

IN THE MATTER OF TRADE MARK APPLICATIONS 2304243 JUICY DIAMONDS, 2319404 JUICY AND 2331118 JUICY SILVER IN THE NAME OF TALAT ISMAIL

AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS UNDER NUMBERS 91320, 91974 AND 91975 IN THE NAME OF JUICY COUTURE INC

DECISION

Introduction

1. This is an appeal against a decision of the Hearing Officer, Mr. M. Foley, dated 2 August 2006, refusing the registration of three marks, JUICY DIAMONDS, JUICY and JUICY SILVER following opposition proceedings brought by Juicy Couture Inc on the basis of its earlier rights.
2. At the appeal before me, the Appellant/Applicant, Mr Ismail, was represented by Mr Jonathan Hill of counsel and the Opponent, Juicy Couture Inc, by Mr George Hamer of counsel, who had also appeared at the hearing before Mr Foley on 26 October 2005.
3. The appeal relates to oppositions to three trade mark applications, made on three different dates, for three different marks; all three include the same specification of goods in Class 14, the first also includes a range of household and cosmetics goods in Class 3. The opposition is made on the basis of earlier rights, including in particular, five Community Trade Marks, with differing priority dates and differing specifications, for goods and services in Classes 3, 18, 25 and 35.

4. The dispute turns out to be further complicated by a matter to which neither party drew the Hearing Officer's attention, which is that four of the Opponent's five Community Trade Marks are currently the subject of partial invalidity proceedings at OHIM. The Appellant raised this point only at the last moment, in the skeleton argument produced on the day before the hearing of the appeal. I deal below with the impact of the invalidity proceedings and the Appellant's request for suspension of my decision.

The trade mark applications

5. On 2 July 2002, Mr Ismail applied to register the trade mark JUCY DIAMONDS under application no 2304243 in Classes 3 and 14 in relation to:
Class 03: Bleaching preparations, other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.
Class 14: Precious metals, and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.
6. On 24 December 2002, Mr Ismail made a second application, No. 2319404, to register the trade mark JUCY for:
Class 14: Precious metals, and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.
7. On 2 May 2003, Mr Ismail made a third application, No. 2331118, to register the trade mark JUCY SILVER for:
Class 14: Precious metals, and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.
8. Where appropriate, and for the sake of brevity, I will refer to the goods in those applications in categories which I shall call "laundry" and "cleaning" goods, "cosmetics", "precious metals", "jewellery" and "timepieces."

The oppositions

9. On 7 April 2003 and 12 September 2003, Juicy Couture, Inc. filed notice of opposition to all three applications, based on sub-sections 5(2)(b), 5(3) and 5(4)(a) for JUICY DIAMONDS, but only on ss.5(3) and 5(4)(a) for the other two applications. An application was made to amend the Statements of Grounds just before the hearing of the oppositions, so as to rely upon five Community Trade Marks in relation to each of Mr Ismail's applications, and to rely upon section 5(2)(b) in relation to each of them. Mr Foley dealt with the application to amend as a preliminary issue (see paragraphs 32 to 49 of his decision) and allowed the amendment sought. No complaint is made about that part of his decision in this appeal; the Appellant was given an opportunity to file any necessary additional evidence after the hearing (he did not in fact do so).

10. The five marks relied upon by the Opponent are, in date order:
 1. 1177377 JUICY COUTURE, filed on 19 May 1999, covering a wide range of goods in class 25;
 2. 2759942 JUICY COUTURE, filed on 3 July 2002, covering a wide range of goods and services in classes 3, 18 and 35, and claiming (for Class 18) a priority date of 3 January 2002;
 3. 2829224 JUICY BABY, filed on 27 August 2002, covering a wide range of goods and services in classes 3, 25 and 35 and claiming (for Class 25) a priority date of 28 February 2002;
 4. 2829711 JUICY JEANS filed on 27 August 2002, and covering a wide range of goods and services in classes 18, 25 and 35 and claiming a priority date of 28 February 2002 for the whole specification; and
 5. 2831147 JUICY COUTURE, filed on 28 August 2002, covering a wide range of goods and services in classes 3 and 35, and claiming a priority date of 28 February 2002 for the whole specification;

Ignoring any priority claimed, this meant that the parties' respective marks were applied for in the following order:

1.	1177377	JUICY COUTURE	19 May 1999
2.	2304243	JUICY DIAMONDS	2 July 2002
3.	2759942	JUICY COUTURE	3 July 2002
4.	2829224	JUICY BABY	27 August 2002
5.	2829711	JUICY JEANS	27 August 2002
6.	2831147	JUICY COUTURE	28 August 2002
7.	2319404	JUICY	24 December 2002
8.	2331118	JUICY SILVER	2 May 2003.

The issue of priority

11. The amendments to the Statements of Grounds in October 2005 showed that the convention priority claims made in relation to the Opponent's four later Community Trade Marks did not apply to the whole of the specification of those marks. The relevant parts of the amended documents are cited at paragraph 35 of Mr Foley's decision. I am told that in preparing for the appeal before me, the Appellant noticed that in the substantive parts of the decision, Mr Foley appears not to have considered precisely how the limits to the priority claims affected the position. This point was raised in the Appellant's skeleton argument, although it had not been raised in the Grounds of Appeal.

12. The issue as to priority affects only the earliest of Mr Ismail's trade mark applications, for the mark JUICY DIAMONDS, as the filing dates of all of the Opponent's CTMs are earlier than his second and third applications, regardless of the priority claims. The Opponent's trade mark agents, when dealing with their application to amend just prior to the hearing in October 2005, specifically raised this point with the Registrar in a letter of 21 October 2005, and on 25 October 2005 helpfully provided the Registrar with certified copies of the each of the US trade mark applications upon

which the claims to priority are based (not just 2 of them, as Mr Foley says at paragraph 56 of his decision). I have seen these, and they show the precise scope of the parts of the relevant registration specifications for which priority could be claimed. I set out in Annex A below the details of the Opponent's trade mark specifications, showing those parts of the specifications for which the registrations have priority over the JUICY DIAMONDS application.

13. The appellant suggested at the appeal that the Hearing Officer had wrongly assumed that the priority claims were wider than they are, possibly because he had looked at print-outs from the Register, rather than at the US trade mark documents submitted to the Registrar by the Opponent. In particular, the appellant submitted that the Hearing Officer had erred in taking account of the JUICY BABY registration in respect of the application to register JUICY DIAMONDS for goods in Class 3, although the priority claimed on the basis of the US trade mark application for JUICY BABY applied *only* to goods in Class 25.
14. Although this point had not been raised in the Grounds of Appeal, Mr Hamer very fairly accepted before me that the Hearing Officer's decision did appear to show that he had taken JUCY BABY into account when he should not have done: see paragraph 62 of his decision (priority in Class 3) and paragraph 75 (priority in Class 35). Mr Hamer conceded that this was an error, and that the Hearing Officer appeared to have overlooked the scope of the priority for that one mark. However, he submitted that the error was of no real significance. In the circumstances, I did not think it necessary to require Mr Hill to amend the Grounds of Appeal, before proceeding with hearing the appeal.

Grounds of the appeal

15. I can summarise the Grounds of Appeal as follows:

- (a) as to section 5(2)(b): (i) that Mr Foley did not apply the appropriate tests in concluding that there was a likelihood of confusion, or that he failed adequately to set out his reasoning; (ii) that Mr Foley wrongly treated all of the marks as if they were no more than the word JUICY; (iii) there were mistakes in assessing similarity between goods and services in relation to the "cleaning" goods and (iv) more importantly, mistakes in assessing similarity to the retail services;
- (b) as to section 5(4)(a): again that Mr Foley ignored the differences between the relevant marks and that he wrongly assumed that the goodwill of the Opponent's brand would extend beyond clothing to jewellery and perfumery; and
- (c) as to section 5 (3): that the reasoning was not clear, that there was an assumption that the marks were identical, and that the level of reputation found was insufficient to meet the legal standard. Further, that the Hearing Officer's factual assessment of the earlier marks' reputation was so flawed as to be one that no reasonable Hearing Officer could have reached.

