

O-242-13

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO 1066094

OF THE TRADE MARK:

007

IN THE NAME OF

**EDNOLITCHNO DRUJESTVO S OGRANITCHENA OTGOVORNOST
"FINANSKONSULT"**

IN CLASSES 32, 33 AND 34

AND THE APPLICATION FOR THE GRANTING OF PROTECTION THEREOF

IN THE UNITED KINGDOM

AND

THE OPPOSITION THERETO

UNDER NO 72298

BY

DANJAQ LLC

1) Ednolitchno Drujestvo S Ogranitchena Otgovornost "Finanskonsult" (Finanskonsult) is the holder of the international registration for the trade mark **007**. The United Kingdom was designated in respect of the international registration on 10 January 2011. The international registration was published, for opposition purposes, on 18 March 2011 for:

beer,

alcoholic beverages (except beers);

tobacco; smokers' articles; matches.

The above goods are in classes 32, 33 and 34 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) Danjaq, LLC (Danjaq) filed a notice of opposition to the granting of protection of the registration. Danjaq relies upon sections 5(2)(a) and (b), 5(3) and 5(4)(a) of the Trade Mark Act 1994 (the Act). Section 5(2) of the Act states:

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

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

(b) it is similar to an earlier trade 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.”

Section 5(3) of the Act states:

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, 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 or international trade mark (EC) 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.”

Section 5(4)(a) of the Act states:

“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”.

3) In relation to the section 5(2) objection, Danjaq relies upon the following registered trade marks:

- United Kingdom registration no 2277614B of the trade mark **007**. It was filed on 10 August 2001 and the registration procedure was completed on 27 February 2009. It is registered for services in classes 38 and 42. Danjaq claims that *restaurant, bar and café services; cocktail lounge services; provision of food and drink; catering services* of the registration are similar to all of the goods of the international registration.
- Community trade mark registration no 9141037 of the trade mark:

The image shows a stylized trade mark consisting of the numbers '007' in a bold, italicized font. To the right of the '7' is a superscripted 'J' that is also italicized and has a horizontal bar extending to the right.

It was filed on 31 May 2010 and the registration procedure was completed on 31 May 2010. It is registered for goods and services in 15 classes. Danjaq claims that *paper and goods made from these materials not included in other classes in class 16 and household or kitchen utensils and containers; glassware, porcelain and earthen wear (not included in other classes); coasters (tableware), cocktail shakers, portable coolers, beverage ware* in class 21 are similar to the goods of the international registration.

4) In relation to section 5(3) of the Act, Danjaq relies upon following trade mark registrations:

- Community trade mark registration no 9141037 (see above). Danjaq claims that the trade mark has a reputation for *films and film production, pre-recorded discs and videos containing movies, books, video games and toys*.
- Community trade mark registration no 1204882 of the trade mark **007**. It was filed on 14 June 1999 and the registration procedure was completed on 7 July 2003. (Consequently, it is subject to proof of use.) It is registered for goods and services in classes 9, 16 and 41. Danjaq claims that the trade mark has a reputation for *computer programs and CD-ROMs featuring the literary character James Bond, and audio books, and*

- printed publications concerning the literary character James Bond* and that the trade mark has been used for these goods.
- Community trade mark registration no 251900 of the trade mark **007**. It was filed on 13 May 1996 and the registration procedure was completed on 24 September 1998. (Consequently, it is subject to proof of use.) It is registered for goods and services in classes 3, 9, 16, 18, 25, 28 and 41. Danjaq claims that the trade mark has a reputation for *computer programs and CD-ROMs featuring the literary character James Bond and printed publications concerning the literary character James Bond; for audiobooks; for films; for pre-recorded discs and video containing movies; books, video games; toys (including toy gun shaped cigarette lighters) and entertainment services, in the nature of film production* and that the trade mark has been used for these goods and services.
 - United Kingdom registration no 2277614A of the trade mark **007**. The application for registration was filed on 10 August 2001 and the registration procedure was completed on 18 July 2003. (Consequently, it is subject to proof of use.) It is registered for goods and services in classes 9 and 41. Danjaq claims that the trade mark has a reputation for *computer programs and CD-ROMs and electronic books and audiobooks featuring the literary character James Bond* and that the trade mark has been used for these goods.

