

TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 213637 and in the matter of an Opposition thereto.

INN CRYSTAL VERTRIEBSGMBH

of Industriezeile 24, 5280 Braunau am Inn, Austria

- Applicant

WATERFORD WEDGWOOD PLC

of Kilbarry, Waterford, Ireland

- Opponent

The application

1. On 23 April, 1999, Forma-Kutzscher GMBH, a body corporate organised and existing under the laws of Germany, of Angerstrasse 30, D-94227 Zwiesel, Germany, predecessor in title of the Applicant, made application (No. 99/1383) to register LISA MORI as a Trade Mark in Class 21 in respect of “*glassware, especially crystal and lead crystal glassware*”. The application contained a claim to a right of priority on the basis of an application filed in Germany on 26 February, 1999.
2. The application was accepted for registration and advertised accordingly under No. 213637 in Journal No. 1886 on 22 March, 2000.
3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 21 June, 2000 by Waterford Wedgwood plc, an Irish company, of Kilbarry, Waterford, Ireland. The Applicant filed a counter-statement on 28 September, 2000 and evidence was, in due course, filed by the parties under Rules 20, 21, 22 and 23 of the Trade Marks Rules, 1996.

4. The Opposition became the subject of a Hearing before me, acting for the Controller, on 23 July, 2004. The parties were notified on 3 February, 2005 that I had decided to dismiss the opposition and to allow the application to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

Notice of Opposition

5. In its Notice of Opposition the Opponent makes a number of statements and claims, which I would summarise as follows:
 - (i) The Opponent has for many years carried on business as manufacturer and merchant of quality crystal glass products, for which the Opponent is famous throughout the world.
 - (ii) The Opponent is the proprietor of the trade mark LISMORE, which it has used extensively and which has been registered in Ireland and throughout the world.
 - (iii) The mark which the Applicant seeks to have registered is identical with/similar to the Opponent's trade mark and the goods of the application are identical with/similar to those for which the Opponent's trade mark is protected. The use by the Applicant of the mark propounded for registration would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the Opponent's trade mark.
 - (iv) The mark which the Applicant seeks to have registered is incapable of distinguishing its products; it is devoid of distinctive character; it consists exclusively of a sign or indication which may serve, in trade, to designate the kind, intended purpose or other characteristics of the relevant goods.
 - (v) The use of the Applicant's mark is prohibited in the State by enactment or rule of law, including any rule of law protecting an unregistered trade mark.
 - (vi) The application for registration has been made in bad faith.
 - (vii) The mark is not used or proposed to be used by the Applicant or with its consent.

- (viii) Registration of the mark would be contrary to Council Directive No. 89/104 EEC to approximate the laws of the Member States relating to Trade Marks.

Counter-Statement

6. In its Counter-Statement the Applicant denies all of the grounds of opposition and admits only the Opponent's proprietorship of the trade mark LISMORE. In addition to giving certain information concerning the history of the Applicant and its use of the trade mark LISA MORI, which I do not need to go into here, the Applicant denies that there is any possibility of confusion between the respective marks, pointing to the visual, phonetic and conceptual differences between them.

The evidence

Rule 20

7. Evidence submitted by the Opponent under Rule 20 consisted of a Statutory Declaration (and Exhibits WW1-WW3), dated 3 July, 2001, of John Foley, a Director of the Opponent. He explains that LISMORE is the name given by the Opponent to one of the decorative patterns that it applies to its glassware. It is one of the longest established patterns used by the Opponent and one of its most important brands. The Opponent has achieved sales of its products on a massive scale and has expended considerable sums on their promotion and advertisement. A significant proportion of those sales and the advertising expenditure has related to the LISMORE range of products, which is identified by name (as well as by the particular pattern) in the Opponent's brochures and other promotional materials.

