

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2155359
IN THE NAME OF DOVEDALE ENTERPRISES LIMITED**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 49364 IN THE NAME OF
HOSTETTLER AG SURSEE**

TRADE MARKS ACT 1994

**IN THE MATTER OF application No 2155359
in the name of Dovedale Enterprises Limited**

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and

**IN THE MATTER OF opposition thereto under No 49364
in the name of Hostettler AG Sursee**

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Background

On 13 January 1998, Dovedale Enterprises Limited applied to register a trade mark IXESSE in Classes 18 and 25 in respect of the following goods:

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Class 18 Goods made of leather and imitation leather, clutch bags, handbags; travel bags; wallets; purses, luggage, bags; but not including any such goods for use in motorcycling.


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Class 25 Woven clothing; suits, overcoats, coats, shirts, T-shirts, jackets, pants, skirts, overalls, blouses, dresses, blousons, shorts; knitwear; clothing accessories; scarves, ties, belts, suspenders; footwear; headgear; footwear accessories; pantyhose, socks; gloves; underwear; bras, slips, tanks, shorts, panties; nightwear, night gowns; swimwear; trunks; but not including clothing, footwear, headgear and accessories for use in relation to motorcycles.

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On 14 January 1999, Hostettler AG Sursee filed notice of opposition to this application, in which they say that they are the proprietors of the following United Kingdom trade marks:

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| Number | Mark | Class | Specification |
|---------------|---|--------------|--|
| 2030042 | IXS | 18 | Leather and imitations of leather and articles from these materials, travelling bags, backpacks |
| | | 25 | Clothing, shoes, head-gear. |
| 2030040 |  | 18 | Leather and imitations of leather and articles from these materials, travelling bags, backpacks. |
| | | 25 | Clothing, shoes, head-gear. |

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The grounds of opposition are in summary:

- 5 **1. Under Section 5(2)(b)** Because the application is for a mark similar to the opponent's earlier marks and includes goods identical and similar such that there is a likelihood of confusion.
- 2. Under Section 5(4)(a)** By virtue of the law of passing off.
- 10 **3. Under Section 3(3)(b)** Because the mark would deceive the public as to the origin of the goods.

The applicants filed a Counterstatement in which they deny all of the grounds on which the opposition is based.

15 Both sides request that costs be awarded in their favour.

Both sides filed evidence in these proceedings. The matter came to be heard on 22 May 2001, when the applicants were represented by Mr Mark Hickey of Castles, their trade mark attorneys, and the opponents by Mr John Sutton of Stevens, Hewlett & Perkins, their trade mark attorneys.

Opponents' evidence

25 This consists of a Statutory Declaration dated 11 October 1999, which comes from Fritz Hostettler, Managing Director of Hostettler AG Sursee, a company incorporated under the laws of Switzerland. Mr Hostettler confirms that he has been associated with his company since January 1981 and that the evidence given in his Declaration comes either from his own knowledge or from the company records.

30 Mr Hostettler confirms his company is the proprietor of the two trade mark registrations for the mark IXS referred to in the grounds of opposition, and refers to exhibit FH1 which contains details of these registrations. He goes on to say that his company first used the trade mark IXS in the United Kingdom in 1991 in relation to clothing and travel bags, and in particular, in respect of goods made of leather.

35 Mr Hostettler goes on to refer to exhibit FH2 which consists of a range of invoices, the earliest dating from 1991, relating to the supply of items of clothing and luggage to two distributors in the United Kingdom. Although the exhibit does not show use of the trade mark IXS, if taken in conjunction with catalogues in later exhibits it is possible to say that the reference numbers and names used for the goods listed are items of IXS motorcycle clothing. He sets out the turnover for the years 1996 through to 1999 which ranges from £270,000 (import value) £450,000 (retail value) in 1996, rising to £380,000 (import value) £630,000 (retail value) in 1997, the remainder being after the relevant date.

45 Mr Hostettler says that goods sold under the IXS mark include bags, travel luggage, leather wear, articles of clothing (outdoor fashion), motorcycle wear and leisure wear, appearing on both the inside and outside of the garments. He says the mark was used on swing tags, neck

labels and plastic bags, examples of which are shown at exhibit FH3. The exhibit consists of swing tags bearing, inter alia, the letters IXS in a stylised script, and refers to their use in respect of to IXS motorcycle fashions, primarily those made of leather.