5) Under section 5(4)(a) of the Act Danjaq relies upon the signs **007** and:



Danjaq claims that the former sign has been used in relation to the following:

film and film production, since 1962;
pre-recorded disks and videos containing movies, since 1983;
books, since 1962;
video games, since 1983,
toys, since 1965;
watches, shirts, headgear, beverage wear, lighters, cigar cutters, humidors,
ashtrays, vodka and champagne, since 2004.

Danjaq claims that the latter sign has been used throughout the United Kingdom since mid-1995. It claims that the sign has been used in relation to *films and film production, pre-recorded discs and videos containing movies, books, video games and toys* since mid-1995 and since 2004 in relation to *watches, shirts, headgear, beverage wear, lighters, cigar cutters, humidors, ashtrays, vodka and champagne.*

6) Finanskonsult filed a counterstatement. It denies the grounds under section 5(2) of the Act on the basis that the respective goods and services are not similar. Finanskonsult denies the grounds under sections 5(3) and 5(4)(a) of the Act and puts Danjaq to proof of its claims. Danjaq was required to prove use of the trade marks which are subject to proof of use.

7) Danjaq filed written submissions and evidence. Finanskonsult filed neither. Neither party requested a hearing.

Evidence of Danjaq

8) The evidence of Danjaq consists of a witness statement by David S Pope dated 2 October 2012. Mr Pope is the chief executive officer of Danjaq.

9) Mr Pope states that Danjaq is the joint owner, with various entities in the MGM group of film companies, of all copyright in “the film character James Bond 007” and in the 23 films in the James Bond series of films. Mr Pope states that two of Danjaq’s main businesses are the exploitation of the copyright in the James Bond films and in licensing rights relating to the films for the purposes of merchandising.

10) Mr Pope states that since 1962 Danjaq, and its predecessors in title, have used the “JAMES BOND 007” trade marks in connection with the production and promotion of 23 films featuring James Bond 007. Mr Pope states that *Dr No* was the first film in the series “which has become the most successful motion picture franchise in the history of modern cinema”. Exhibited at DSP1 is an extract from the book *James Bond, The Legacy* by Cork and Skivally, published in 2002. The extract is headed “James Bond: The Numbers”. The extract begins “James Bond is known by his number, 007”. The worldwide box office income starts at \$59.5 million with *Dr No* and ends at \$352,030,660 with *The World Is Not Enough* (released in 1999). Mr Pope states that between 1962 and 2008 “sales of goods and services utilising the JAMES BOND 007 Marks total over US \$3.8 billion worldwide”. Mr Pope states that the results of a 2001 commissioned survey indicated that nearly 100% of consumers in the United Kingdom, Germany and France had seen or heard of James Bond. He exhibits at DSO2 a page showing the results of the survey. On the basis of a one page summary of the survey results, no weight can be given to the validity of the survey; it also emanates from ten years prior to the date of the request for protection.

11) Between 1962 and 31 January 2000, \$399,656,207 was spent worldwide on promoting the James Bond films.

12) Mr Pope states that Danjaq has licensed rights to third parties for use of the trade marks JAMES BOND, 007, 007 gun logo, the characters, titles and images of the various actors in their roles of a wide variety of goods and services. Mr Pope refers to a variety of goods in relation to licensing but makes does not

identify these products specifically by product, trade mark and jurisdiction. Exhibited at DSP4 is a redacted copy of a licence with Revlon for cosmetic products dated 5 August 2002. The licence, at schedule 2, gives the details of the trade marks that are licensed. The list gives a non-exhaustive list of the trade marks and logos which include 007 and design (aka as the 007 gun logo) and 007. The jurisdiction of the licence is worldwide. The term of the licence expires 12 weeks from the initial release of *Die Another Day* in the last territory in which the film is released.

13) Mr Pope states that Danjaq, as another example, has developed a long relationship with Corgi since 1965. He states that Corgi has produced many different vehicles relating to the James Bond films. Exhibited at DSP5 is material relating to a James Bond BMW Z3, Aston Martin DBS and Aston Martin DB5. The trade marks upon which Danjaq relies are seen on the packaging.

14) Exhibited at DSP6 is a redacted copy of a licence agreement with ST Dupont dated 1 April 2004. The trade marks and logos being licensed include the 007 gun logo and 007. The licence relates to use on lighters, pens, leather goods (such as billfolds, credit card holders, note pad holders and travel organisers), cufflinks, key-rings, money clips, belts, cigar accessories (such as cigar cutters, cigar cases and humidors), table clocks and travel clocks. The term of the licence is from 1 April 2004 to 31 December 2006. Exhibited at DSP7 are details of an ST Dupont James Bond 007 fountain pen from Amazon. The recommended retail price is given as £710. The pen first became available at Amazon on 5 July 2010; the printout from Amazon was downloaded on 21 September 2012. The inside of the pen box bears the 007 gun logo.