Rule 21

8. Evidence submitted by the Applicant under Rule 21 consisted of a Declaration (and Exhibits GK1 and GK2) dated 16 May, 2002 of Gerhard Kletzl, Sales Director of the Applicant. He says that the Applicant has been involved in the marketing of glassware manufactured by its sister company in Braunau, Austria, especially crystal and lead crystal glassware, since 1991. Glassware bearing the trade mark LISA MORI is currently on sale in a number of EU countries and it is planned to extend the sale of products to Ireland and the United Kingdom. Sales

worth approximately €1.2 million were made in 2001 and expenditure on advertising and promotion in that year was of the order of €350,000. The Applicant is not aware of any confusion having arisen in the marketplace involving products sold under the trade marks LISA MORI and LISMORE, respectively.

Rule 22

9. Evidence submitted by the Opponent under Rule 22 consisted of a further Statutory Declaration (and Exhibits WW1-WW3) dated 18 December, 2002 of John Foley, which does not, in my opinion, add anything of significance to the averments already made by Mr. Foley in his earlier Declaration.

Rule 23 – further evidence of Applicant

10. On 29 September, 2003, the Applicant sent to the Office a further Statutory Declaration (and Exhibits GK3-GK8) dated 3 September, 2003 of Gerhard Kletzl as evidence under Rule 23. While that evidence was not accompanied by a formal request for leave to file it under Rule 23, the Office did not raise any demur on that account and nor did the Opponent object to the filing of further evidence by the Applicant. The majority of the Declaration in question is taken up with opinion and rebuttal of arguments advanced in the Statutory Declaration of John Foley filed under Rule 22 and I do not need to go into those aspects for the purposes of my decision. The one relevant factual aspect of Mr. Kletzl's Declaration is his explanation of the manner in which the Applicant came by the trade mark LISA MORI. This was following lengthy internal discussions and consultations with an external design agency and the Applicant's Patent and Trade Mark Attorneys. An initial list of fifty names was reduced to a shortlist of three (MABELLA, MONABELLA and LISA MORI) from which the mark that is the subject of the present application was selected.

Rule 23 – further evidence of Opponent

11. On 13 October, 2003, the Opponent sought, and was granted, leave to file further evidence under Rule 23. On 27 January, 2004, the Opponent filed a further Statutory Declaration dated 12 January, 2004 of John Foley. Again, I find that

this Declaration is taken up entirely with argument and does not contain any facts that it is worth mentioning.

Application for leave to file further evidence under Rule 23

12. Following correspondence with the parties as to the availability of Counsel to attend a hearing in the matter, a hearing was scheduled for 28 May, 2004, which date was notified to the parties on 1 April, 2004. On 17 May, 2004, the Opponent sent to the Office a further Statutory Declaration (and Exhibits GK9-GK11) dated 5 May, 2004 of Gerhard Kletzl, which the Opponent requested *“be admitted in advance of the hearing, because the Declarant would wish to respond to certain of the matter raised by Mr. John Foley in his Declaration dated January 12, 2004”*.
13. On 19 May, 2004, the Applicant was informed that it was proposed to refuse leave to file further evidence under Rule 23 owing to the lateness of the request and the consequent unwarranted inconvenience to the other side as well as the irrelevance, as it was considered, of the contents of the Declaration. Given the Applicant’s entitlement to be heard as regards the proposed refusal of its request to file further evidence and the Opponent’s entitlement to attend and also make submissions at any such hearing and given the time periods within which those entitlements could be exercised, the hearing scheduled for 28 May had to be postponed.
14. The Applicant indicated that it wished to be heard as regards the proposed refusal of leave to file evidence and requested that the hearing of that matter take place on the same day as the hearing of the opposition itself. The Office agreed to that proposal over the Opponent’s objections. Following further correspondence with the parties, a hearing was scheduled for 23 July, 2004.

The hearing

15. At the hearing the Opponent was represented by Mr. Neil McVeigh, Trade Mark Agent of F.R. Kelly & Co., in relation to the preliminary matter of the Applicant’s request for leave to file further evidence under Rule 23 and by Patrick McCann, BL, instructed by F.R. Kelly & Co., in relation to the substantive matter. The Applicant was represented by Paul Coughlan, BL, instructed by Anne Ryan & Co. Trade Mark Agents, in relation to both aspects.