5 Mr Hostettler refers to exhibit FH4, which consists of a catalogue headed MOTOR CYCLE
AND LEISURE FASHION with the stylised version of IXS with the words “motorad mode”,
which I understand to refer to motorcycle wear. The brochure gives details of various items
of leather clothing for motorcyclists, such as jackets, trousers, gloves, combi-suits, and a silk
10 scarf. The brochure refers to the opponent’s company as “fulfilling the present and future
demands of the European motorcycle market...IXS is their trade mark used for their
superlative range of motorcycle clothing..”. The clothing bears the stylised IXS lettering on
the collars etc. The exhibit also includes a price list dating from April 1993, showing the
stylised IXS lettering in conjunction with the symbol ® on the cover, describes the products as
leather motorcycle wear, and lists prices for the goods depicted in the brochure. The price list
15 shows Nevis Marketing Ltd, a company located in Dorset as the sole UK importer.

Exhibit FH5 consists of a catalogue and price list dated as 1994 promoting products available
from Nevis Marketing Ltd, inter alia, IXS leather motorcycle clothing of the same description
as in exhibit FH4, stating that the goods are available through selected motorcycle dealers. Mr
20 Hostettler refers to exhibit FH6 which consists of pages from a catalogue entitled the IXS
Motorcycle Fashion Contest 1997. The catalogue contains details of clothing such as jackets,
jeans, pants, chaps, caps, bandana, leather vests, shirts, sweatsuits, overalls, boots, gloves,
bags. Exhibit FH7 consists of the 1999 catalogue promoting a similar range of goods.

25 Mr Hostettler goes on to say why he considers the mark applied for to be phonetically
identical and visually similar and is sought to be registered in respect of identical goods. He
concludes his Declaration saying that given his company’s reputation in IXS, he considers that
there is a likelihood of confusion.

30 **Applicant’s evidence**

This consists of two Statutory Declarations. The first is dated 17 March 2000, and comes
from Mark Hickey, a trade mark attorney employed by Castles, the applicant’s representatives
in these proceedings. Mr Hickey confirms that the facts contained within his Declaration are
35 from his own knowledge, unless otherwise stated.

Mr Hickey begins by referring to the assertion made by Mr Hostettler that the applicant’s
mark and his company’s IXS mark are visually and phonetically similar, and goes on to set out
the reasons why he considers the marks to be different. He refers to a telephone survey
40 conducted by Frederique Manches, (details are set out in a later Declaration) in which Mr
Manches refers to the manner in which staff at the opponent’s United Kingdom distributors
referred to the opponent’s mark IXS. Mr Hickey refers to exhibit MJH21 which consists of a
copy of the examination report for the application in suit, noting that the Registrar did not
raise the opponent’s mark as a relative grounds objection.

45 Mr Hickey says that the evidence shows the goods sold by the opponents under the mark IXS
to be clothing and footwear for use by motorcyclists, referring in particular to paragraph 5 of

Mr Hostettler's Declaration, and to the references to motorcycle clothing in various exhibits to that Declaration and which Mr Hickey exhibits again as MJH2. He notes the statement "IXS Motorcycle Fashion exclusively from J&S" appearing on a promotional brochure from which he draws the conclusion that J&S is the exclusive distributor of the opponent's products in the United Kingdom. Mr Hickey goes on to refer to exhibit MJH3, which consists of a product catalogue obtained from J&S, said to originate from 1999, promoting IXS clothing as "one of Europe's leading motorcycle fashion company's", and to exhibit MJH4 which consists of an extract from a yellow pages search conducted in November 1999 and March 2000, and an extract from the J&S web site, all of which show J&S to have 6 outlets in the United Kingdom. Based on these exhibits Mr Hickey reaches the conclusion that the opponent's reputation is limited in scope.

Mr Hickey next refers to exhibit MJH5 which consists of a copy of a Form TM21 filed by the applicants requesting a limitation of the specifications of their application by an exclusion of goods for use in motorcycling from Class 18, and motorcycle clothing, footwear and headgear from Class 25. He goes on to say that the applicants are seeking to register their trade mark IXESSE for articles of fashion clothing to be distributed in fashion shops, referring to exhibit MJH6 which consists of copies of various undated brochures and photographs depicting such goods and the applicant's retail premises in China and Hong Kong. Mr Hickey says that the applicants do not manufacture or distribute sport clothing or motorcycle clothing.

