# TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION No. 885033
IN THE NAME OF
MIP METRO GROUP INTELLECTUAL PROPERTY GmbH & CO KG

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO 71427 BY HACKETT LIMITED

TRADE MARKS ACT 1994
IN THE MATTER OF International
Registration No 885033 in the
name of MIP METRO GROUP
INTELLECTUAL PROPERTY
GmbH & Co KG and in the matter
of opposition thereto under
No 71427 by Hackett Limited

## **Background**

1.On 25 January 2006, MIP METRO GROUP INTELLECTUAL PROPERTY GmbH & CO KG ("MIP"), on the basis of a German registration with a priority date of 24 August 2005, requested protection in the UK under the terms of the Madrid Protocol for the following mark under No 885033:



2. The mark is subject to a claim for the colours light yellow, light green and white. The request was made in respect of the following goods:

## Class 3:

Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; preparations for body and beauty care; soaps; perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants; essential oils; cosmetics; skin creams; lotions for cosmetic purposes, preparations for shaving purposes and aftershaves; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; shoe polish, make-up; cleansing tissues containing cosmetic lotions.

#### Class 9

Eye masks, ear protection means, namely ear plugs.

#### Class 21

Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs, shoe shine kits; dishrags, dishtowels and glassware towels (for household purposes).

## Class 24

Woven materials and textile goods, not included in other classes; table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile

washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).

## Class 25

Headgear, in particular shower caps; shoes, in particular beach shoes, clothing; eye masks (for sleeping).

#### Class 26

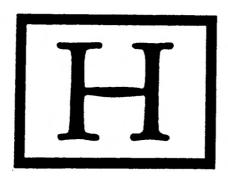
Hair nets, sewing boxes, needle cases, not of precious metal.

#### Class 27

Bathroom and toilet rugs.

3. Following publication of the International Registration in the *Trade Marks Journal*, Notice of Opposition was filed by Hackett Limited ("Hackett"). The opposition is directed to the request for protection of all goods in classes 3, 21, 24 and 25 only and is based on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. Hackett claims rights in the following mark:

## 2183456



which is registered in respect of the following goods:

## Class 3

Aftershaves.

#### Class 14

Cufflinks: clocks: silverware and men's jewellery.

## Class 18

Leather and imitations of leather, and goods made of these materials; bags.

## Class 25

Clothing and headgear.

4. Hackett refers to its earlier mark as the "boxed H" mark, a term that I also adopt. The boxed H mark is said to have been used on products, marketing materials and business papers and on web-based and other advertising throughout the UK. In respect of the objection under the grounds of section 5(4) (a), that use is said to date from at least 1994. Hackett says that the mark has been used on:

Aftershaves, cufflinks, goods made of leather and imitation leather, bags and clothing and other goods including eau de toilette, sunglasses, ophthalmic frames, collar stiffeners, business card holders, key rings, tea measuring spoons, photograph frames, money clips, travelling bags, umbrellas, sticks, luggage, bags, cases, holdalls, briefcases, wallets, coin purses, card holders, attaché cases, key cases, towels, travelling rugs, handkerchiefs, scarves, belts, ties and braces. The words "and other goods including" suggest that the mark has been used on an even wider range of goods but I can take into account only that which has been specifically pleaded.

- 5. MIP filed a counterstatement in which it requires Hackett to prove its use of, and its reputation in, the boxed H mark. It denies the respective marks are sufficiently similar so as to lead to confusion but admits that both parties' marks cover identical goods insofar as they both include *aftershaves*, *clothing and headgear*.
- 6. Both sides filed evidence. Neither party requested to be heard but MIP filed written submissions in lieu of a hearing. After a careful consideration of all the material before me, I give this decision.

## The evidence

7. The following evidence was filed:

## Hackett

2 x witness statements of Mark Owens both dated 30 November 2007 with exhibits MO1-MO38. Mr Owen has been Hackett's marketing director since joining the company in October 2001.

## **MIP**

A witness statement of Lars Hoffman dated 24 September 2008. Mr Hoffman is legal counsel in the Legal and Corporate Affairs department of METRO AG for which MIP is the trade mark holding company.

A witness statement in reply to Mr Hoffman's evidence was filed by Guy Heath of Nabarro LLP, Hackett's legal representatives in these proceedings.