Preliminary matter – request for leave to file evidence under Rule 23

16. Mr. McVeigh, for the Opponent, argued that the Office was correct in its provisional decision to refuse leave to the Applicant to file further evidence under Rule 23, stating that the Applicant had delayed unnecessarily in making the request. He said that there was no good reason for the introduction of further evidence at this late stage and that to grant the request would be prejudicial to the Opponent, who would not be in a position to formulate arguments in response to anything that might be argued for the Applicant on foot of the additional evidence. Mr. Coughlan responded to the effect that the Applicant could point to a compelling reason as to why it should be allowed to file further evidence, viz., to respond to a veiled allegation contained in paragraph 7 of the Foley Declaration dated 12 January, 2004 that the Applicant had copied one of the Opponent's patterns (the ARAGLIN design) in its own glassware. Mr. Coughlan argued that, if the Applicant were not allowed to file evidence on this point, it could be irreparably prejudiced in the event of a possible appeal to the High Court of the decision made on foot of the present opposition. In such an appeal, the Court could only have regard to the evidence filed in the proceedings before the Controller and the absence of evidence from the Applicant on this aspect could leave a question mark over whether its commercial practices were *bona fide*.

17. Having heard both sides, I decided to grant leave to the Applicant to file evidence under Rule 23 only insofar as it was necessary to respond to the implied allegation of having copied one of the Opponent's patterns. Paragraph 9 of the Kletzl Declaration dated 5 May, 2004, and Exhibits GK10 and GK11 referred to therein, are relevant to that matter and I decided, therefore, that only those aspects of the Declaration were admissible. My reason for this decision (which I outlined to the parties at the hearing and now confirm) was that the Applicant had to be given an opportunity to disprove the implied allegation of copying made by the Opponent in the Foley Declaration of 12 January, 2004. Notwithstanding the lateness of the request to file evidence in the matter and the fact that the Applicant's explanation of the need to file evidence was only fully articulated on the day of the hearing, the Opponent could not reasonably object to the Applicant's request as it was the Opponent who brought the question of the similarity between the respective

patterns into play in the first place. If anything were ultimately to turn on the matter, then it would be inequitable to deny the Applicant the opportunity to defend its reputation in the face of an allegation of this nature. In the event, nothing came of any of this as, immediately following my decision, the Opponent's representatives stated that they did not intend to pursue any allegation of bad faith on the part of the Applicant based on the alleged similarity between one of its patterns and one used by the Opponent. At which outcome one can only conclude, so much for all of that!

The substantive issues

18. While several grounds of opposition against the present application have been raised in the Notice of Opposition, a number of these have not been substantiated by relevant evidence and nor were they canvassed by Mr. McCann on behalf of the Opponent at the hearing. So, for example, the Opponent's claims made at paragraphs 8 and 9 of the Notice of Opposition to the effect that the words LISA MORI are not capable of distinguishing the Applicant's goods and are descriptive of such goods or their characteristics have not been pursued. Those claims are obviously unfounded and I do not need to consider them further. Nor is there any evidence to support the claim, at paragraph 12 of the Notice of Opposition, that the Applicant does not use or propose to use the trade mark and the objection under Section 37(2) of the Act must also fail.

19. It was also claimed by the Opponent (paragraph 11 of the Notice of Opposition) that the application for registration was made in bad faith. The basis of that claim, as enunciated in the Opponent's evidence, was that the Applicant must have known of the Opponent's reputation under the trade mark LISMORE and, by adopting what the Opponent says is a similar mark, LISA MORI, must have intended to derive benefit from that reputation. That theme was taken up, though not very enthusiastically, I think, by Mr. McCann at the hearing when he referred to the absence of statements by the Applicant as to whether its searches had disclosed the existence of the Opponent's trade mark and the inferences to be drawn from that. In this regard, I find it sufficient to say that the adoption by an undertaking of a trade mark which a competitor believes to be similar to its mark does not, of itself and without more, constitute an act of bad faith. It is for an

Opponent who makes a charge of bad faith to prove, on the balance of probabilities, that the Applicant has acted in a dishonest or ethically unsound manner. No such proof has been forthcoming in this case and the charge of bad faith in making the application has not been made out to the extent necessary to shift the burden of disproving it onto the Applicant.