15) Exhibited at DSP8 are details of a replica golden gun from *The Man with the Golden Gun*. The replica can be broken into its component parts: lighter, cigarette case, pen and cufflink; a replica bullet bearing 007 is also included. The packaging bears the 007 gun logo. The product is supplied from the United States and references to it, from potential buyers, start on 23 December 2009 and end on 6 January 2010. The product was supplied by Factory Entertainment HQ from the United States. One of the potential buyers emanates from the United Kingdom; all the others, bar one New Zealander, emanate from the United States, where identified by location.

16) Exhibited at DSP9 is a copy of a redacted licence agreement with Heineken of 26 October 2006. Mr Pope states that although the agreement is with Casino Royale Productions Limited and Columbia Tristar Marketing Group, Inc, these undertakings were acting for Danjaq under earlier agreements. The agreement, inter alia, licenses the two trade marks upon which Danjaq relies. The agreement is worldwide. Examples of use of the 007 gun logo are shown in relation to beer, a jacket, a holdall, a polo shirt and two items, which owing to the quality of the reproduction, cannot be identified.

17) Mr Pope states that Danjaq entered into a promotional agreement with Champagne Bollinger in relation to the film *The World Is Not Enough*. Exhibited at DSP10 is a redacted copy of the agreement. Mr Pope states that the agreement is between Eon Productions Limited and Champagne Bollinger but that Eon was acting under an agreement with Danjaq. The agreement is for the product placement of Bollinger champagne in the film. The exhibit also includes a similar agreement for product placement in *Die Another Day*. The former agreement was signed on 24 February 1999 and the latter on 4 February 2003. The agreements also allow Bollinger to advertise its product as being drunk by James Bond. Copies of advertisements for the champagne show use of the 007 gun device. Advertisements are also exhibited with tie-ins to the films *Goldeneye*, *The Living Daylights* and *A View To A Kill*.

18) Exhibited at DSP11 are printouts downloaded from ebay.co.uk on 21 September 2012 showing James Bond merchandise. Mr Pope states that he cannot confirm that the goods shown were available at the material date, they are a good illustration of how the 007 gun logo is applied to licensed merchandise. The exhibit shows, inter alia, an umbrella and a laptop bag bearing the 007 gun logo.

19) Mr Pope comments on the continued showing of James Bond films on television throughout the world. He states that 007 has been associated with luxury cars such as Aston Martin, Lotus and Bentley, with luxury suits from Savile Row, with luxury shoes from Church's and with expensive hotels and casinos. He states the 007 eats Beluga caviar and drinks vintage Bollinger champagne. Exhibited at DSP12 is a printout, downloaded on 21 September 2012, from a fan site dedicated to the "Bond Lifestyle". It is an unofficial website. The site describes itself in these terms:

"Bond Lifestyle provides a stylish and clear online guide to the gadgets, the clothes, the cars, the travel locations and the gambling habits of the most suave secret agent. Find inspiration to improve your style, complete your 007 collection, get ideas for your James Bond theme party, or identify that shirt that you saw in the latest Bond movie Quantum of Solace."

A quotation from *The Times Online* is reproduced:

"...it's time to revisit essential flourishes of Bond style: www.jamesbondlifestyle.com is akin to an online butler guiding you through the wardrobe... and travel destinations..."

The website gives categories of goods and services: accessories, vehicles, books, clothing, gadgets, travel, casino, food and drinks, spy gadgets and games.

Section 5(4)(a) of the Act – passing-off

20) The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

21) Danjaq has established that it has a business and that the two signs upon which it relies are used in relation to that business and are identified with that business. It has goodwill that is identified with the two signs upon which it relies.

22) Danjaq has established that it has a practice of licensing the use of the two signs upon which it relies. This licensing includes use in relation to smokers' articles, beer and champagne. Danjaq has established that the two signs upon which it relies are exceptionally well-known and are identified with the James Bond series of films. The public have been exposed to the licensing of products relating to films for many years.