16. To those points must now be added two further issues:

- (d) How far is the decision vitiated by the Hearing Officer's mistake in treating JUICY BABY as if it had priority over JUICY DIAMONDS?
and
- (e) If I decide to uphold the decision, or part of it, should I suspend its effect, pending the outcome of the invalidity applications relating to the CTMs?

Standard of review

17. This appeal is a review of the Hearing Officer's decision. That decision with regard to each of the issues in this case involved a multi-factorial

assessment of the kind to which the approach set out by Robert Walker LJ in *REEF TM* [2002] EWCA Civ 763, [2003] RPC 5 at [28] applies:

“In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. A decision does not contain an error of principle merely because it could have been better expressed.”

18. This has recently been further explained by Lindsay J in *Esure Insurance Limited v Direct Line Insurance Plc* [2007] EWHC 1557, 29 June 2007 who said, at paragraph 12:

“I shall not be ambitious enough to attempt a full definition of what is, for present purposes, an error of principle such as to justify or require departure from the decision below save to say that it includes the taking into account of that which should not have been, the omission from the account of that which should have been within it and the case (explicable only as one in which there must have been error of principle) where it is plain that no tribunal properly instructing itself could, in the circumstances, have reasonably arrived at the conclusion that it reached.”

The points relating to Section 5(2)(b)

19. At paragraphs 50 to 91 of his lengthy decision, Mr Foley considered whether there was a likelihood of confusion within the meaning of section 5(2)(b). It was a central plank of the Appellant’s appeal that Mr Foley erred in the manner in which he dealt with that issue, although he referred in the usual terms to the guidance provided by the ECJ in Case C-251/95 *SABEL BV v Puma AG* [1997] ECR I-6191, Case C-39/97 *Canon Kabushiki Kaisha v 3 Metro-Goldwyn-Meyer Inc* [1998] ECR I-5507, Case C-342/97 *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [1999] ECR I-3819, Case C-425/98 *Marca Mode CV v Adidas AG* [2000] ECR I-4881 and Case C-106/03P *Vedial SA v OHIM* [2004] ECR I-9573.

20. Mr Foley first considered whether the various trade marks were similar:

“53. In any analysis it is inevitable that reference will be made to the elements of which a mark is composed, and rightly so, for the case law requires consideration to be given to the distinctiveness and dominance of the component parts. However, it must be remembered that the consumer does not embark on an analysis of trade marks, and it is the marks as a whole that must be compared.

54. I must also bear in mind the nature of the goods and services for which the respective marks are, or may be used, for if the items are usually obtained by self selection it will be their visual appearance that will have greater significance, whereas if they are obtained only on request, greater importance should be attributed to their similarity in sound. But whatever is the case, the consideration must take account of all relevant factors.

...

57. The word JUICY is an ordinary English word that will be known to those familiar with the English language. It describes an attribute of foodstuffs such as fruit, and less commonly is used as a term to describe something interesting or profitable. There is no evidence that it has any relevance for the goods and services covered by the Opponents' earlier marks, and as I see it, in respect of such it is a word with a strong distinctive character. However, the same cannot be said of the words COUTURE, BABY and JEANS. These are also well known English words, but unlike JUICY they each have possible descriptive connotations for at least some of the goods covered by their specifications of goods and services. Accordingly I would say that where the suffix word has such relevance, the word JUICY is clearly the dominant distinctive element. But even where the second element possesses a distinctive character, that JUICY is the first element in the marks, generally accepted as of greater

significance in the overall impression created by the marks, it will be this word that will be left in the minds of the consumer.

58. The marks applied for consist of the word(s) JUICY, JUICY DIAMONDS and JUICY SILVER. As with the goods and services of the Opponent's earlier marks, the word JUICY has no relevance, and as such is a distinctive element. Again, in respect of at least some of the goods covered by the relevant specifications, for example, precious metals and jewellery items covered by Class 14, and cleaning/polishing preparations for silver in Class 3, the words DIAMOND or SILVER may describe a characteristic. Consequently, where there is such relevance, the word JUICY will clearly be the distinctive element, but even where this is not the case, by virtue of its positioning as the first element, JUICY plays a more significant role in the overall impression of the marks, and as such, is the dominant, distinctive element.

59. That the respective marks either are the word JUICY, or have the word as a separate element means that it will be easily discernible, clearly enunciated, and this being so, there is inevitably a degree of visual and aural similarity. Self-evidently, adding another word, whether descriptive or not, will affect how the marks sound and look as a whole, but less so where, as in the case of JUICY the word is separated and presented as the first element. Where, as in this case, the dominant, distinctive element of the respective marks is identical, the conceptual message conveyed by each is likely to be the same unless the additional element(s) change the context of the common feature. I do not consider that that is the case here; the marks are going to be remembered as JUICY marks. Taking all of the aforesaid into account, in my judgement, when compared as a whole, the respective marks are similar."

21. The Hearing Officer continued:

“60. I turn next to consider the goods and services covered by the respective trade marks. As neither the Opponent’s nor the Appellants’ specifications are stated to be specialised in some way, and being of a type that is generally purchased by the public at large, I must proceed on the basis that the consumers of the respective goods and services are notionally the same.”

22. Mr Foley first considered the application for JUICY DIAMONDS for the goods in Class 3. He noted that the Opponent’s earlier marks JUICY COUTURE and JUICY BABY also cover goods in Class 3 and said:

“63. The Opponent’s specification would encompass products for bleaching the skin and hair. However, this term in the applicants’ specification is followed by the expression “other substances for laundry use”, the use of the word “other” having the effect of limiting the purpose of these products to being for laundry use. Such goods are beyond the scope of the Opponents’ specifications.

64. Both the Applicants’ and the Opponents’ specifications specifically mention the goods “soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices” and there can be no dispute that in this respect, identical goods are involved. The expression “cleaning and polishing” preparations would encompass goods such as skin cleansers, body scrubs, soaps, and nail polishes, so again, the respective goods are identical in respect of such goods.

65. This leaves the goods expressed as “scouring and abrasive preparations”. It seems to me that by its normal use the term “scouring preparations” is unlikely to describe any of the goods covered by the Opponent’s specification, which essentially fall in the description of cosmetic, perfumery and toilet products. Whilst the term “abrasive preparations” is not a normal description used for

such products, it is capable of covering goods such as dentifrices and skin preparations for exfoliating the skin, etc, and this being the case, is capable of describing identical goods to those of the Opponent's specification. However, if limited to being for laundry or household use, this would remove any similarity.

66. To me it is self-evident that the goods and services in the other classes covered by the Opponent's earlier marks are neither the same nor similar to the goods in Class 3 of the application. I do not, therefore, consider that they take the Opponent's case any further forward in relation to their opposition to registration in respect of the goods in Class 3 of the application."

23. Mr Foley then considered the goods covered by Class 14 in the applications for all three of the Appellant's marks. He found that none of these goods are similar either to the Class 18 goods (broadly speaking, luggage) or the Class 25 goods (clothing) included in the Opponent's specifications.
24. Mr Hill sought to persuade me that what he described as the Hearing Officer's "exceptionally rolled-up reasoning" was insufficient in the circumstances to amount to a reasoned decision on section 5(2)(b). I do not accept Mr Hill's submission that the Hearing Officer failed to give proper reasons for his decision in the manner criticised in *Flannery v Halifax Estate Agencies Limited* [2000] 1 W.L.R. 377. On the other hand, in paragraphs 32 to 34 of its Judgment in Case C-239/05 *BVBA Management, Training en Consultancy v Benelux-Merkenbureau* (15 February 2007) the ECJ confirmed that:
 - "32. The Court has also held that, where registration of a mark is sought in respect of various goods or services, the competent authority must check, in relation to each of those goods or services, that none of the grounds for refusal listed in Article 3(1) of the

Directive applies to the mark and may reach different conclusions depending on the goods or services in question (*Koninklijke KPN Nederland*, paragraph 73).

33. Moreover, Article 13 of the Directive provides that, where grounds for refusal of registration of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for, refusal of registration is to cover those goods or services only.

34. It follows, firstly, that an examination of the grounds for refusal listed in Article 3 of the Directive must be carried out in relation to each of the goods and services for which trade mark registration is sought and, secondly, that the decision of the competent authority refusing registration of a trade mark must, in principle, state reasons in respect of each of those goods or services.”