20. In essence, the Opponent's real objections to this application all come down to the claimed similarity between the Applicant's trade mark LISA MORI and its mark LISMORE. Referring to that similarity, Mr. McCann argued that there is a likelihood of confusion on the part of the public, that the use of the Applicant's mark would damage and exploit the Opponent's reputation under its mark and that such use would be liable to be prevented through an action for passing-off. The Sections of the Act under which those objections arise are Sections 10(2), 10(3) and 10(4) and I have confined my consideration of the matter to those Sections.

Section 10(2) – is there a likelihood of confusion on the part of the public?

21. The relevant part of Section 10(2) of the Act, insofar as the present application is concerned, reads as follows:

“A trade mark shall not be registered if because –

(a).....

(b) it is similar to an earlier trade mark and would 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 of the later trade mark with the earlier trade mark.”

22. The Opponent has cited two Irish registrations in its Notice of Opposition that pre-date the present application and therefore constitute earlier trade marks for the purposes of this Section. Those registrations are No. 131872 dated 20 February, 1989 and No. 204290 dated 12 May, 1997. Registration No. 131872, which is in respect of glassware included in Class 21, is for a figurative mark consisting of the pattern that the Opponent applies to its glassware and which it calls “Lismore”.

The mark itself does not contain any verbal element and there is, accordingly, no element of similarity between it and the word LISA MORI. No objection to the present application under Section 10(2) of the Act can therefore be sustained on the basis of that registration.

23. Registration No. 204290, which is in respect of china in Class 21, is for the word LISMORE and it is on the basis of the claimed similarity between that mark and the Applicant's mark that the Opponent presses its objection to registration. As I have said, that mark is registered for china in Class 21 and, notwithstanding that the arguments presented at the hearing proceeded on the basis that the respective marks of the parties each related to identical goods, viz. crystal glass, that is not, in fact, the case in the context of the objection to registration under Section 10(2). It is clear from the wording of that Section that the comparison to be made is between the goods covered by the opposed application and the goods *for which the earlier mark is protected*. The respective goods are therefore glassware and china, which are similar, but not identical, goods.

24. The other requirement that must be met in order for an objection under Section 10(2) to be sustained is that there be some similarity between the respective marks and it is on this ground that the Opponent's case really founders. It is established that the likelihood of confusion between marks must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impressions created by them bearing in mind, in particular, their distinctive and dominant components¹. It seems to me that the overall impressions created by the trade marks LISMORE and LISA MORI are entirely different. LISMORE is an Irish place-name while LISA MORI is an Italian sounding woman's name. The distinctive and dominant elements of these trade marks do not emerge from aspects of their pronunciation or from the arrangements of the letters forming them, which aspects can be argued to coincide in certain respects. The characters of these marks are, rather, determined by their respective meanings and one means a place in Ireland while the other means a person of foreign extraction. Of course, one can point to some similarities between the marks arising from the use in each

¹ As per European Court of Justice in *Lloyd Schuhfabrik Meyer & Co. GmbH –v- Klijsen Handel BV* (Case C-342/97) [1999] 2 CMLR 1343

of the same sequences of letters but, to my mind, that is akin to saying that an elephant and a mouse are similar because each is grey!