- 8. I do not intend to summarise the totality of the evidence filed as much of it is a record of the respective witnesses' opinions or submissions as the legal tests to be applied. Nevertheless I will take this material into account in reaching my decision.
- 9. With that in mind, the only evidence I intend to summarise is that of Mr Owen. Before I do so, I should point out that his evidence is subject to an Order for confidentiality following a decision made earlier in these proceedings. That Order makes it clear that sensitive commercial sales data, along with exhibits MO23 and MO24, is not open to public inspection (though is available to the parties and their legal representatives as well as the registrar). Redacted versions of the witness statements editing out the confidential data were also filed. It is to these redacted versions I will refer in my summary of the evidence or within the body of the decision as appropriate.

- 10. Hackett is described as a classic British clothing and accessories brand. The company began as a small stall in Portobello Road, London, in 1979. Its first store is said to have opened in 1987 and it now has stores and concessions in London, York, Bicester and Edinburgh as well as Stansted and Heathrow airports. With one exception (in relation Crockett and Jones footwear introduced Autumn/Winter 2004), Hackett outlets deal exclusively in its own label goods. In addition to these outlets, goods are said to be sold through other retailers but no further details have been provided. Since November 2004, sales have also been made via the Internet to customers in the UK. Hackett's total turnover has increased year on year from some £3.6 million for the year ending 31 March 1993 to just over £20 million in 2006.
- 11. In August 2004 the company extended its range to include men's grooming products and entered into a licence agreement with the Boots Company PLC to sell aftershave, eau de toilette, shampoo and conditioner. A copy of extracts of the licence agreement is exhibited at MO35, which shows the boxed H mark as being one of the marks the subject of the agreement.
- 12. Hackett produces two seasonal brochures each year (Autumn/Winter and Spring/Summer) as well as a Christmas brochure. Between 23,000 and 50,000 brochures have been sent out for each mailing and additional copies are made available in store. A further 80 copies are sent to wholesale customers within the UK. Copies of various brochures are exhibited at MO1 to MO22; they range in date from 1994 to 2006.
- 13. The name "Hackett" is said to be the main mark with the boxed H being "our other brand feature, a visual mnemonic of the Hackett name" which is only affixed to selective ranges. Mr Owen says "rather than emblazoning it on everything we sell, we deliberately choose not to over-expose it on our goods. The positioning of the "boxed H" in our marketing materials and the way it is used in packaging is consistent with this approach".
- 14. That completes my summary of the evidence insofar as I consider it necessary.

# **Decision**

- 15. I intend to consider first the objection under section 5(2)(b) of the Act. This reads:
- "(2) A trade mark shall not be registered if because-
  - (a) ...
  - (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."

- 16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:
  - "6.-(1) In this Act an "earlier trade mark" means-
  - (a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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."
- 17. Also of relevance are the provisions of Section 6A of the Act. Section 6A sets out the circumstances in which the provisions apply in relation to opposition proceedings, the relevant parts of which state:
  - "6 A(1) .....
    - (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
    - (3) The use conditions are met if-
      - (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
      - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
    - (4) For these purposes-
      - (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
      - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
    - (5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
    - (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

18. Hackett relies on its registration no 2183456. In its counterstatement, MIP puts Hackett to proof of use of this mark. The mark has a registration date of 16 August 2000. It is an earlier trade mark as defined in section 6(1) of the Act. The mark applied for was published for opposition purposes on 18 August 2006, more than five years after the earlier mark was registered. The mark relied on by Hackett is subject, therefore, to the proof of use requirements set out above and to meet those requirements Hackett must show genuine use of the mark, in respect of the goods for which it is registered, between 19 August 2001 and 18 August 2006.

