quite feasible that purchasers might be confused as to the garments origin. He says that although the logo is not one associated with LOADED magazine, he takes the view that LOADED is so powerful that confusion could certainly be caused. He says that he was told that the manufacturer  
20 say the item to be in the mid-to-up-market retail sector, with which Mr Lingwood disagrees, and gives his view that it is not merchandise that LOADED magazine would wish to be associated with as it would damage their image.

25 The next Statutory Declaration is dated 6 October 1998, and comes from Jeremy Paul, a Strategic Media Planner with MediaVest UK. Mr Paul says that he has been a media advertising planner for eight years and that he specialises and has researched the field of youth advertising.

30 Mr Paul says that his company provides information to client advertisers about how consumers associate images to their choice of media and on advertising strategies and use of the media. He refers to exhibit JP1 which is a booklet produced by his company called “youth’s affinity to media brands” which Mr Paul says is the result of significant research into young people’s interaction with the media and is considered the industry standard in this field.

35 Mr Paul says that he first encountered LOADED magazine in early 1995. He says that it was ground breaking at the time, the image being self deprecating and self parodying, and was obviously aimed at the “lads” and to reflect a range of men’s interests across the 18 to 35 age group. Mr Paul says that advertisers use LOADED magazine to access the readership or to exploit the readers emotional affinity and become associated with the magazine and its values, and that this symbiosis explains why he believes the majority of advertisements in the magazine to be  
40 for beer, cigarettes, cars, clothes and fragrances.

45 He says that he was next asked whether in 1996 anyone the fashion trade would have been unaware of LOADED magazine, and in his view he has serious doubts that there would have been anyone. He repeats his statement that the magazine had been groundbreaking between 1994 and 1996 and it would have been difficult not to have known about it, particularly if targeting males in the 18 to 34 age group, and also given the level of publicity the magazine had attracted.

Mr Paul refers to exhibit JP2 which is a photograph of a shirt shown to him by a trade mark agent acting for the opponents, and which is identical to the photographs shown and exhibited by earlier Declarants, saying that he was asked to give an opinion. He says that the shirt is the same as many others and in his opinion is seeking to stand out from the competition by associating itself with LOADED magazine. Mr Paul expresses his view that if the garment were to be produced for a mass market this would be detrimental to the magazine because it would be taken as a tangible representation of the magazine and would lead to deception of the public and may affect advertisers willingness to use the magazine.

Mr Paul says that he was told that the manufacturer of the garment say that LOADED is known as their brand. He disagrees with this claim saying that he believes that to men in the 18 to 34 age group, LOADED is synonymous with I.P.C. Magazines alone and that this is supported by the monthly readership, 1,239,000 (TGI Rolling Data 1998). Mr Paul says that people would definitely interpret the name LOADED to denote goods connected with, or endorsed by the magazine. He says that he was also asked whether LOADED is a word commonly used by young people in the course of conversation, and he confirms that in his experience this is not the case other than in association with the magazine. He concludes that on this basis the general public would interpret use of LOADED on clothing as being an endorsed product or brand extension, referring to the activities of a competing magazine which produces a range of clothing under the same name as the magazine title.

The final Statutory Declaration is dated 30 October 1998 and comes from Alan Peter Bernard, a partner in F J Cleveland , the agents acting for the opponents in these proceedings.

Mr Bernard begins by referring to exhibit APB1 which consists of a shirt bearing the sew-in and swing tag labels shown as exhibit MK2 to Mr Puri's Declaration, and which Mr Bernard says was purchased on his behalf from Hugo Hogs (the trading name used by the applicants). He refers to exhibit APB2 which is a receipt for the purchase, noting the purchase price. Mr Bernard says that the person who made the purchase was advised that these shirts were the only garments in the shop bearing the LOADED name. Mr Bernard confirms that exhibit APB1 is the garment shown to the Declarant Clare Derry, Alex Randall and Jake Lingwood, and that the photographs shown to the Declarants Lucy Barclay and Jeremy Paul were of this garment. Mr Bernard goes on to refer to the Declaration by Mr Rayment and notes the reference he makes to various trade marks registered in Classes 16 and 25 in the names of different proprietors. He says that this is not the case in respect of LOADED and refers to exhibit APB3 which consists of a list of United Kingdom, International and Community trade marks for the word LOADED, and which shows the opponents and the applicants as the only two proprietors of trade marks in Classes 16 and 25.