25. The ECJ in Case C-196/06 *Alecansan SL v OHIM* (9 March 2007) also held that:

“22 The existence of a likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case. That assessment requires some interdependence between the relevant factors and, in particular, a similarity between the trade marks and between the goods or services covered. Accordingly, a lesser degree of similarity between the goods or services concerned may be compensated by a greater degree of similarity between the marks, and vice versa (*Canon*, paragraph 17).

23 In addition, it is settled case-law that the overall assessment of the likelihood of confusion must, as regards the visual, aural or

conceptual similarity of the marks at issue, be based on the overall impression created by them, account being taken, in particular, of their distinctive and dominant elements (see, inter alia, the order in Case C-3/03 P *Matratzen Concord v OHIM* [2004] ECR I-3657, paragraph 29).

24 However, as OHIM has rightly observed, for the purposes of the application of Article 8(1)(b) of Regulation No 40/94, even where a mark is identical to another with a highly distinctive character – the issue with which the second part of the ground of appeal is concerned – it is still necessary to adduce evidence of similarity between the goods or services covered. In effect, Article 8(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar (see, to that effect, *Canon*, paragraph 22).

...

37. The likelihood of confusion presupposes that the goods or services covered are identical or similar. Accordingly, even where a trade mark is identical to a mark the highly distinctive character of which is particularly marked, it is still necessary to adduce evidence of similarity between the goods or services covered.”

26. The Hearing Officer was thus required to assess the likelihood of confusion under section 5(2)(b) on the basis of a comparison between the various trade marks applied for and the Opponent’s marks, assuming normal and fair use of the marks, for *all* goods of the kind specified in the earlier trade mark registrations and *all* of the goods to which the Opponent objected in the specification of the opposed applications for registration. In my view, whilst the Hearing Officer plainly carried out such an assessment in some

aspects of his decision, it is unclear that he did so in all respects. I deal with this point further below.

27. The Appellant's first argument in relation to section 5(2)(b) was that the Hearing Officer had failed properly to apply the global assessment test of the likelihood of confusion, as he had wrongly divided up the elements of that test and did not consider the different elements of it in the context of the overall test, so that he had failed to consider the marks as a whole, by effectively ignoring elements other than the word JUICY. I was referred to *Medion AG v Thomson Multimedia*, Case C 120/04, a decision of the European Court of Justice of 6 October 2005, [2005] ECR 8551, [2006] E.T.M.R. 13 as indicating the need to assess marks as a whole. Plainly, that is an essential element of the assessment of similarity of the marks. However, I note that at paragraph 29 of that decision, the European Court of Justice held that the overall impression created in the mind of the relevant public by a complex trade mark may in certain circumstances be dominated by one or more of its components. That has been confirmed again recently by the Court in Case C-334/05 P, *OHIM v Shaker di L. Laudato & C. Sas.* (12 June 2007) at paragraphs 35-6.
28. In my view, the Hearing Officer did consider the Appellant's trade marks as a whole, and in so doing, his conclusion was that the distinctive and dominant element in each was the word JUICY. I see no error of principle in his assessment. On the contrary, it is supported by Case C-3/03P *Matratzen Concord GmbH v OHIM* [2004] ECR I-3657. The global appreciation of a likelihood of confusion comprises a number of interdependent factors, each of which falls to be considered separately, as well as in combination with the others as part of the global assessment of the likelihood of confusion. In the circumstances, it seems to me that the Appellant's first criticism of the Hearing Officer's approach is unjustified. In my judgment there is no error in the Hearing Officer's analysis of the similarities between the marks in paragraphs 57 to 59 of his decision.

29. The Appellant next submitted that the Hearing Officer misdirected himself in concluding that the word 'Juicy' was the dominant and most distinctive feature of the various marks. In particular, it was said that 'Juicy' has a number of different meanings, some of which were not taken into account by the Hearing Officer. In my view, the additional dictionary definitions of 'Juicy' to which Mr Hill referred (which I do not think were put to the Hearing Officer below) do not affect the validity of the Hearing Officer's reasoning in paragraph 57 of his decision. It seems to me that the Hearing Officer was entitled to find that none of the meanings of 'Juicy' is descriptive of any of the goods or services in issue. I do not consider that an appeal lies against the Hearing Office's decision on this point.
30. The next point on the appeal relates to the Hearing Officer's assessment of the similarity or identity of the "cleaning, polishing, scouring and abrasive preparations" included in the JUICY DIAMONDS specification to the Class 3 goods for which the Opponent's JUICY COUTURE marks are registered. In paragraphs 64 and 65 of his decision, he drew a distinction between "cleaning and polishing" products and "scouring and abrasive preparations". This terminology from the Nice classification is not qualified by reference either to cleaning preparations or toilet preparations (the two broad categories into which all goods in Class 3 fall). Mr Foley found that "cleaning and polishing" products, not being so qualified, are capable of applying to skin cleansers, body scrubs, etc. and whilst "scouring and abrasive preparations" would not "in normal use" describe the cosmetics, perfumery and toilet products for which the Opponent's marks are registered, they could do so when not limited to, say, laundry use. I share Mr Foley's concerns that the inclusion of the word "scouring" in this phrase is more apt to cover household or laundry products than cosmetics, etc. However, the Appellant did not seek to limit the scope of this part of his specification (as he had done in respect of the "laundry" goods) and it therefore seems to me that the Hearing Officer was entitled

to take the specification as it stood, and come to the conclusion that he did in paragraph 65 of his decision.

31. A more significant point, however, was the Appellant's criticism of the Hearing Officer's assessment of the similarity of the Appellant's specifications to the Opponent's retail services specifications. At paragraphs 75 onwards, the Hearing Officer considered ~ still in the context of s 5(2)(b) ~ whether there was a likelihood of confusion between the Class 3 and 14 goods in the Appellant's specifications and the Opponent's specifications for retail store services forming part of the JUICY COUTURE, JUICY JEANS and JUICY BABY CTMs. He referred to the Registry's current practice in relation to the treatment of retail services for the purposes of section 5(2)(b), which is based upon the Opinion of Advocate General Leger in Case C-418/02, *Praktiker Bau- und Heimwerkermärkte AG v Deutsches Patent- und Markenamt* [2006] Ch. 144, [2006] 3 CMLR 29 and he set out Practice Amendment Notice PAN 7/06 issued on 25 May 2006. It provides:

"In case C-418/02, Advocate General Phillipe Leger opined ... that "the risk of confusion between [retail] services and the products, if it cannot be excluded, is nevertheless improbable except in particular circumstances, for example when the respective marks are identical or almost identical and well established on the market."

The ECJ did not feel the need to answer the referring court's question about the scope of protection of retailers' marks and so there is no definitive statement of law.

Nevertheless, the Advocate General's Opinion is of persuasive value. In the light of it we will consider raising a section 5(2) objection in the course of official examination where: a mark is registered (or proposed to be registered) for retail services (or similar descriptions

of this service) connected with the sale of specific goods or types of goods; another mark is registered (or proposed to be registered) by a different undertaking for goods of the type expressly mentioned in the specification of the retail services trade mark; the earlier trade mark has at least a normal degree of distinctive character, i.e. marks with low distinctive character, such as, for example, common surnames, need not be cited; the later trade mark is not just similar to the earlier mark but is identical or virtually identical to it, or contains a dominant and/or independently distinctive feature of it.

The reputation of the earlier trade mark and (unless it is obvious) the practices of the trade will only be taken into account on the basis of evidence in opposition or invalidation proceedings.”

32. Mr Foley also set out the Registry’s previous practice on the same point (PAC 13/00) which had been in force at the relevant date. He concluded:

“78. Both practices mention that for there to be a potential for objection, the retail services covered by the earlier mark must specifically mention the goods or types of goods for which the subject application is seeking registration. In the case in hand, the Opponents’ earlier marks cover retail store services, inter alia, in the field of jewellery, fashion accessories, cosmetics, home products and personal care products, in essence the same goods as covered by the subject application. To my mind, if the consideration is the goods, and the goods are identical, both parties must be trade competitors.

79. Another requirement is that the earlier trade mark must have a normal degree of distinctive character, and the later trade mark should be identical or virtually identical to it, either as a whole, or in respect of a dominant and/or independently distinctive feature of it.