23) Owing to the enormous fame of the two signs upon which Danjaq relies, the public will believe that Danjaq is responsible for the goods of the international registration or that it has licensed their use. Consequently, use of the trade mark of Finanskonsult would give rise to a misrepresentation.

24) Damage in passing-off can take a number of formsⁱ. In this case, taking into account the reputation of the earlier signs, damage is likely to occur as possible:

- By the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers

with a business owned by another proprietor or is wrongly regarded as being connected with that business.

- Erosion of the distinctiveness of Danjaq's sign.
- By the restriction of the ability to exploit the goodwill (of particular importance owing to the licensing activities of Danjaq.

25) The request for protection of the international registration is refused in its entirety.

26) Owing to the finding in relation to section 5(4)(a), it is not necessary to consider the other grounds of opposition.

Costs

27) Danjaq having been successful is entitled to a contribution towards its costs. Costs are awarded upon the following basis:

Opposition fee:	£200
Preparing a statement and considering statement of Finanskonsult:	£400
Preparing evidence:	£500
Written submission:	£400
Total:	£1,500

Ednolitchno Drujestvo S Ogranitchena Otgovornost "Finanskonsult" is ordered to pay Danjaq, LLC the sum of £1,500. This sum is 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 5th day of June 2013

**David Landau
for the Registrar
the Comptroller-General**

ⁱ See *Sir Robert McAlpine Limited v Alfred McAlpine Plc* [2004] EWHC 630 (Ch) Mann J:

"20 When it comes to considering damage, the law is not so naïve as to confine the damage to directly provable losses of sales, or "direct sale for sale substitution". The law recognises that damage from wrongful association can be wider than that. Thus in *Ewing –v- Buttercup Margarine Limited* (1917) 34 RPC 232 Warrington L.J. said:

"To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of the goods I sell; the kind of business I do; the credit or otherwise which I might enjoy. All those things may immensely injure the other man, who is assumed wrongly to be associated with me."

In so saying, he was not limiting the kinds of potential damage to those listed by him. Rather, he was indicating that the subtleties of the effect of passing off extend into effects that are more subtle than merely sales lost to a passing off competitor.

In *Associated Newspapers Limited –v- Express Newspapers* [2003] FSR 909 Page 929. Laddie J cited this passage, referred to other cases and went on to say:

"In all these cases [that is to say, the *Clock Limited* case referred to above and *Harrods –v- Harroddian School* [1996] RPC 679], direct sale for sale substitution is unlikely or impossible. Nevertheless the damage to the Claimant can be substantial and invidious since the Defendant's activities may remove from the Claimant his ability to control and develop as he wishes the reputation in his mark. Thus, for a long time, the common law has protected a trader from the risk of false association as it has against the risk of more conventional goods for goods confusion."

The same Judge expressed himself more picturesquely, but equally helpfully, in *Irvine –v- Talksport Limited* [2002] 1 WLR 2355 at page 2366. Having pointed out the more familiar, and easier, case of a Defendant selling inferior goods in substitution for the Claimant's and the consequential damage, he went on to say:

"But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a Defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the Claimant's. In such a case, although the Defendant may not damage the goodwill as such, what he does is damage the value of the goodwill to the Claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus Fortnum and Mason is no more entitled to use the name FW Woolworth than FW Woolworth is entitled to use the name Fortnum and Mason ...

"The law will vindicate the Claimant's exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity." (at p 2368)

In *Taittinger SA –v- Allbev Limited* [1994] 4 All ER 75 Page 88, Peter Gibson L.J. acknowledged that:

"Erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses."

The same view was expressed by Sir Thomas Bingham M.R. at page 93.

21 The damage which results must be as a result of a misrepresentation to a relevant part or section of the public. In the *Jif Lemon* case the relevant people were described as "prospective customers or ultimate consumers of the goods or services in question" by Lord Diplock and as the "purchasing public" by Lord Oliver. Mr Thorley realistically accepted that in this case the relevant public was not confined to people who are at the moment actually customers of Robert and Alfred. In doing so he acknowledged the possibility, which in my view exists in this case, that the misrepresentation, if any, would or might be received by a wider class than that. However, for Robert to succeed there must be people whose dealings in respect of Robert would somehow be affected by the alleged misrepresentation. Such people must be assumed to be "reasonably well informed and reasonably observant and circumspect". Per Chadwick L.J. in *Bach –v- Bach Flour Remedies Trademarks* [2000] RPC 513 and 534."