

O-122-16

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION 3064237
BY RONALD TERENCE RICHARDS
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 25:**

VENOM

**AND
OPPOSITION 403640 THERETO BY
VTEC LIMITED**

Background and pleadings

1. Mr Ronald Terence Richards (the applicant) applied to register the trade mark VENOM in the UK on 15 July 2014. It was accepted and published in the Trade Marks Journal on 17 October 2014 in respect of sports clothing in Class 25.
2. VTEC Limited (the opponent) oppose the trade mark on the basis of Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). The first two grounds are on the basis of their earlier Community Trade Mark 9398454 filed on 23 September 2010 and registered on 6 March 2011:



3. The following goods are relied upon in this opposition:

Class 9

Protective helmets for combat sports

Class 25

Clothing for combat sports and martial arts; martial arts suits; shorts; kimonos; sports footwear, in particular for martial arts; T-shirts; bermuda shorts; sweatshirts.

Class 28

Protective sporting articles, namely boxing and freestyle-fighting gloves, shin guards, elbow guards, knee guards

4. Under section 5(2)(b) of the Act the opponent argues that the respective goods are identical and that the marks are “near identical”.
5. The opponent further argues that the mark has a reputation for the purposes of section 5(3) of the Act. In particular the opponent argues that the applicant will benefit from the opponent’s investment in advertising, leading to unfair advantage. Further, that the applicant will ride on its coat tails and will benefit from the power

of attraction, reputation and prestige of the earlier mark. The opponent also claims that the later use will be out of its control and that poor quality or offensive goods will cause detriment to its valuable reputation and business. It claims that use of the later mark will dilute the distinctive character and reputation of its mark.

6. Finally the opponent argues in respect of its claim under section 5(4)(a) that it has been selling its goods under its sign VENUM since January 2010 and has acquired goodwill which is associated with the sign. It argues that use of the trade mark applied for would therefore be a misrepresentation to the public and result in damage to the aforementioned goodwill.
7. The applicant filed a counterstatement denying the claims made. As the opponent's mark did not complete its registration more than five years prior to the publication of the applicant's mark, it is not subject to the proof of use provisions in section 6A of the Act.
8. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate/necessary. Written submissions filed will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

Evidence

9. The opponent's evidence comprises the witness statement of Franck Dupuis, Chief Executive Officer of VTEC Limited plus exhibits, the following points arise from which:
 - Prior to assignment of the rights in the earlier mark to the opponent in August 2013, they were owned by Dragon Bleu, who after the assignment continued to use the mark under licence from the opponent, primarily for the sale of goods.
 - The opponent was incorporated in 2012 to focus on marketing of the brand of which the earlier mark forms part, first in Russia and Asia and growing to take over the global advertising and promotion of the brand, which included the European Community.
 - The word venom, stylised or unstylised, and accompanied or unaccompanied by the device present in the earlier mark, has been used in the EU by either the opponent or Dragon Bleu continuously since 2006.
 - For the period 2009 – 2014 sales rose from an approximate 107,000 Euros to 6,228,000 Euros, roughly ten percent of which relates to UK trade. During this time the mark was used prominently on clothes, accessories and equipment all of a sporting nature with a focus on Mixed Martial Arts (MMA). The mark was also used on the interior labels of such goods, and on the sales website of the VENUM brand.

- The mark has also featured in UK magazines and at a number of well-attended UK events, and in association with the opponent's past and present sponsorship of a roster of MMA fighters. Almost four million Euros is said to have been spent on advertising and promotions in the period 2011 – 2014.
- Finally, at Exhibit FD7 a number of social media pages are given as evidence of the brand's online presence, comprising some 21,000 twitter followers, 1,200,000 facebook likes, and 33,000 instagram followers.

10. In its written observations the opponent requested that certain exhibits to the witness statement be kept confidential save as between the parties and not be made open to public inspection owing to their sensitive commercial nature. By an order dated 12 August 2015 the Registry allowed the request, and such evidence as is covered by the Order does not appear in the above summary, which is therefore based on approximated figures. The precise figures covered by the confidentiality order do not impact on my findings and so I need say no more about them than is covered by the summary.