On my assessment above I found the respective marks to be identical in their dominant and independently distinctive component.

80. ... establishing the position in respect of reputation is a matter for evidence. The practices also suggest that the same would be the case in respect of the trade, but in assessing this it is possible to make an “informed” judgement based upon the nature and use of the goods.

81. Self-evidently, the physical nature of a service will be different to that of an item of goods, but as indicated above, it is not the act of retailing per se that is the primary consideration, but rather the identity in the goods to be retailed with those covered by the subject application, the circumstances in which the service is provided and the goods reach the consumer, and the expectations of the relevant consumer.

82. Where, as in this instance, the goods listed in the Opponent’s retail specification are the same as those listed in the subject application, unless either is specialised in some way, the use and users must notionally be the same, and both will be delivered to the same end consumer in the same manner. There is no evidence that goes to whether it is common in the trade for retail businesses of the type in question to produce a relevant range of “own brand” products, and as confirmed by Mr Ismail, I believe that this is precisely the position in respect of retail jewellers. These are familiar businesses in the high street, and from my own knowledge I am aware that whilst items such as watches, clocks and ornaments originate from a different named manufacturer, jewellery is frequently unmarked and would be regarded as the product of the jeweller.”

33. Mr Foley analysed the evidence as to the Opponent's reputation and concluded:

"90. Based on the evidence provided, I am satisfied that at the relevant date the opponents' use of the trade mark JUICY COUTURE had been sufficient to establish a reputation in the UK market in respect of clothing, albeit limited in its range and only for women. Although there is no specific evidence that goes to the extent of the opponents' trade, the nature and extent of their exposure in the media is likely to have generated an awareness well beyond the de minimis. There is also some support for the contention that they have a certain consumer awareness of the brand JUICY solus. But even though the opponents may have a reputation, it is in respect of goods different to those for which the applicants' seek registration, and if viewed in isolation it provides no assistance in determining whether the services covered by their earlier marks are similar to the goods for which the subject application is sought to be registered. Such as it is, the trade evidence "indicates" that some designer brands may be registered and used as trade marks in respect of clothing and jewellery. More conclusively, it establishes the practice of dual branding in respect of clothing and cosmetics products, in particular, perfumery. I do not see that the official practice and/or the *Treat* and *Canon* cases require there to be identity in all of the criteria listed for a retail service to be deemed similar to the goods to be the subject of that retail trade. Taking a view in the round I consider that in respect of the goods covered by Classes 3 and 14 of the application, the opponents' retail service are similar.

91. Taking all factors into account, in particular, the dominant, distinctive components of the respective marks, the identity in the goods/services, channels of trade and notional consumer, and the

potential for confusion through imperfect recollection into account, I come to the view that if the applicants were to use their mark in connection with the goods for which they seek registration, that there is a real likelihood of confusion. The objection under Section 5(2)(b) succeeds accordingly.”

34. In *Praktiker Bau*, Advocate General Leger was undoubtedly concerned that broad-brush retail services specifications should not be applied so as to stifle other applications or the use of other signs, whether for goods or services. He said:

“94 ... the assessment of the similarity of services and goods, which is closely connected with whether or not there is a likelihood of confusion, is a question of fact which proceeds from a consideration of all the circumstances of each particular case. Therefore it appears difficult to decide in advance that services provided in connection with retail trading will under no circumstances be similar to certain kinds of other services provided in the course of marketing in general or similar to the goods to which they apply. To rule out such similarity from the outset could result in calling into question, in certain circumstances, the very function of the trade mark, which is to guarantee the origin of the goods and services which it designates.

95 The best method of complying with trade mark law when limiting the likelihood of confusion and, thereby, the extent of the protection conferred by the registration of marks for services provided in connection with retail trading includes, in my opinion, an exact and complete specification of the services in question and the goods to which they apply.

96 If those particulars are given, the competent authorities will, in each particular case, have to refer to that description of the nature of the services and of the sector in which they are provided in order to determine whether there may be a likelihood of confusion on the part of the consumers concerned by reason of, first, the identity or similarity of the signs in question and, secondly, the identity or similarity of the services or goods covered by the third-party mark and the services provided in connection with the retail sale of goods by the retailer. It will be possible to find a likelihood of confusion only if, having regard to all the circumstances of the particular case, the consumers concerned might believe that the goods or services designated by the third-party mark have the same origin as the services supplied by the retailer in connection with the retail sale of goods, that is to say, according to the case law cited by the Bundespatentgericht, that the goods or services of the third party were supplied or manufactured under the control of the retailer to whom the responsibility for their quality may be attributed.

97 Unlike the Bundespatentgericht, I do not think that the fact that retailers are considered, in the minds of consumers, to exercise a degree of control over the quality of the goods they sell, regardless of whether they are designated by the brand name of the retailer in question or by the producer's mark, justifies the assumption that, generally speaking, those goods must be deemed to be similar to the services provided in the course of retail trading. The goods are, by nature, different from the services. Consequently, it cannot be assumed that they are similar. Depending on the characteristics of the services and goods concerned in each case, therefore, it will be possible to determine whether, by reason of their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary, they can be considered similar.

98 Furthermore, I do not think the Court's case law justifies a wide interpretation of these criteria. As we have seen, the concept of similarity must be interpreted in relation to the likelihood of confusion and, as the Grand Chamber of the Court has recently observed, such a likelihood cannot be presumed. The protection of the proprietor of the mark therefore requires proof that there is a likelihood of confusion on the part of the public.

99 Taking these factors into account, I would be inclined to consider that the registration of marks for services supplied in connection with the retail sale of goods should not, if the registration of such marks is subject to specification of the nature of the services and goods to which they apply, result in giving unlimited protection to the proprietors of such marks. On this point I agree with the position of the President of OHIM in Notice 3/01, cited above, who observes that although the risk of confusion between services provided in connection with the retail sale of goods and the goods sold cannot be excluded, it is nevertheless unlikely, save in particular circumstances, for example where the respective marks are identical or almost identical and are well established on the market.

100 Therefore I shall propose that the Court's reply to the third question from the national court should be that it is unnecessary to delimit the scope of similarity within the meaning of Arts 4(1)(b) and 5(1)(b) of the Directive between services provided in connection with retail trading and other services offered in connection with the sale of goods or the goods themselves offered for sale by the retailer.”

35. The ECJ did not deal with this issue in its judgment, on the basis that the relevant question from the referring court was only hypothetical.
36. The guidance from OHIM in relation to applications to register Community trade marks contained in its 2004 and 2006 (draft) guidelines, is that retail services relating to the sale of particular goods are similar to those particular goods, but retail services relating to the sale of particular goods are not similar to other goods. The guidance emphasises that a finding of similarity of the services with goods does not lead to the conclusion that there exists a likelihood of confusion.
37. No criticism was made by the Appellant of Mr Foley's reliance on the Practice Direction or the Opinion of Advocate General Leger, nor did the Appellant argue that the guidance set out in the current Practice Direction imposed a test which was inappropriate in the light of the Advocate General's Opinion. The complaint was that the Hearing Officer erred in applying that test in a number of ways.
38. I do not consider that any error of principle is disclosed in the reasons given by Mr Foley for forming the view that the marks applied for consisted of or contained the dominant or independently distinctive feature of the Opponent's marks. He had already set out at some length his reasons for finding that 'JUICY' was such a feature. Equally, it seems to me that it cannot be said that there was insufficient evidence upon which Mr Foley could base his conclusion in paragraph 90 that the Opponent's marks had a sufficient reputation in the UK to satisfy the Practice Note and Circular.
39. However, the Appellant took a further point, echoing the guidance from OHIM, that there is similarity between the goods applied for and the retail services specification only where the latter relates to the *specific* goods for which the registration is sought. This is the case for some of the Class 3

and 14 goods in the applications, as the Opponent's marks include retail services relating to cosmetics and jewellery, but requires further consideration for the "laundry" and "cleaning" goods in Class 3 and "precious metals" and "timepieces" in Class 14.