# 19. Section 100 of the Act provides that:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

- 20. The requirements for "genuine use" have been set out by the European Court of Justice in its judgment in *Ansul BV v Ajax Brandbeveiliging BV*, Case C-40/01 [2003] RPC 40 and in its reasoned Order in Case C-259/02, *La Mer Technology Inc. v Laboratoires Goemar S.A.* [2005] ETMR 114. From these cases I derive the following principles:
  - genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark; i.e. to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
  - the use must not be just internal to the undertaking concerned but must be "on the market" (*Ansul* paragraph 37);
  - the use must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
  - the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37)
  - all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
  - the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (Ansul, paragraph 39);
  - the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
  - an act of importation could constitute putting the goods on the market (Laboratoire de la Mer, paragraph 25, referring to the earlier reasoned decision of the ECJ);

- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer,* paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer,* paragraphs 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).
- 21. Hackett claims to have used the earlier mark on which it relies on a wide range of goods as set out in paragraph 4 above. The mark, however, is registered in respect of goods in classes 3, 14, 18 and 25 only, as set out in paragraph 3 above. As some of the goods for which use is claimed fall outside the scope of the registration, they do not form part of my consideration (see section 6A(3)(a)). As I indicated at paragraph 4 above, Hackett claims to have used its mark of a number of other goods but these claims have at no time formed part of the pleaded case and again I cannot take them into account. With all of this in mind, the use claimed by Hackett which I must consider is as follows:

Class 3 Aftershaves:

Class 14

Cufflinks, silverware;

Class 18

Goods made of leather, goods made of imitations of leather, bags;

Class 25 Clothing.

22. As I indicated above, much of the material exhibited by Hackett takes the form of copies of catalogues whose content is primarily directed at a wide range of articles of clothing though there are repeated instances of the offering for sale of cufflinks and less frequent instances relating to aftershave, leather (or imitation) goods and bags. Many of these catalogues date from a period before the relevant period however the material at exhibits MO11 to MO16 and MO18 to MO20 are dated and fall within, and throughout, the relevant period. Of these, MO16 does not bear any references to the boxed H mark. Exhibits MO12 and MO14 both show the mark only as a decoration on one piece of clothing. Despite the unavailability of turnover figures relating to these specific goods, taking the evidence as a whole, I am satisfied that it shows the earlier mark to be used on and in relation to all of the above goods. I find the above to be a fair specification in accordance with the principles set out in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32 and *Reckitt Benckiser (España) SL v OHIM (Aladin)* Case T-126/03.

23. In reaching my decision under section 5(2)(b) I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117,

Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. [2000] F.S.R 77 and Marca Mode CV v Adidas AG and Adidas Benelux B.V. [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 he has kept in his mind; Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen 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 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 + Adidas Benelux BV, 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.
- 24. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance

to be attached to those different elements and taking into account the degree of similarity in the goods and/or services, the category of goods and/or services in question and how they are marketed.

# **Comparison of goods**

# 25. The respective goods are as follows:

Hackett	MIP
Class 3:	Class 3:
Aftershaves	preparations for body and beauty care;
Class 14: Cufflinks; silverware	soaps; perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants; essential oils; cosmetics; skin creams; lotions for cosmetic
Class 18:	purposes, preparations for shaving purposes
Goods made of leather, goods made of imitations of leather, bags;	and aftershaves; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; make-up;
Class 25:	cleansing tissues containing cosmetic
Clothing	lotions.
	Class 21: Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs,
	Class 24: Woven materials and textile goods, not included in other classes; table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).
	Class 25: Headgear, in particular shower caps; shoes, in particular beach shoes, clothing; eye masks (for sleeping).

26. There is no dispute that as a ftershaves in class 3 and clothing in class 25 are common to both parties' specifications, these are identical goods. Mr Owen, for Hackett, accepts in his evidence that MIP's bleaching and other substances for laundry use; cleaning, polishing, scouring and abrasive preparation; and shoe polish in class 3 are not similar to any of the goods covered by the earlier mark. Similarly, he considers that shoe shine kits, dishrags, dishtowels and glassware (for household use) are not similar. But he considers that there is similarity in respect of all other

goods. For its part, MIP deny that Hackett's goods are identical or similar to any other of the goods covered by the application. I therefore go on to consider the remaining goods, taking into account my findings as to Hackett's use of its earlier mark and the extent of the opposition.