11. The applicant's evidence comprises the witness statement of Ronald Terence Richards, the applicant and director of Venom Sports & Leisurewear Ltd, plus exhibits. The following points arise from this evidence:

- In the 1980s the applicant was involved in the production and sale of innovative security alarm systems, some of which are described as 'Venom security systems'. Exhibit 1 shows Ron Richards as managing director of Unitech, said to manufacture 30 different types of alarm, including the UNISCAN WASP, and Siren systems. The word 'Venom' is not mentioned.
- On 20 October 1989 VimpeX Ltd wrote out to its dealers regarding the acquisition of the 'Venom' car alarm brand, though it is not clear from whom. The sale was at that time expected to complete within 7 days.
- On 19 August 1996 Hakuto Corporation Ltd wrote to Unitech Security Products Ltd indicating that it was aware of the cessation of rights to any trade names, and that trade names or marks kept by 'Hakuto International UK' had been transferred to other companies, including VimpeX.
- However, the letter states that Hakuto has "no idea for the name of Venom". Accordingly, on the basis that they do not believe they own the rights and are not sure who does, they confirm that they would not object to the use of the name Venom by Unitech. Mr Richards' evidence is that he acquired 100% control of the Venom brand at this time. Whether or not that is the case is not clear from this evidence, but the point is not challenged.
- In 1996 Mr Richards contacted the IPO to discuss a trade mark application in classes 12 and 25, and was informed that it would take longer to register two classes, and that, having acquired a registration in class 12, he would not be precluded from using his mark on clothing. On this basis Mr Richards

proceeded to file an application for goods in class 12, which completed its registration procedure on 14 August 1998.

- Venom Sports & Leisurewear Ltd was registered as a company and a number of promotional items were produced bearing the word Venom along with the device of a rattlesnake and the words 'security system'. The ® symbol is used on this mark.
- The items of which I have evidence are pens, clocks, business card holders and small sets of screwdrivers, however I have no evidence of the scale of their distribution. The date of registration of this company is in dispute – the applicant states that it was incorporated on 13 July 2001 whilst the opponent contends that this company was incorporated on 28 May 2014. The issue is not material to the outcome and I neither make a finding nor draw an inference.
- Mr Richards states that “the mark has been depicted on t-shirts, hoodies and outdoor coats, stationary and many other products, distributed amongst customers and engineers across the uk and europe installing and distributing Venom security products as a means of promotion and emphasising approved fitter status.” He also provides physical examples of window stickers bearing the mark, but again these are unaccompanied by evidence of the scale of distribution.
- Mr Richards also explains the promotional steps he took to raise public awareness that the 'Venom' brand was to succeed the 'Uniscan' brand in 2001, including the erection of a sign bearing the names of both.

The applicant's main arguments

12. I note that the applicant is not represented and has experienced some difficulty in preparing his Witness Statement owing to his personal circumstances. Therefore it may be of assistance to summarise the applicant's main arguments:

- a. The applicant's 'venom brand' has been around for 30 years
- b. The opponent's mark is itself similar to other coexistent marks
- c. The opponent's mark is so well known that no confusion will arise

13. In terms of the first point, the fact that the applicant has a brand in the field of security alarms (and a registration in class 12 filed in 1996) is not pertinent because the dispute here is about clothing. Whilst the applicant may have been advised that he was not precluded from using the mark on clothing items, this is merely a reflection that a trader does not need to have a registered trade mark to use a particular sign in the course of trade, subject, of course, that such use does not infringe the rights of others. However, the opponent has an earlier mark and it is entitled to rely on it in these proceedings. Furthermore, there is nothing to show that the opponent has acquiesced to the use by the applicant.

14. I refer to the other arguments below where appropriate.

Other cases

15. The applicant argues that the opponent is trying to 'have it both ways' in having themselves been opposed by an earlier 'Venom' mark, whilst in the present case arguing that 'Venom' would be similar to future 'Venom' marks. I note that the case referred to is brought under US law.
16. US trade mark procedure is entirely separate from UK and EU law, and in any event I have no evidence before me regarding the case put by either party or how or even whether the matter has been decided. Therefore I cannot take it into account for the purposes of the present case.
17. On the other side of that line of reasoning, the opponent submits that I should be persuaded by its recent success before the OHIM in having opposed the mark 'VENOM', applied for in respect of Class 28 goods (skateboards; skateboard components, namely, truck bushings, wheels and fasteners).
18. First instance decisions before the OHIM are not binding on the Tribunal but may have some persuasive value. However, I attach little weight to it because the nature of the dispute here is different.

DECISION

19. The opposition is brought under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. I shall begin with section 5(2)(b).

Section 5(2)(b)

20. Sections 5(2)(b) of the Act is as follows:

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

(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.

21. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

The principles

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

22. The applicant's mark is applied for in respect of 'sports clothing' in class 25, whilst the opponent's earlier mark is registered for the following goods:

Class 9

Protective helmets for combat sports

Class 25

Clothing for combat sports and martial arts; martial arts suits; shorts; kimonos; sports footwear, in particular for martial arts; T-shirts; bermuda shorts; sweatshirts.

Class 28

Protective sporting articles, namely boxing and freestyle-fighting gloves, shin guards, elbow guards, knee guards

23. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

29. [...] goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.

24. In the present case, ‘clothing for combat sports and martial arts’, ‘martial arts suits’ and ‘sports footwear, in particular for martial arts’ in the opponent’s specification, as well as t-shirts, Bermuda shorts and sweatshirts, all fall within the broader term ‘sports clothing’ designated by the applicant, and can therefore be considered identical under the principle in *Gérard Meric*. The opponent’s remaining goods put them in no better position so I will limit my analysis to these identical goods.

25. The applicant indicates in its submissions that it would have been prepared to “abstain from the mma specific market”, however this would not assist them because the opponent’s non-combat sportswear, namely t-shirts, Bermuda shorts, sweatshirts would still be identical to the goods covered by the applicant’s mark.

Comparison of marks

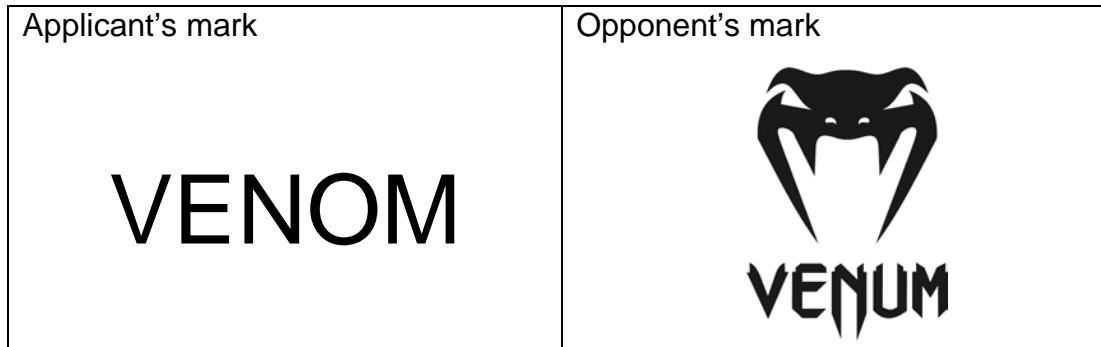
26. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

- a. “.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a

sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

27. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

28. The respective trade marks are shown below:



29. The applicant's mark has just one component, which consequently comprises the only aspect of its overall impression.

30. The opponent's mark has two components forming a composite word/device mark, one being a stylised snake's head, and the other being the word 'VENUM' in a stylised font. The device element will have slightly greater visual significance, being slightly larger and presented above the word, whereas the word will have the greater aural significance, as the device element is unlikely to be articulated in speech. However, even from the visual perspective, the word element still plays a strong role in the overall impression. It will not be lost or overlooked.

31. Aurally the words Venom and Venum are pronounced identically. The device element of the opponent's mark is unlikely to be articulated in speech, and so I find that the marks are aurally identical. The difference between the marks is more significant in the visual comparison; the applicant's mark has no device element and the word venom is spelled correctly, whereas the opponent's mark is spelled incorrectly. The marks therefore share only the letters 'VEN_M', though it is possible that the 'U' of Venum may be misread as an 'O'. The stylised font plays only a minor part in the comparison as the applicant's mark is not restricted only to the font in which it is presented in the application. Taking all of these factors into account I find a medium degree of visual similarity.

32. The conceptual identity of the applicant's mark will revolve around the meaning of the word venom, in particular the harmful secretions of a number of animal species including spiders and snakes. The opponent's mark will evoke similar imagery, whilst it differs in the obvious additional element of a snake's head device, this is so closely linked to the idea of venom that it contributes to the conceptual similarity, which I assess as high.

Average consumer and the purchasing act

33. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median.

34. The average consumer of sports clothing is anyone participating in the relevant sport, be they athletes or the general public. Some sports clothing is also worn casually by both groups. The goods will be selected for size, style, quality and purpose, usually after a visual inspection in a shop or online, and less frequently from catalogues. Accordingly the selection process will be mainly visual. Clothes, including protective sports items, are not a particularly high value purchases and are purchased fairly frequently and so I consider that the degree of care in the selection will be average.

Distinctive character of the earlier trade mark

35. The degree of distinctiveness of the earlier mark must be assessed, as the more distinctive the earlier mark, based on either inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000 paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically

widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).