Mr Hickey concludes his Declaration by challenging the grounds on which the opposition is based.

The second Statutory Declaration is dated 17 March 2000, and comes from Frédérique Manches, a trainee trade mark attorney in the employ of Castles, the applicant's representatives in these proceedings. Mr Manches confirms that the facts contained within his Declaration are from his own knowledge, unless otherwise stated.

Mr Manches gives details of telephone enquiries made in January 2000 with retail sales outlets belonging to J&S, (the opponent's UK distributor) which he says he identified through a search of the Yellow Pages web site. He says that in each call he stated that he was looking for motorcycle clothing, and on confirmation that such goods were stocked, asked for details of the brands. Mr Manches says that amongst others the sales assistants in each case quoted the opponent's mark IXS, as the three separate letters.

He goes on to recount a visit to the outlet in New Malden, saying that it specialised in motorcycles and motor cycle equipment, including clothing. Mr Manches says that he obtained a copy of the 1999 IXS UK catalogue, and further noted that all of the clothing featured are for use in relation to motorcycling.

Opponent's evidence in reply

This consists of a Statutory Declaration dated 20 June 2000, and comes from John Sutton, a trade mark attorney employed by Stevens Hewlett & Perkins, the opponent's representatives in these proceedings. Mr Sutton confirms that the facts contained within his Declaration are from his own knowledge, unless otherwise stated.

Mr Sutton comments on the Declarations filed on behalf of the applicants, challenging the assertion that the marks are not confusingly similar. He accepts that the opponent's mark when used is referred to as the individual letters, suggesting that this is also how the applicant's mark would be pronounced. He denies that the opponents only trade in motorcycle clothing, referring to exhibit JS1. This consists of pages from their Fashion brochure and depicts various items of non-motorcycle clothing. The exhibit is undated, some of the product descriptions are in French and there is no nothing to say that they were available in the United Kingdom. Mr Sutton says that the goods can be obtained through the opponent's United Kingdom distributor, but the exhibit does not show this, or that it was the case at the relevant date.

Mr Sutton refers to the applicants having excluded goods for use in relation to motorcycling from the specifications of their application, noting that the opponent's trade mark registrations still cover the remaining goods. He says that there is an overlap between motorcycling garments and fashion goods which he contends is supported by exhibit JS2. The exhibit consists of an article that appeared in the Sunday Times Style Magazine in April 2000 and refers to motorcycling garments as fashion items. Mr Sutton also elicits support from exhibit JS3 which consists of extracts from various fashion magazines.

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

Decision

In his skeleton arguments Mr Sutton stated that the ground under Section 3(3)(b) was not being pursued. That leaves the grounds under Sections 5(2)(b) and Section 5(4)(a).

:Turning first to the ground under Section 5(2) of the Act. That section reads as follows:

5(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.

The term 'earlier trade mark' is itself defined in Section 6 as follows:

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

(a) a registered trade mark, international trade mark (United Kingdom) 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,

In my consideration of a likelihood of confusion or deception I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 2, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] 45 F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:-

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*, paragraph 22;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, paragraph 23, 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; *Lloyd Schufabrik Meyer & Co. GmbH v Klijsen Handel B.V.* paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*, paragraph 23; (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*, paragraph 23;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*, paragraph 26;

(h) further, 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; *Marca Mode CV v Adidas AG*, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, paragraph 29.

The opponents rely on two trade marks for the letters IXS, one in plain text, the other for a series of two marks which includes the letters in a stylised format but still clearly these letters. The mark IXS is prima facie a distinctive mark. The opponents claim use of their mark in the United Kingdom dating from 1991 in relation to clothing and travel bags particularly made of leather. The exhibits show use from this date in respect of leather motorcycle clothing (which

is where most of their reputation is likely to subsist) and in later years, in respect of more general items such as jeans, shirts, boots, etc, as well as various types of bags. Turnover is given from 1996, which for that year and 1997 (the only years prior to the relevant date) amount to £450,000 and £630,000 respectively at retail value, which given the overall size of the market, is well short of a scale that could be said to added to the distinctiveness of the mark.

The selection of clothing is by and large a visual act and it is the appearance that is probably of most significance. Apart from the fact that it contains the letters IXS, the mark IXESSE is quite different in appearance. Mr Hickey referred me to a number of decisions in which the Hearing Officer had accepted the now well trodden argument that small differences in short words have a disproportionate effect on similarity. I do not intend to take a contrary view and would say that in this case, the difference between IXS and IXESSE is not a small one.