40. This point was dealt with by Mr Foley rather briefly in paragraph 78 of his decision, where he said "the Opponent's earlier marks cover retail store services, inter alia, in the field of jewellery, fashion accessories, cosmetics, home products and personal care products, in essence the same goods as covered by the subject application." He repeated the same point, without further elaboration, in paragraph 82. However, after looking at the evidence, especially of the Opponent's reputation, he concluded in paragraph 90 that there is no requirement of identity "in all of the criteria listed" for a retail service to be deemed similar to the goods to be the subject of that retail trade. He concluded "in the round" that the Opponent's retail services were similar to all of the goods covered by Classes 3 and 14 of the applications.

41. It seems to me that in paragraphs 78-82, the Hearing Officer failed to follow sufficiently carefully the guidance of the ECJ to which I referred above, in failing to set out with precision his reasons for concluding that these were "in essence the same goods" for *each* description or type of goods for which there was not word for word identity. This was, I think, the essence of the Appellant's complaint in this regard and I agree that in this limited respect the Hearing Officer fell into error, and I should consider this point afresh. Doing so, it seems to me that the range of goods which could properly be regarded as "in essence the same" is rather more limited than the Hearing Officer thought. In my view,
 - (a) the "laundry" goods in Class 3 may be the same as the "home products" in the Opponent's registrations, although I am not aware of the phrase "home products" being used as such in the Nice classification;

- (b) the same applies to the “cleaning” goods in Class 3, to the extent that they are for household cleaning, and to the extent that they cover cleaning products in the field of toiletries, they would be covered by the Opponent’s registrations either for cosmetics or personal care products;
- (c) all the “cosmetics” in Class 3 would be covered by the Opponent’s registrations for cosmetics and/or personal care products;
- (d) jewellery obviously is covered by the jewellery in the Opponent’s registrations, and “precious stones” is I think close enough to fall into the same category;
- (e) however, the “precious metals” category includes items such as statuettes, tea or coffee pots, candelabra, buckles and key rings made of precious metal, which are not the same as jewellery, although there may be a limited overlap (as in the case of buckles and key rings) with fashion accessories; and
- (f) lastly, “timepieces” could in some but not all circumstances be categorised as fashion accessories or as items of jewellery; in my view, fashion watches might so be described, but an alarm clock surely could not. On the other hand, the applications all refer to “horological and chronometric instruments” without distinguishing between clocks and watches, so would stand or fall as one.

For these reasons, I do not agree with the Hearing Officer’s conclusion that *all* of the goods in the Appellant’s applications are identical to one or more descriptions or types of goods in the retail services registrations.

42. The question then is whether, in order to find similarity between goods and retail services for specific goods, the goods must be *identical* (as the OHIM guidance suggests and the Appellant submitted) or whether it is sufficient that the two specifications cover the same *types* of goods, to use the words of PAN 7/06. There is no doubt that it is appropriate to exercise

particular caution when deciding whether there is a likelihood of confusion between a specification of goods and a specification for retail services, but it seems to me that the jurisprudence of the ECJ to which I have referred tends away from setting rigid distinctions between similar and non-similar goods or services. Indeed, that was what the Advocate General himself said in paragraph 94 of his Opinion in *Praktiker-Bau*. Of course, in many cases, the differences between the goods in one specification and the retail trade in other goods may preclude a finding of similarity between the goods and services, but in other cases there may be at least a degree of similarity. A lower level of similarity might be counterbalanced by identity or a greater similarity of the marks, or by the strength of the reputation of the senior mark. In my judgment, the analysis of whether an application to register a mark for specific goods raises a likelihood of confusion with an earlier mark registered for retail services for particular goods must, as in all cases, be a matter of weighing all of the relevant factors together.

43. It seems to me that the Hearing Officer sought to carry out such an analysis in this case and his overall approach to that analysis was right, in respect of the factors set out in paragraphs 90 and 91 of his decision. However, it also seems to me that again Mr Foley failed to carry out a sufficiently rigorous analysis. He did not consider the likelihood of confusion in respect of each category of goods, nor in relation to each of the three marks applied for. As it seems to me that he erred in that respect, I must consider the point afresh:

(g) The “laundry” goods in Class 3 in the JUCY DIAMONDS application are similar to “home products” in the Opponent’s JUCY COUTURE Class 35 registration. As Mr Foley said in paragraph 58 of his decision, DIAMONDS may be descriptive of some such goods, but even if it is not, it is the word JUCY which is dominant. However, as the Opponent’s use of and reputation in its marks relates to fields which would have no connection with

“laundry” goods, it seems to me that there is not a real likelihood of confusion with retail services for home products.

- (h) The same arguments apply to the “cleaning” goods applied for in Class 3 also for JUICY DIAMONDS, to the extent that the goods are for household cleaning. However, to the extent that the goods are *toiletries*, they would be covered by the Opponent’s registrations for retail services for either cosmetics or personal care products, goods which have a significantly greater connection with the clothing business in which the Opponents have their reputation. In this respect, I agree with the Hearing Officer’s view that there would be a likelihood of confusion with such goods and again, as the “cleaning goods” are not limited to laundry or household use, that part of the application should be refused altogether;
- (i) The “cosmetics” in Class 3 are similar to the Opponent’s registrations for cosmetics and/or personal care products. JUICY DIAMONDS is less descriptive in relation to such goods. Nonetheless, because of the Opponent’s reputation in the closely linked field of high-fashion clothing, I agree with the Hearing Officer’s view that there is a likelihood of confusion with such goods;
- (j) Jewellery and “precious stones” in all three applications are similar to jewellery in the Opponent’s registrations. I agree with Mr Foley’s views (paragraph 58) that the distinctive/dominant element of each mark in relation to these goods is JUICY and again, I agree with the Hearing Officer’s view that there would be a likelihood of confusion with such goods, given the trade links between jewellery and fashion clothing, and the Opponent’s reputation;
- (k) Most of the goods comprised under the “precious metals” heading of the Nice classification are, in my view, too far removed from both the various retail services categories and the Opponent’s field of activity for there to be a likelihood of confusion. As for goods

made of precious metal which might be seen as fashion accessories, whilst I agree with Mr Foley's views (paragraph 58) that the distinctive/dominant element of each mark in relation to these goods is JUICY, on balance I consider that there is still too great a distinction between these goods and the Opponent's field of activity for there to be a likelihood of confusion

- (l) Watches may be similar to fashion accessories, and may be sold through the same trade channels; there are also strong links between watches and jewellery. The practice of high fashion clothing brands of producing ranges of jewellery including watches is well-known, and I note that some of the Opponent's evidence showed the use of designer brands upon watches in just the same way as upon jewellery at the relevant date(s). I agree with Mr Foley's views (paragraph 58) that the distinctive/dominant element of each mark in relation to these goods is JUICY and, again, I agree with the Hearing Officer's view that there would be a likelihood of confusion with such goods, given the trade links between fashion accessories/jewellery and fashion clothing, and the Opponent's reputation.

44. The final point that falls to be considered in relation to section 5(2)(b) is whether Mr Foley's decision was in any way vitiated by his confusion over the priority dates of the Opponent's marks. As I have said, the priority point only affects JUICY BABY, which Mr Foley ought not to have taken into account in relation to JUICY DIAMONDS. It seems to me that if Mr Foley had excluded JUICY BABY from his reasoning in paragraphs 62 to 65 of his decision, he would nonetheless have reached the same conclusions about the Class 3 goods in the JUICY DIAMONDS application. The same applies to his conclusions based on the Opponent's Class 35 registrations. I therefore find that the mistake did not have any material effect upon the decision.

45. My overall conclusion on the appeal as to s 5(2)(b) is, therefore, to allow the appeal against the rejection on this basis of “bleaching preparations, other substances for laundry use” in the JUICY DIAMONDS application, and “precious metals, and their alloys and goods in precious metals or coated therewith, not included in other classes” in all three applications.