#### **Applicants' evidence (filed under Rule 13(8))**

This consists of a Statutory Declaration dated 3 November 1999, and is made by Manoj Puri, who says that this Declaration is to update the information given in his Declaration dated 31 December 1997. Mr Puri refers to paragraph 5 of his Declaration saying that sales in 1998 totalled £452,000 and a further £438,000 for the first ten month of 1999, mentioning that he is not aware of there being any instances of confusion. He refers to exhibit MK3 which consists of a Statement of Claim and Defence entered in proceedings in the High Court, drawing particular attention to the statement that only 3,000 of the 10,000 T-shirts and 50 of the jackets mentioned in the first

Declaration of Luci Rathan had been sold.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

5 **Decision**

10 Prior to the hearing on the substantive issues, two preliminary points were considered. The applicants had objected to the evidence filed by the opponents under Rule 13(7) on the grounds that they considered it not to be strictly in reply to the applicants' evidence in chief. After hearing the submissions, and with regard to Peckitts application (1999 RPC 9), I determined that the evidence filed by the opponents should remain admitted as evidence in reply under Rule 13(7). The second point concerned a Statutory Declaration dated 3 November 1999, made by Mr Manoj Puri, the purpose being to update the information contained within his earlier Declaration of 31 December 1997. Mr Burkhill requested that this Declaration be admitted under Rule 13(8). Mr Moody-Stuart considered that the Declaration provided some useful clarification on the sales of clothing by the opponents and had no objection to the request. The Declaration was admitted to the proceedings.

20 Turning to the grounds on which the opposition is based. Mr Moody-Stuart accepted that as a company founded under the laws of the United Kingdom which did not qualify as a convention country within the meaning of Section 55, the opponents could not utilise Section 56 of the Act and this ground was withdrawn.

25 I first consider the ground founded under Section 5(3), which reads as follows:

**5(3)** A trade mark which -

(a) is identical with or similar to an earlier trade mark, and

30 (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

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

40 The term "earlier trade mark" is itself defined in Section 6(1) of the Act, which reads:

**6. (1)** In this Act an "earlier trade mark" means -

45 (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,

The opponents are the proprietors of one registration, number 1554526, which qualifies as an “earlier trade mark” within the provisions of Section 6(1)(a) above.

5 I consider it safe to say that the “printed publications” covered by the opponents registration are neither the same, nor similar to clothing. Both marks are quite clearly the word LOADED, the only difference being one of presentation, and consequently, that the opponents’ registration comes within the provisions of Section 5(3).

10 It was put to me by Mr Moody-Stuart that a likelihood of confusion is not necessary to substantiate an objection under Section 5(3), a position which is now well settled (see Corgi Classics Ltd's invalidity action (No 9236) ) and I see no reason to depart from this line.

15 In the submissions I was referred, inter alia, to the Visa trade mark case (SRIS 0/340/99) in which Geoffery Hobbs Q.C. sitting as the Appointed Person set out the basis of an objection under Section 5(3) under five heads, which, adapted to the case in hand read as follows:

- (i) the opponents’ registered trade mark 1554526 for the mark LOADED (the earlier trade mark) has a reputation in the United Kingdom;

and:

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- (ii) the trade mark put forward for registration in the opposed application number 2061604 (the later trade mark) is identical with or similar to the earlier trade mark;

25 and the circumstances are such that even though:

- (iii) the application to register the later trade mark relates to goods which are not similar to those for which the opponents’ earlier trade mark is protected:

30 use of the later trade mark in relation to the goods for which it is sought to be registered would without due cause:

- (iv) take unfair advantage of the distinctive character or repute of the opponents’ earlier trade mark;

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or:

- (v) be detrimental to the distinctive character or repute of the opponents’ earlier trade mark;

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and these conditions were satisfied at the date of application to register the opposed trade mark.