Given the differences in their appearance, it seems to me that if there is any likelihood of confusion it will occur in oral use of the marks, in particular, where a customer asks for the product by name, or a personal recommendation made to another potential purchaser. Mr Sutton suggested that the termination of IXESSE should be regarded as being the same as a single letter S. I do not agree. The use of two letters S softens the ending to an S sound whereas a single letter S would make a harder, almost Z sound as in HE'S. It seems to me that when spoken the initial letter "I" in IXESSE will have a soft sound, rather like the letter "E" in the word "excess" with emphasis placed on the following letters creating a sound similar, but not the equivalent of the letters XS, and nowhere near IXS.

The letters of which the opponent's mark is composed do not form a recognisable word, and are not a natural combination. Mr Sutton saw the use of letter IX as fairly unusual, and perhaps used in such a way at the beginning of a word that is the case, but in my view, the use of the letters X and S together is even more unusual, and I believe make it unlikely that the consumer will see, or try to pronounce the mark as anything other than letters. To those familiar with the origins and derivation of trade marks, the applicant's mark could be said to be the phonetic equivalent of the letters I, X and S, but the average consumer will not delve in such a way. Referring to the band INXS, who's name is pronounced along the lines of IN EXCESS, Mr Sutton submitted that the public will see and refer to the applicant's mark in the same way. Distinct from the band INXS who have probably educated the public to see their name in such a fashion, the applicants have not sought to educate the public who in my view will gain the overall impression of IXESSE as being an invented word, and consequently, are unlikely to see any conceptual similarity.

The application is for clothing and leather goods, excluding any such items for use in motorcycling. The opponent's earlier marks are registered in respect of clothing and leather goods, but not limited in any way. The respective goods are therefore, at least notionally, identical, and I see no reason why the channels of trade and consumer should be any different.

The goods are ordinary, everyday items, usually obtained by self selection, which makes the visual appearance of the marks of primary significance. I accept that in some, more exclusive retail outlets the goods may be made available to the consumer by request, but where what are commonly referred to as designer labels are involved, the consumer, in my view, tends to be

better informed and more observant and circumspect.

The opponent's case relies heavily on the possibility of confusion through imperfect recollection. It is possible that a person familiar with the opponent's IXS, mark on seeing
5 IXESSE used in relation to the goods on which a significant part of the opponent's reputation has been built, in this case motorcycle clothing, may call to mind the opponents, but given the differences I have highlighted even this seems unlikely. Adopting the global approach advocated, for the reasons that I have mentioned above, I consider it unlikely that there will be any confusion on the part of the public, and the opposition fails under Section 5(2)(b).
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Turning to the ground under Section 5(4)(a). That section reads as follows:

5(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 -
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(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, or

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an earlier right in relation to the trade mark.
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No reference is made to any rule of law other than the law of passing off. Mr Hobbs QC set out a summary of the elements of an action for passing off in WILD CHILD Trade Mark 1998 RPC 455. The necessary elements are said to be as follows:
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(a) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(b) that there is a misrepresentation by the defendant (whether or not intentional leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
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(c) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.
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I have accepted that the opponents have established a degree of reputation, albeit probably focussed on clothing, bags and the like for use in motorcycling, and it seems likely that they have goodwill in relation to such goods. Even though the opponent's reputation and goodwill is likely to be in respect of goods related to motorcycling and the applicants have excluded such goods, the respective fields of activity are still associated, and could be said to be identical. Some of the goods on which the opponents have used their mark are not so specialised so as to only be suitable for use whilst riding, and as shown in the exhibits are often worn or used in the same way as any other type of non-motorcycle goods, and are likely to be considered as being in the same market sectors. The marks have some similarities (insofar that the opponent's mark is somewhere in the applicant's), but the differences are such that I would not say that the applicants have adopted a mark that will lead the public to believe that their goods are those of the opponents. Mr Sutton considered that the opponents would suffer
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damage on two counts; through dilution and diversion. For the same reasons that led me to the view that there was no likelihood of confusion, I do not see how the opponent's are likely to suffer any damage, and the ground under Section 5(4)(a) fails accordingly.

5 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. This sum 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.

10 **Dated this 03 day of December 2001**

15 **Mike Foley
for the Registrar
The Comptroller General**