Section 5(4)(a)

46. In paragraph 98 of his decision, the Hearing Officer found the section 5(4)(a) objection to be made out in respect only of perfumery in Class 3 and jewellery in Class 14.
47. No criticism is made of the principles which the Hearing Officer sought to apply in relation to the objection on section 5(4)(a), which followed the usual exposition of the law of passing off by Geoffrey Hobbs QC sitting as the Appointed Person in *WILD CHILD Trade Mark* [1998] RPC 455. Instead, the Appellant first criticised the Hearing Officer's analysis of the scope and extent of the goodwill built up in the name ‘Juicy Couture’ (and to a lesser extent in the name ‘Juicy’ alone) and secondly complained that he was wrong to conclude that there would be a misrepresentation if the marks applied for were used in relation to perfumery/jewellery, because of the differences between those goods and the clothing for which the Opponent’s marks had been used.
48. There are, of course, well-recognised difficulties in assessing a passing off claim on paper for the purposes of proceedings in the Registry, as Pumfrey J held in *REEF Trade Mark* [2002] RPC 19 at 27:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is

entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

49. While such evidence is eminently desirable, as Pumfrey J made clear, it is not essential in order to prove goodwill. As Jacob LJ explained in *Phones4U Ltd v Phone4u.co.uk Ltd* [2007] R.P.C. 5, in a passing off action the claimant needs to establish that he has built up a goodwill which the defendant is invading by a misrepresentation, and accordingly what matters is what the claimant did to create the goodwill. The key evidence must show what has been done to publicise the name relied upon and the court may infer the name must have been known to a substantial section of the public.
50. Here, the Opponent filed no trade or public evidence in support of its claim. However, in my judgment, there is no reason why the Hearing Officer could not safely find that the Opponent had sufficient goodwill at the relevant date without independent trade evidence, as long as the evidence before him established this to his satisfaction. Mr Foley carefully analysed all of the evidence before him and to my mind the decision does

not indicate that he made any error of principle in assessing that evidence (indeed, as I have said above, if he erred, it was on the side of caution, and in favour of the Appellant, in his assessment of its impact). I find no error of principle in relation to his findings on passing off, nor in my view can it be said that there was insufficient evidence for him to reach the conclusions which he did on this point. In this respect, the appeal fails.

Section 5(3)

51. In paragraph 105 of his decision, the Hearing Officer found that use of the marks applied for in respect of jewellery or perfume would take unfair advantage of or be detrimental to the distinctive character or the repute of the Opponent's earlier trade marks, so that the objection under section 5 (3) succeeded in respect of such goods. He said:

“105. In the Statement of Grounds the opponents specifically mention the close proximity of the trade in clothing, and that of jewellery and perfumery; I have no argument with this, particularly in high-end goods where the opponents' reputation appears to exist. There is an obvious advantage to a trader who can latch on to the established reputation of a brand with a cache of desirability, and the higher the reputation, or exclusivity of the mark or goods, the greater the potential for detriment. Whilst it is not necessary for there to be a likelihood of confusion for there to be a finding in favour of the opponents, I take the view that given the identity of the trade marks, the close proximity of the trades in clothing, and jewellery and perfumery, that if the applicants were to use their trade marks in respect of jewellery and/or perfumery, this would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character or the repute of the opponents' earlier trade marks. The ground under Section 5(3) therefore succeeds accordingly.”

52. Mr Foley referred to the guidance of the European Court of Justice in Case C-292/00, *Davidoff & Cie SA v Gofkid Limited*, Case C- 408/01, *Adidas-Salomon AG v Fitnessworld Trading Limited*, and Case C 375/97, *General Motors Corp v Yplon* [1999] E.T.M.R. 122. Again, no criticism was made of the principles which the Hearing Officer sought to apply in relation to the objection under section 5 (3), but it was said that he had misapplied them in assessing the similarity of the marks, the scale of the reputation enjoyed by the Opponent and the likelihood of detriment or unfair advantage. In paragraphs 103 and 104 of his decision, the Hearing Officer summarised his view of the evidence as to the extent of the Opponent's reputation in the trade and amongst consumers. He referred particularly to the persuasive evidence in the press and media cuttings, which he accepted would have had a wide circulation. He continued:

“105. In the Statement of Grounds the opponents specifically mention the close proximity of the trade in clothing, and that of jewellery and perfumery; I have no argument with this, particularly in high-end goods where the opponents' reputation appears to exist. There is an obvious advantage to a trader who can latch on to the established reputation of a brand with a cache [*sic*] of desirability, and the higher the reputation, or exclusivity of the mark or goods, the greater the potential for detriment. Whilst it is not necessary for there to be a likelihood of confusion for there to be a finding in favour of the opponents, I take the view that given the identity of the trade marks, the close proximity of the trades in clothing, and jewellery and perfumery, that if the applicants were to use their trade marks in respect of jewellery and/or perfumery, this would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character or the repute of the opponents' earlier trade marks. The ground under Section 5(3) therefore succeeds accordingly.”

53. In addition to the points mentioned above, the Appellant pointed to the Hearing Officer's reference to the "identity" of the trade marks in paragraph 105 as indicating a fundamental error in his application of section 5 (3). Plainly, this was an error, but I do not consider that it was more than a slip on the part of the Hearing Officer, given that a substantial part of his decision related to the question of the similarity of the various marks, to which he had specifically referred in paragraph 101, as part of the decision dealing with section 5(3). I do not consider that this point alone indicates that the Hearing Officer made a fundamental error in his application of that section which would justify setting it aside on appeal.
54. I think that it is clear that the Hearing Officer had the relevant factors in mind. And whilst there have been a number of decisions in the intervening period which deal with s 5(3), it was not suggested to me that there had been any relevant change in the law, nor do I believe that to be the case. The cases indicate that stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that unfair advantage has been taken or detriment has been caused. The Hearing Officer examined the Opponent's evidence on this basis and came to the conclusion that its marks benefited from a reputation for 'high end', exclusive goods. In my judgment, that was a conclusion he was entitled to draw from the evidence before him. Indeed, counsel for the Opponent, submitted that Mr Foley had been "rather hard" on the Opponent, rejecting material which might have gone further in proving the extent of its reputation. I think there is some force in that point and I reject the Appellant's submission that the level of reputation found was insufficient to meet the necessary legal standard.
55. It is also clear that the greater the similarity between the marks, the greater the risk that unfair advantage will be taken. Where there is identity or a high degree of similarity, this will be an important factor in establishing whether there is a risk of unfair advantage. Here, the Hearing

Officer had come to the conclusion that the marks were similar and that they shared their dominant and most distinctive feature.

56. In addition, the closer the parties' goods come to similarity and the closer the circumstances in which they are marketed, the greater the risk of association or indeed confusion, and the greater the risk that unfair advantage will be taken. The Hearing Officer specifically considered this factor, pointing to the close proximity of the trades in clothing, jewellery and perfumery and upheld the objection under section 5 (3) only in relation to those limited parts of the Appellant's specifications. In my judgment, there was sufficient evidence before him to come to that conclusion and I dismiss the appeal on this basis.

The impact of the invalidity proceedings at OHIM

57. The Appellant invited me to suspend the effect of my decision, if I uphold the opposition, to the extent that the opposition is based on those parts of the Opponent's four later CTMs which are challenged in invalidity proceedings brought by Lancôme, until resolution of those proceedings. The Appellant did not become aware of the invalidity proceedings until counsel checked the Register when preparing for the appeal, although those proceedings date from 2004. I expressed concern at being asked to rule on this point without any information about the scope and status of the invalidity applications. I have since the hearing been sent details of the applications, which are based on Lancôme's Community and French marks JUICY TUBES registered for cosmetics and make-up in Class 3, and JUICY ROUGE, registered for make-up preparations in Class 3. They apply to some parts only of the specification of the four CTMs. I have set out the details in tabular form in Annex A below. I am also told that all of the CTM invalidity actions have been suspended whilst negotiations take place between the Opponent and Lancôme and pending the outcome of still further proceedings (of unknown scope) in France. I invited counsel to

submit further submissions on this point after the hearing, for which I am grateful.