Mr Hobbs went on to consider the first of these points relating to reputation, and noting the judgement of the European Court of Justice in *General Motors Corporation v Yplon SA* ([1999] ETMR 122) defined the requirements for a reputation under Section 5(3) as follows:

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5 “...calls for a reputation among a significant part of the public concerned by the products or services covered by the earlier trade mark in a substantial part of the territory of the member state in which protection is claimed and the stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it.”

10 The opponents publish a magazine under the name LOADED which they say is aimed primarily at men in the 20 to 35 age group. In respect of a publication I would consider the circulation figures to give the most reliable indication of any likely reputation. In terms of the overall market for publications the sales of LOADED have not been massive, but when put into the context of the stated target readership are, in my view, sufficient to establish that at the date of application the opponents' trade mark is likely to have been well known and to have acquired a reputation in respect of the magazine amongst a significant proportion of the public concerned, and to a lesser extent, amongst women in the same age range. The magazine has been sold throughout the United Kingdom and I consider it reasonable to infer that the trade mark's reputation covers a similar area. I have no evidence of the uniqueness or otherwise of the word LOADED in the market place, and as an ordinary English word which could be apt for use in connection with the goods, for example, the magazine is “loaded with essential facts and features”, I do not consider it to have such a high degree of distinctiveness so as to warrant a wide penumbra of protection.

20 The respective trade marks are for the same word, and although they differ in the manner in which they are represented, they are in my view are the same marks in all material respects. The goods are clearly different.

25 This leads to the question of unfair advantage or detriment. In *RBS Advanta v Barclays Bank plc* (1996 RPC P307), Laddie J. considered the meaning of the proviso to Section 10(6) of the Act which deals with comparative advertising. The second half of the proviso contains wording identical with the wording in Section 5(3) of the Act. Laddie J. expressed the following view on the meaning of the above words in that context:

30 “At the most these words emphasise that the use of the mark must take advantage of it or be detrimental to it. In other words the use must either give some advantage to the defendant or inflict some harm on the character or repute of the registered mark which is above the level of *de minimis*.”

35 The applicants say that they selected the trade mark LOADED in early 1996, which is at least two years after the opponents made their application to register, and started to use the trade mark in respect of their magazine. Although the applicants do not actually say so, from their explanation on how they came to adopt the trade mark it would appear that they see the market for their clothing as “young people”, which is potentially the same market sector at which the opponents' magazine is aimed and has acquired a reputation.

40 The opponents say that given the media coverage of the launch of LOADED magazine it is unlikely that the applicants would not have been aware of their use of the word, and irrespective of their intention, would derive some benefit or advantage from association with it. They consider that as they would not receive any payment from this association, this was an unfair advantage. I do not consider that it matters whether it had been the applicant's intention to take advantage

of the opponents' earlier mark, if that is the result of their action, although nor do I consider that not having paid for the privilege is in itself an unfair advantage. In the Oasis Stores (Eveready) trade mark case (1998) RPC 19, the Hearing Officer said:

5            "I do not consider that simply being reminded of a similar trade mark with a reputation  
for dissimilar goods necessarily amounts to taking unfair advantage of the repute of that  
mark. The opponents chances of success may have been better if they were able to point  
to some specific aspect of their reputation for batteries etc sold under their mark which  
was likely through (non-origin) association to benefit the applicants' mark to some  
10            significant extent."

As in the above case, I take the view that if there has been unfair advantage it must rest in something which has benefited the applicants, and not in the absence of an action which would have made the act more palatable to the opponents.