36. The mark comprises a snake's head device feature and a misspelled word in a stylised font, which is of a medium level of inherent distinctiveness. In terms of the use made of the mark and the amount invested in its promotion, I am prepared to accept that this has enhanced the distinctiveness of the mark somewhat, but not enough to raise my assessment above 'medium'.

Likelihood of confusion

37. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*, paragraph 17) and a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

38. At this juncture I return to the applicant's arguments which I summarised in paragraph 12, beginning with the point that there are other extant marks comprising or including the word 'Venom'.

39. In the *TREAT* case (*British Sugar PLC v. James Robertson & Sons Ltd.*, 1996 R.P.C. 281) Jacob J said as follows:

Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word "Treat". I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see eg *MADAME Trade Mark* ([1996] RPC 541) and the same must be true under the 1994 Act. I disregard the state of the register evidence.

40. The mere fact of the existence of other marks is not evidence of their use in the marketplace, much less the impact of any such use. Accordingly, the existence of a third party registered or unregistered mark comprising or including the word 'Venom' in the marketplace is not relevant to the question in this case. The relevant question in this case with regard to section 5(2)(b) is simply whether the average consumer would be confused by the use of the two marks for the goods in question.

41. I recognise the applicant's point that there has therefore been parallel trade between the opponent's mark and both these marks and the mark of the applicant which suggests an absence of likelihood of confusion.

42. However the applicant points to at least one incidence where there has already been a dispute over the coexisting marks in its reference to the Nike litigation. This is not therefore supportive of an absence of a likelihood of confusion. See for example *Aceites del Sur-Coosur SA v OHIM*, Case C-498/07 P, in which the Court of Justice of the European Union found that:

82. First, although the possibility cannot be ruled out that the coexistence of two marks on a particular market might, together with other elements, contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public, certain conditions must be met. Thus, as the Advocate General suggests at points 28 and 29 of his Opinion, the absence of a likelihood of confusion may, in particular, be inferred from the 'peaceful' nature of the coexistence of the marks at issue on the market concerned.

83. It is apparent from the file, however, that in this case the coexistence of the La Española and Carbonell marks has by no means been 'peaceful' and the matter of the similarity of those marks has been at issue between the two undertakings concerned before the national courts for a number of years.

43. See also *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 where Millett L.J. stated that:

Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.

44. Finally I turn to the applicant's submission that the opponent's mark is so well known that no confusion will arise, i.e. that due to the distinctiveness of the earlier mark, the average consumer would not be confused by a similar later mark. However on the contrary it is clear from case law that the correct approach is that the more distinctive the earlier mark, the greater the likelihood of confusion.

Outcome

45. I have found that the average consumer ranges from athletes to the general public who will all pay an average degree of care and attention via a visual selection process. The goods are identical. The marks are visually and conceptually similar, and aurally identical. Finally I have found that the earlier mark is possessed of a medium level of distinctive character.

46. Given the above findings and taking into account all the relevant factors, including the imperfect recollection of the average consumer and the fact that they rarely have the opportunity to directly compare marks, I find that there is a likelihood of indirect confusion on the part of the average consumer, i.e. they may notice the differences between the marks in so far as one has a snake and one does not, and that they use different spellings of Venom (though through imperfect recollection

this may go unnoticed even where the device element is noticed), but they will be led to the conclusion that the different marks belong to linked economic undertakings. There is also potential for direct confusion where the average consumer fails to recognise the difference between the two (being the snake's head and the misspelling) and simply confuses one mark for another, though I consider this would be less frequent than instances of indirect confusion.

Conclusion

47. Accordingly the opposition succeeds under Section 5(2)(b) of the Act. As the opposition has been successful against all of the applicant's goods under this ground, there is no need to consider the additional claims under Sections 5(3) and 5(4)(b).

48. The application is refused.

COSTS

49. The opponent has been successful and as the successful party is entitled to a contribution towards its costs to be paid by the unsuccessful party. In the circumstances I award the opponent the sum of £1200 as a contribution towards the cost of the proceedings. The sum is calculated in accordance with Tribunal Practice Notice (TPN) 4/2007 as follows:

Preparing a statement and considering the other side's statement:	£200
Preparing evidence and considering the other side's evidence:	£500
Preparing submissions:	£300
Opposition fee:	£200
Total:	£1200

50. I therefore order Ronald Terence Richards to pay VTEC Limited the sum of £1200. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 7th day of March 2016

**Andrew Wall
For the Registrar**