58. The Appellant accepted that if I uphold the Hearing Officer's objections upon the basis of registrations which are not challenged, plainly no stay should be granted, but counsel argued that it would be unfair to his client to refuse to register his trade marks on the basis of marks (or parts of specifications) which potentially were going to be revoked. It was submitted that were I minded to refuse the appeal, no damage would be caused by suspending the effect of my decision, but otherwise the Appellant would be deprived of valuable property rights in its trade mark applications. I was referred to the decision of the European Court of Human rights in *Anheuser-Busch Inc v Portugal* [2007] E.T.M.R. 24 which held that a trade mark application is a property right, implying that to refuse the stay sought would interfere with the Appellant's peaceful enjoyment of his possessions, contrary to Article 1 of the Protocol. Mr Hamer, on the other hand, suggested that the Appellant ought to have taken the point before the hearing in front of Mr Foley and that it was too late to take it now. He added that it was undesirable for marks which ought to be rejected to remain visible on the Register.
59. Mr Geoffrey Hobbs QC, sitting as the Appointed Person, had to deal with a similar request for a stay in *Croom's trade mark application* [2005] R.P.C. 2; there, one of the earlier marks relied upon by the Opponent consisted of an application for a Community Trade Mark. The Appellant proposed to apply for a declaration of invalidity of that mark in the event it proceeded to registration, so that the stay sought might have lasted a significant time. Mr Hobbs pointed out:
- “58. National courts and tribunals ... are also required to act in accordance with Article 103 of the Regulation:

“A national court which is dealing with an action relating to a Community trade mark, other than the actions referred to in Article 92, shall treat the trade mark as valid.”

It was submitted on behalf of the Appellant that the language of this Article should be interpreted restrictively so as to leave the Registrar (and this tribunal on appeal from the Registrar) free to question the validity of a Community trade mark registration in UK Registry proceedings. I do not accept that submission.

59. In substance and reality the Applicant is asking for interim relief in aid of invalidity proceedings he intends to commence before the Community Trade Marks Office. He wants the final determination of the present opposition proceedings in the United Kingdom to be treated as provisional on the basis that Community Trade Mark Application No. 565887 will, if it proceeds to registration, confer protection on the Opponent under the Regulation which can and should be regarded as provisional for the purposes of Section 5(2)(b) of the 1994 Act and Article 4(1)(b) of the Directive pending final determination of the question whether the Community trade mark was validly registered.

60. I do not accept that the Registrar (or this tribunal on appeal from the Registrar) may treat the protection conferred by registration of a Community trade mark as provisional. Article 54(3) of the Regulation specifically confirms that claims for protection can lead to decisions which are legally binding notwithstanding that the trade mark in question may subsequently be found to have been invalidly registered:

“(3) Subject to the national provisions relating either to claims for compensation for damage caused by negligence or lack of good faith on the part of the proprietor of the trade mark or to unjust enrichment, the retroactive effect of revocation or invalidity shall not affect:

(a) any decision on infringement which has acquired the authority of a final decision and been enforced prior to the revocation or invalidity decision;”

Although these provisions refer to decisions on “*infringement*”, it was emphasised in paragraph 21 of the Judgment of the European Court of Justice in Case C-39/97 *Canon KK v. Metro-Goldwyn-Mayer Inc* [1998] ECR I-5507 that “for reasons of legal certainty and proper administration, it is necessary to ensure that trade marks whose use could successfully be challenged before the courts are not registered”. I do not think it would be consistent with that approach and Article 54(3) to treat the protection conferred by registration of a Community trade mark as provisional in opposition proceedings under the 1994 Act. I am reinforced in that view by the presumption of validity imposed by Article 103 of the Regulation.

61. It was none the less open to the Applicant to apply to the Registrar for the present opposition proceedings in the United Kingdom to be held in abeyance pending the outcome of the proposed invalidity proceedings in the Community Trade Marks Office, so that the final determination in the opposition proceedings could be responsive to the final determination in the invalidity proceedings c.f. *American Home Products Corporation v. Knoll AG* [2002] EWHC 828 (Ch) (Mr. David Kitchen QC). Instead of doing so, he asked for the opposition proceedings to be determined as soon as practically possible (see paragraph 52 above). The Opponent did not disagree.

62. Having willingly accepted the possibility that his application for registration might be refused on the ground of conflict with the pending or granted Community trade mark rights of the Opponent, the applicant is not well-placed to complain of the consequences of refusal. ...

63. On weighing the different factors I have identified above, it appears to me that the opposition should follow the normal course i.e. culminate in a final decision which provides for the refusal of the opposed application for registration if and when Community Trade Mark Application No. 565887 proceeds to registration. I reject the Applicant's request for an order preventing the 'decree nisi' from becoming a 'decree absolute' during the pendency of the invalidity proceedings he proposes to bring before the Community Trade Marks Office in respect of the anticipated Community trade mark registration."

60. As in *Croom's* case, it is plain here that resolution of the invalidity proceedings may take a considerable period. I have no indication as to how much longer it may be before any decision is made, and any decision may be appealed. I am therefore being asked to stay the effect of this appeal for an unlimited and potentially lengthy period. On the other hand, the present case can be distinguished from both *Croom's Application* and *American Home Products Corporation v. Knoll AG*, in that the invalidity proceedings upon which this Appellant wishes to rely are not proceedings which he has brought, but proceedings brought by a third party, and in distinction to *Croom*, the proceedings have already been launched. Nor is this a case in which the Appellant deliberately refrained from bringing invalidity proceedings at an earlier stage.
61. The UK Trade Marks Manual indicates that where objection is taken to a trade mark application on the basis of an earlier registered mark the validity of which is challenged, the Registrar will suspend the application pending the outcome of the revocation/invalidity proceedings, but only for 6 months at a time. I note that the OHIM opposition guidelines similarly provide that where the earlier right is at risk, the opposition will be suspended if the earlier right is under attack, unless the earlier right is irrelevant to the outcome of the opposition. This suggests to me that

Article 103 is not taken as determinative of validity, where it is known that the validity of a CTM is challenged.

62. I also bear in mind the views of Lightman J in *Second Sight Ltd. v Novell UK Ltd. and Novell Inc.* [1995] R.P.C. 423, in which he had to consider whether to stay infringement proceedings whilst the Defendant sought to register its mark, so as to provide itself with a backdated defence. I note in particular his comment at page 434 “in the ordinary case the grave injustice of depriving a defendant of the opportunity to secure and invoke an absolute defence by a successful application for registration will be decisive.”
63. The extent of the invalidity proceedings is particularly significant in this case. I have seen no more than the forms filed on the applications for invalidity, but it is clear that
- (a) there is no challenge to the Opponent’s mark no. 1177377 JUICY COUTURE (which is registered only in Class 25) at all; and
 - (b) if wholly successful, the proceedings would invalidate
 - the JUICY BABY registration and the JUICY COUTURE ‘147 registration for all Class 3 goods (except for candles, which are effectively irrelevant) and for retail services relating to such goods, fashion accessories and “personal care products”
 - the JUICY COUTURE ‘942 registration for all Class 3 goods and for retail services relating to such goods, and “personal care products” (but *not* fashion accessories); and
 - the JUICY JEANS registration for retail services relating to cosmetics, fashion accessories and “personal care products”.

So, even if Lancôme’s applications are completely successful, the Opponent would be left with its mark 1177377 JUICY COUTURE for Class 25 goods intact, with untouched Class 18 and Class 25 specifications for its

other marks, and with substantial parts of its retail services specifications. In particular, I note that there is no allegation of invalidity in relation to any of the registrations for retail services relating to clothing/apparel, jewellery and home care products.

64. The position on the application for suspension is, therefore:

“Laundry”

As the appeal succeeds for “laundry” goods, no question of suspension arises.

“Cleaning goods”

The opposition succeeds only on the basis of the Opponent’s Class 3 specifications or its retail services for personal care products. As these are under threat of invalidity, this part of the JUICY DIAMONDS application could survive. I must consider suspending the effect of this part of my decision.

“Cosmetics”

The whole range of “cosmetics” is successfully opposed under s 5(2)(b) on the basis of the Opponent’s Class 3 specifications and its retail services for cosmetics/personal care products, which are under threat.

However, the opposition also succeeds in respect of perfumery on the basis of s 5(4)(a) and 5(3), by reason of the Opponent’s reputation relating to clothing, and these findings would be unaffected by the invalidity proceedings.

So, whilst there is no need to consider suspension of the JUICY DIAMONDS application in relation to perfumery, I must consider suspending my decision in relation to other “cosmetics”.

“Precious metals”

As the appeal succeeds, no question of suspension arises.

“Jewellery”

These parts of all three applications are successfully opposed under s 5(2)(b) on the basis of the Opponent’s retail services for jewellery, as well as under section 5(4)(a) and 5 (3). No question of suspension arises.