15            The opponents consider that there is a cachet to being seen with products bearing the LOADED brand name which they say compliments the lifestyle of the purchaser. They claim that as advertisements and features related to clothing appear in the magazine this creates a link between such goods in the minds of their readers, and point to the fact that they have sold clothing and that other magazines of a similar type have also. I do not consider that because the magazine advertises and include features related to clothing that this would create an expectation that the magazine itself would also sell clothing, nor is there any convincing evidence that it is customary for magazines to do so. Their own sale of clothing was on a very limited scale and seems to have been no more than a promotion for their magazine and where the use of the word LOADED could be seen as decoration rather than as a trade mark. The most that can be said is that the use of the trade mark LOADED on an item of clothing may remind purchasers of the magazine, but in my view, would not create the impetus to buy, and consequently, I cannot see what advantage the applicants will gain from the opponents' mark, or the reputation they have in it. In any case, a trade by the opponents in what are identical goods to those covered by the application and for which no earlier trade mark exists is of no consequence for the purposes of Section 5(3).

25            The opponents say that they have granted a number of licences to use the trade mark although provide very little in the way of detail to show the extent of their licencing activities. From what is given it would appear that most licencing has been recent and taken place after the relevant date and has been on a limited scale. The evidence in my view is not sufficient to show that they have established a connection with LOADED to goods and services beyond that of their magazine, and taking all of the above into account, I come to the view that the applicants' mark does not take unfair advantage of the distinctive character or repute of the opponents' trade mark.

35            In the Oasis Stores trade mark case, the Hearing Officer in considering the likelihood of detriment set out the relevant criteria as follows:

- 40            1. The inherent distinctiveness of the earlier trade mark;
- 45            2. The extent of the reputation that the earlier mark enjoys;
3. The range of goods or services for which the earlier mark enjoys a reputation;

4. The uniqueness or otherwise of the mark in the market place;
5. Whether the respective goods/services, although dissimilar, are in some way related or likely to be sold through the same outlets;
6. Whether the earlier trade mark will be any less distinctive for the goods/services for which it has a reputation than it was before.

The word LOADED is an ordinary English word with some potential for use in connection with the goods, but is nonetheless, prima facie, a distinctive trade mark. I have already found that the opponents are likely to have acquired a reputation although there is nothing to show that this extends beyond their magazine. The respective goods are dissimilar, unrelated and unlikely to be sold through the same outlets and while the use of essentially the same mark by another trader will invariably mean that the opponents' trade mark can no longer be unique, given the distance between the goods I consider that it is likely to be just as distinctive, and if there is any loss of distinctiveness, this will be de-minimis. I conclude that the registration and use of the applicants' mark will not have a detrimental effect on the distinctive character of the opponents' mark for any goods in respect of which it enjoys a reputation.

In the Oasis Stores trade mark case, the Hearing Officer addressed the question of detriment to the repute of the earlier trade mark, saying:

“It appears to me that where an earlier trade mark enjoys a reputation, and another trader proposes to use the same or similar mark on dissimilar goods or services with the result that the reputation of the earlier mark is likely to be damaged or tarnished in some significant way, the registration of the later mark is liable to be prohibited under Section 5(3) of the Act. By ‘damaged or tarnished’ I mean affected in such a way so that the value added to the goods sold under the earlier trade mark because of its repute is, or is likely to be, reduced on scale that is more than de minimis.”

The opponents have cultivated an image for their magazine which is described in their evidence as self parodying, self deprecating and tongue-in-cheek, and appears to be more related to being in vogue with current trends than specifically to quality. They consider the applicant's goods are not the type with which the magazine would wish to be associated, and point to the potential loss of attraction to the market conscious advertisers of high fashion merchandise should the applicants use of the trade mark be associated with them. The opponents have provided Declarations from persons in the advertising/media industry which could be taken as expert evidence, although some come from persons connected with the opponents, and much of what is said in respect of the likely damaging effect should the applicants use their trade mark is no more than personal opinion with little or nothing to support the basis for their conclusions.

Mr Burkhill pointed to the statements that the word LOADED is not used in conversation other than in connection with the magazine, saying that as LOADED is a common English word with a number of uses this was an unlikely situation and reflected on the validity of the other claims in these Declarations. It may well be that the Declarants are saying that the word is not used in connection with any other product although this is not at all clear. But if this is not the intention I would share Mr Burkhill's scepticism, although do not take this to reflect on the other points

made in the Declarations which I give the weight they merit.