- 27. Following the established tests in *Canon* and in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281, in carrying out my comparison of the respective goods, I must consider the nature of the goods, their intended purpose, their method of use, whether the goods are in competition with or complementary to each other and also the nature of the users and the channels of trade.
- 28. The criteria identified in the *Treat* case for assessing similarity between goods and services are as follows:
  - (a) the respective uses of the respective goods or services;
  - (b) the respective users of the respective goods or services;
  - (c) the physical nature of the goods or acts of service;
  - (d) the respective trade channels through which the goods or services reach the market;
  - (e) in the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
  - (f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.
- 29. Applying the above principles, I find that Hackett's goods in classes 14 and 18 are not similar to any of MIP's goods. Whilst it is possible they may be manufactured by the same enterprise (and perhaps reach the store through the same trade channels) and the users may overlap (in as much as these are goods used by the general public) all other factors lead away from any similarity.
- 30. Closer analysis is needed in respect of the remaining goods in classes 3 and 25. I will deal with each in turn.
- 31. Aftershaves are specific products, generally perfumed, used on the face, as the name indicates, after shaving. They are thus used by men for their styptic or astringent properties or, sometimes, to perfume the skin. They may be sold in supermarkets or other stores such as pharmacies and, depending on their cost, may be available by self selection from a specific shelf within that shop or may have to be asked for from a locked display cabinet. Applying the *Treat* principles, I find them to be highly similar to *preparations for shaving purposes* but, given the nature of their particular uses, dissimilar to *preparations for body and beauty care, soaps, deodorants, essential oils; cosmetics, skin creams, lotions for cosmetic purposes, dentifrices, cosmetic bath additives, lipsticks, cotton swabs for cosmetic purposes,*

nail polish, make-up and cleansing tissues containing cosmetic lotions and all other goods within MIP's application.

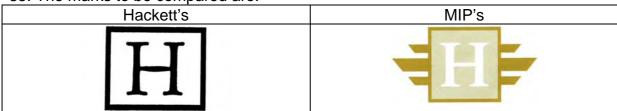
- 32. This leaves *perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette.* Given that *aftershave* is sometimes used to perfume the skin after shaving, I find these remaining goods are similar though to a lesser degree.
- 33. As for the goods in class 25, I have already found that *clothing* is common to the specifications of goods of both marks and are therefore identical. Again following the *Treat* principles, I find *clothing* to be highly similar to all other goods within class 25 of MIP's application with the exception of *eye masks* (*for sleeping*) which I find to be dissimilar. In his evidence, Mr Owen submits that *clothing* is similar to MIP's goods in class 24. I disagree. As is made clear in the explanatory notes to the Nice Agreement concerning the International Classification of Goods and Services for the purposes of the Registration of Marks of 15 June 1957 (as revised and amended), goods within class 24 are "textiles and textile goods, not included in other classes; bed and table covers". I accept that it is possible, and I put it no stronger than that, for the respective goods to be made from the same material and may be used by the same persons but there is simply no similarity between any of these goods in terms of all other *Treat* criteria.

# The relevant consumer and the nature of the purchasing process

34. The relevant consumer is deemed to be reasonably well informed, reasonably circumspect and observant. I note that neither of the respective specifications are limited in any way and therefore the relevant consumer would range from the individual consumer or retailer to the wholesaler. Purchases are likely to be made with a fair degree of care with consideration being given, as appropriate, to such issues as price and smell and suitability for one's skin (in the case of goods in class 3), and price, style, composition, colour, size and suitability for purpose (in the case of goods in class 25). In the case of goods within class 25, it is also likely that the degree of care may vary depending on the article being considered, i.e. with more consideration being given to the purchase of e.g. a formal suit than to a pair of socks. I take account of the varying levels of consideration likely to be given.

## **Comparison of marks**

35. The marks to be compared are:



Each of the respective marks contains an upper case letter H in a highly similar, if not identical, font. The letter in Hackett's mark is contained within an unremarkable, rectangular border in the form of a box. The letter in MIP's mark is also contained

within a rectangular border but in this case each vertical side of the border has three chamfered bars of differing lengths extending from it. Colour is also a feature of the mark.

# Distinctive and dominant components of the respective marks

36. Hackett submits that the distinctiveness of both marks "resides in the boxed H element which is common to both". For its part MIP submits that the extending bars within its mark are significant and distinctive. It also submits that the combination of colours is a distinguishing feature of its mark.

37. Both marks contain single letters. The Registrar's practice in relation to the distinctiveness of single letters is as follows:

## "19 Letters and Numerals

Section 1(1) of the Act states that trade marks may consist of letters or numerals. Such signs are not therefore excluded from registration per se. Whether a letter or numeral mark can be registered prima facie will depend upon whether the average consumer of the goods/services at issue would expect all such goods/services offered for sale under the sign to originate from a single undertaking. If the sign does not possess the character necessary to perform this essential function of a trade mark it is "devoid of any distinctive character."