“Timepieces”

These parts of all three applications are successfully opposed under s 5(2)(b) on the basis of the Opponent’s retail services for fashion accessories and jewellery. The registration of retail services for fashion accessories is attacked in CTM 2831147, which has priority over all 3 applications, but not in CTM 2759942 which has priority over the two later applications. The registration of retail services for jewellery is not challenged, and so it seems to me that that no question of suspension arises.

65. In sum, the only parts of my decision which fall to be considered for suspension are those relating to “cleaning, polishing, scouring and abrasive preparations” and “soaps; essential oils, cosmetics, hair lotions; dentifrices” in the JUICY DIAMONDS application. On the basis of the Appellant’s own evidence, I am far from convinced that he has a real commercial interest in using the mark in relation to such goods, but that does not, I think, preclude him from having a property interest in this part of the application. Weighing carefully the various factors set out above, and the submissions made to me, it seems to me on balance that I ought to suspend the effect of this decision in respect of these limited parts of the JUICY DIAMONDS application, so as to protect that property interest. It seems to me that as the CTMs are under threat of cancellation, it would be wrong to refuse these potentially acceptable parts of the application. That

approach mirrors the practice of both the UK Registry and OHIM and the comments of Lightman J in *Second Sight*. The delay is not something within the Appellant's control, even though it is unfortunate that the point was not raised before Mr Foley.

66. On the other hand, I am not prepared to grant an indefinite suspension of the effect of this decision, potentially deterring others from applying for, say, other 'Diamonds' marks, unless the Appellant maintains an interest in the relevant parts of the application. Given the fact that the invalidity proceedings are themselves stayed at present, I think it sensible to suspend the relevant parts of this decision for longer than the Registry's standard 6 months, and I propose therefore to make an Order for suspension of the relevant parts of my decision until 1 August 2008, provided that
- (i) the Opponent shall inform the Registrar and the Appellant within 14 days of the resolution of the invalidity proceedings (whether by agreement or by a ruling by OHIM), so that the Registrar may finally accept or reject the JUICY DIAMONDS application in relation to the relevant Class 3 goods; and
 - (ii) if the Appellant has not been notified of such resolution by 1 June 2008, he may apply in writing to the Registrar to extend the suspension of this decision for such period and on such terms as the Registrar may think fit.

Conclusion

67. To summarise the position:
- a. the appeal is allowed in so far as it relates to the opposition under section 5(2)(b) in relation to "Bleaching preparations, other substances for laundry use" in the JUICY DIAMONDS specification;
 - b. the appeal is allowed in so far as it relates to the opposition under section 5(2)(b) in relation to "Precious metals, and their alloys and

goods in precious metals or coated therewith, not included in other classes” in all three applications;

- c. the appeal is dismissed under section 5(2)(b) in relation to all other goods in the Appellant’s specifications;
- d. the appeal is dismissed in so far as it relates to the opposition under section 5(4)(a) and 5(3).

But

- e. The effect of my decision in relation to “cleaning, polishing, scouring and abrasive preparations” and “soaps; essential oils, cosmetics, hair lotions; dentifrices” in the JUICY DIAMONDS application will be suspended on the terms indicated above.

68. The appeal has therefore been successful in part, but has notably failed in respect of the Appellant’s core business of jewellery. The Hearing Officer ordered the Appellant to pay the Opponent £4,200 as a contribution towards its costs, on the basis that the Opponent had been 100% successful in its opposition. In the light of the decision I have just given, the Opponent was less than 100% successful. That should, I think, lead to a proportionate reduction in the costs award below. I think the right order is to reduce the award of £4,200 made by the Hearing Officer to £3,000. Applying a similar discounted approach in relation to the costs of this appeal, I think that the right thing to do is to order the Appellant to pay the Opponent £1,500 in respect of its costs of the appeal. I do not consider that the partial suspension of the decision should affect or delay the liability pay those sums. Both of those sums should be paid within a period of 21 days from the date of the Order herein.

Amanda Michaels
23 July 2007

Annex A

Opponent's Mark	Specification (somewhat abbreviated)	Specification ~goods/services with priority shown in bold	Specification ~goods/services challenged at OHI shown in italics
1177377 JUICY COUTURE	Class 25: Articles of clothing; women's clothing.	[All]	[None]
2759942 JUICY COUTURE	Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc]; Class 18: Luggage, tote bags, hand bags [etc, etc] Class 35: Retail store services, catalogue services, telephone order services, mail order services, wholesale services and electronic ordering services featuring ... clothing; ... fashion accessories; cosmetics;... jewellery;... luggage; ... home products and ... personal care products.	Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc]; Class 18: Luggage, tote bags, hand bags [etc, etc] Class 35: Retail store services, catalogue services, telephone order services, mail order services, wholesale services and electronic ordering services featuring ... clothing; ... fashion accessories; cosmetics;... jewellery;... luggage; ... home products and ... personal care products.	<i>Class 3: Soaps, cosm perfumery, essential cosmetics, hair lotion dentifrices, perfume,</i> Class 18: Luggage, tote bags, h [etc, etc] <i>Class 35: Retail store services, services, telephone or services, mail order s wholesale services an electronic ordering se featuring ... clothing; fashion accessories; cosmetics;... jewellery luggage; ... housewar glass; home products personal care produ</i>
2829224 JUICY BABY	Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc]; Class 25: Clothing, footwear headgear, [etc, etc] Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; ... home products; ... personal care products rendered through a global computer network in international	Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc]; Class 25: Clothing, footwear headgear, [etc, etc] Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; ... home products; ... personal care products rendered through a global computer network in international	<i>Class 3: Soaps, cosm perfumery, essential cosmetics, hair lotion dentifrices, perfume,</i> Candles; Class 25: Clothing, footwear he [etc, etc] Class 35: Online retail services in the field o leather goods, <i>fashio accessories; jewellery cosmetics; ... home p ... personal care pro rendered through a g computer network in</i>

	class 35	class 35	international class 35
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<p>2829711 JUICY JEANS</p>	<p>Class 18: Leather and imitations of leather and goods made of these materials; trunks and travelling bags; wallets; ... handbags, [etc etc]</p> <p>Class 25: Clothing, footwear headgear, [etc, etc]</p> <p>Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; luggage;... home products; ... personal care products rendered through a global computer network in international class 35</p>	<p>Class 18: Leather and imitations of leather and goods made of these materials; trunks and travelling bags; wallets; ... handbags, [etc etc]</p> <p>Class 25: Clothing, footwear headgear, [etc, etc]</p> <p>Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; luggage... home products; ... personal care products rendered through a global computer network in international class 35</p>	<p>Class 18: Leather and imitation leather and goods made of these materials; trunk travelling bags; wallets; handbags, [etc etc]</p> <p>Class 25: Clothing, footwear headgear, [etc, etc]</p> <p>Class 35: Online retail store services in the field of apparel, leather goods, <i>fashion accessories</i>; jewellery; <i>cosmetics</i>; <i>luggage</i>;... <i>home products</i>; ... <i>personal care products</i> rendered through a global computer network in international class 35</p>
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<p>2831147 JUICY COUTURE</p>	<p>Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc];</p> <p>Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; ... home products; ... personal care products rendered through a global computer network in international class 35 Retail store and mail order services featuring apparel, leather goods, fashion accessories, shoes, jewellery, luggage, cosmetics, home products and personal care products.</p>	<p>Class 3: Soaps, cosmetics, perfumery, essential oils, cosmetics, hair lotions, dentifrices, perfume, [etc, etc];</p> <p>Class 35: Online retail store services in the field of apparel, leather goods, fashion accessories; jewellery;... cosmetics; ... home products; ... personal care products rendered through a global computer network in international class 35 Retail store and mail order services featuring apparel, leather goods, fashion accessories, shoes, jewellery, luggage, cosmetics, home products and personal care products.</p>	<p><i>Class 3: Soaps, cosm perfumery, essential cosmetics, hair lotion dentifrices, perfume, [etc, etc];</i></p> <p><i>Class 35: Online reta services in the field of leather goods, fashio accessories; jewellery cosmetics; ... home p ... personal care proo rendered through a g computer network in international class 35 Retail store and mail services featuring app leather goods, fashio accessories, shoes, je luggage, cosmetics, h products and person products.</i></p>
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