5 The sort of detriment envisaged was damage likely to cause harm to the reputation of the earlier trade mark in some material fashion so that it no longer added the same degree of value to the goods as it did before. There is no convincing evidence that use of the trade mark LOADED by the applicants in connection with their clothing would be associated with the magazine or deter potential advertisers, and consequently, I conclude that there is unlikely to be any detriment to the opponents' reputation and the objection founded under Section 5(3) fails accordingly.

10 I turn next to the ground founded under Section 5(4)(a). 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 Warnik BV - v - J. Townend & Sons (Hull) Ltd [1979] AC 731 is (with footnotes omitted) as follows:

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

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

30 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 or as if the words used by the House constitute an exhaustive, literal 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.

40 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:

- 45 (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.

5 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.

10 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;
- 15 (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;
- 20 (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- 25 (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."

I have already accepted that the opponents have a reputation for their magazine, primarily amongst men in the 18-35 age group but also to a limited extent beyond this to include a small proportion of women of a similar age group. They refer to the fact that they have licenced the use of their mark in respect of goods other than their magazine, but as I have already said, in my view the evidence does not show that prior to the relevant date they have done so to a sufficient extent to conclude that they have built a reputation in goods or services beyond their magazine. That the opponents' magazine contains advertisements and features related to clothing does not in my view mean that there is any overlap in the fields of activity. If this was the case, any item or service could on such an argument be considered to be the same field of activity as the publication of a magazine. The trade mark applied for by the applicants and that used by the opponents are the same, although the evidence shows that the applicants use their mark in conjunction with a strong and distinctive device.

40 The applicants say that they selected the trade mark **LOADED** because it reflected an area of interest to young, computer literate and fashion conscious customers, and is aimed at the mid to up-market retail sector. The opponents in turn see themselves as a trend led magazine reflecting the lifestyle of their readers and which in turn influences the products they advertise which have been described as "high fashion, quirky, cutting edge products targeted at affluent young people.". From this it is reasonable to say that both seem to regard their potential customers as belonging to a similar age and demographic group.

5 The applicants are seeking to register the trade mark in respect of clothing. Such goods are unlikely to be selected without actually being seen by the potential purchaser, be it in a shop or a catalogue, and those who select clothing by reference to the label are in my view likely to be well informed and discerning purchasers. Although the opponents have sold clothing, this has been small scale and in respect of a very limited number of items, and arguably to promote the magazine rather than as an entry into the retail market.

10 It is possible that a reader of the opponents' magazine on coming into contact with the applicants' clothing might wonder whether there is any association. However, the respective goods are different and in considering the likelihood of potential purchasers being deceived into believing that the goods of the applicant are from or connected in some way with the opponent, I come to the conclusion that the average consumer of the goods in question who is reasonably well informed and reasonably observant and circumspect would not make that mistake. In my view, the opponents have not made out their case and the ground of opposition under Section 5(4)(a) consequently fails.

15 This leaves the matter of the ground founded under Section 3(6). A claim that an application was made in bad faith implies some deliberate action by the applicants which they know to be wrong, or as put by Lindsay J in the GROMAX trade mark case (1999) RPC 10 "...includes some dealings which fall short of the standards of acceptable commercial behaviour..". It is a serious objection which places an onus of proof upon the party making the allegation. The applicant's explanation of how they came to choose the word LOADED as a trade mark is treated with a high degree of scepticism by the opponents, but in my view is not so implausible as to enable me to conclude that it cannot be an honest statement. There is no evidence in these proceedings to assist and taking the best view that I can, I find that the opponents have not established a case of bad faith, and consequently, the objection under Section 3(6) also fails.

20 The opposition having failed on all grounds I order the opponents to pay the applicants the sum of £635 as a contribution towards their costs.

25  
30 **Dated this 21 day of January 2000**

35  
40 **Mike Foley  
for the Registrar  
The Comptroller General**