25. At the hearing, Mr. McCann for the Opponent placed great emphasis on what he claimed to be the various different ways in which the respective marks might be pronounced and perceived by different consumers, including Irish people with different regional accents, immigrants whose first language is not English and tourists, who are among the Opponent's most important customers. Of course, he had to emphasise these aspects for the purposes of pressing his argument that the marks could be seen as similar but the lengths to which he had to stretch, and the mispronunciations that he had to suggest, in order to arrive at some possible overlap in the sounds of the respective marks served, in my view, to highlight their differences as much as their similarities. So, for example, the fact that a person might be found who would pronounce the Opponent's mark as LEEZMOREH or the Applicant's as LEEZ MOREH is beside the point. The likelihood of confusion between trade marks must be assessed from the perspective of the **average consumer** of the category of products concerned, in this case, glassware. I think it is reasonable to assume that the average person is capable of reading and pronouncing the respective marks of the parties in such a way as to perceive the quite obvious visual and aural differences between them. Moreover, I have no reason to believe that the average person cannot readily, and without the need for conscious thought or analysis, understand the different meanings of the respective words. While consumers rarely have the chance to directly compare trade marks and must rely on the imperfect picture they have of them in their minds, they are also to be regarded as reasonably observant and circumspect and cannot be assumed to be illiterate, unintelligent and careless. It seems to me that only a person displaying those characteristics in abundant measure would be likely to confuse LISA MORI with LISMORE.

26. I find therefore that, owing to the significant differences between the Opponent's earlier trade mark and the mark propounded for registration, there is no likelihood of confusion on the part of the public, which includes the likelihood of association of one mark with the other, and the objection to registration under Section 10(2) cannot be upheld. In reaching that decision, I have not had to take account of the

fact that the goods for which the Opponent's earlier trade mark is protected are not identical with those in respect of which the Applicant seeks registration but are merely similar goods, but I note that fact and observe that it reinforces the case for dismissing the opposition under Section 10(2).

Section 10(3) – will the Applicant's use of the mark take unfair advantage of, or be detrimental to, the distinctive character or reputation of the Opponent's mark?

27. Section 10(3) of the Act provides as follows:

“A trade mark which –

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

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

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

28. While it is incumbent on an Opponent who objects to another's application for registration under this Section to first prove that its mark enjoyed the requisite reputation as of the relevant date (the date of filing of the opposed application) to ground the objection, I have not found it necessary to determine whether the Opponent has discharged that burden in the present case. The fact is that the Opponent's claim that the use by the Applicant of the trade mark LISA MORI will take unfair advantage of, or be detrimental to, its trade mark LISMORE is based entirely on the claimed similarities between those marks and the likelihood of association between them in the mind of the consumer. No other evidence or convincing argument had been adduced or advanced as to how the Applicant's use of its mark might tarnish the reputation of the Opponent's mark or undermine its capacity to identify exclusively the Opponent's goods. I have already found that there is no likelihood of confusion or association between the respective marks and it follows that I cannot accept the Opponent's claim that the use of the

Applicant's mark would result in the damage or unfair advantage that Section 10(3) seeks to avoid. The opposition under that Section must also fail.

Section 10(4) – is the use of the mark by the Applicant liable to be prevented by virtue of any rule of law, in particular the law of passing off?

29. The final ground of opposition that falls to be considered is under Section 10(4) of the Act, the relevant part of which reads as follows:

“A trade mark shall not be registered if, or to the extent that, its use in the State 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,”

30. For the same reason that I have decided against the Opponent on the other grounds of opposition, viz., the dissimilarity of the marks, I have also decided that the objection under this Section is not sustainable. For the use by the Applicant of the trade mark LISA MORI to be liable to be prevented by virtue of the law of passing off, it would be necessary for the Opponent to show that such use would constitute a misrepresentation, leading to damage, that the goods so marked were those of the Opponent. In the absence, as I have found, of any likelihood of confusion or association between the respective marks, I cannot see how there could be any misrepresentation as to the provenance of the Applicant's goods by virtue of the use of the trade mark LISA MORI and nor is it conceivable that the Opponent could lose even a single sale as a result. The basic ingredients of an action for passing off have not been established and the objection under Section 10(4) fails accordingly.

Tim Cleary
Acting for the Controller

24 February, 2005