**19.1 Descriptive letters or numerals and those customary in the trade** Letters or numerals which designate characteristics of the goods/services, and/or which are customary in the trade, are excluded from registration by Section 3(1)(c) and/or (d).

Numbers/letters which may be used in trade to designate: the date of production of goods/provision of services (eg 1996, 2000); size, eg XL for clothes, 1600 for cars, 34R for clothing, 185/65 for tyres; quantity, 200 for cigarettes; dates eg 1066 for history books, 1996 for wines; telephone codes eg 0800 or 0500; the time of provision of services, eg 8 B 10, 24/7; the power of goods, eg 115 (BHP) for engines or cars or; speed, eg 486, 586, 686 & 266, 333, 500, 550 for computers; strength. eg "8.5%" for lager;.

Such signs will be subject to objection under Section 3(1)(b)(c) and/or (d) of the Act.

## 19.2 Devoid of distinctive character

## 19.2.1 Random letters/numerals more distinctive

The more random and atypical the letters or numerals are the more likely it is that the sign will have the necessary distinctive character. Accordingly, the more a letter or numeral mark resembles signs commonly used in the relevant trade for non-trade mark purposes, the less likely it is to be distinctive.

# 19.2.2 Well known practices of trade to be considered

In all cases the distinctive character of the sign must be assessed in relation to the goods/services specified in the application. Account may be taken of facts that are considered to be well known. For example, some letters, such as "L" and "S" are members of a "family" of letters commonly used in the motor trade to designate trim or performance characteristics of motor vehicles. The average consumer will probably take the letters "LS" as a mere trim level designation for motor cars whereas other similar combinations, such as "Z7", may function as a trade mark. However, unless research or general knowledge shows that there is a history of non trade mark use of similar combinations of letters/numbers in a particular trade, the application will be examined on the assumption that the letters/numbers are sufficiently random. The matter may be re-considered in the event of observations or opposition.

#### 19.2.3 Two and Three letter marks

.....

# 19.2.4 Two, Three (or more) letters presented as a descriptive abbreviation

.....

## 19.2.5 Single letter marks

The Registrar usually regards a single letter of the alphabet to be devoid of any distinctive character unless it is presented with distinctive stylisation. Single letters which involve little or no stylisation will normally be open to objection because letters are often used in trade to indicate, for example, model or catalogue references. There are also a limited number of letters available and so there is, to a certain extent, a public interest consideration in keeping single letters free for use. However, each case must be considered individually. There may be occasions, for instance, when single letter marks in relation to some services may possess the necessary degree of distinctiveness.

A plain rectangular or oval border is unlikely to make a single letter distinctive. However, a fancy or unusual border may be enough. Colour may also assist in providing the mark as a whole with the necessary power to individualise the goods/services of one undertaking."

- 38. The practice therefore indicates that in most cases a single letter will be regarded, prima facie, as being devoid of distinctive character, but recognises that in some circumstances, such as through some form of stylisation, it may be considered to be capable of individualising a trader's goods.
- 39. The letter H in the earlier mark does not appear to be a designation of some feature of the goods for which it is registered and there is nothing about it which is out of the ordinary; it is a plain letter H. Neither is there anything out of the ordinary in respect of its line border. The letter H has no particular meaning in relation to the

relevant goods and, as a single letter, without any particular stylisation and in a standard font, it is devoid of distinctive character. The plain boxed border in Hackett's mark will not be overlooked by the relevant consumer but in my view does not add any distinctive character to the mark. When considered as a whole, the earlier mark is, prima facie, devoid of distinctive character.

- 40. I gain support for my view from the fact that a review of the register shows that the earlier mark proceeded to publication (and subsequent registration) on the basis of distinctiveness acquired through use. Hackett has not contested the finding that the mark is, prima facie, devoid of distinctive character. I do not have anything before me to indicate on what evidence the decision to proceed to publication was based but it has not been specifically challenged by MIP and therefore I proceed on the basis that the earlier mark has shown itself to have acquired a sufficient degree of distinctiveness to achieve registration. Absent evidence to the contrary, however, I consider that distinctiveness to be at no more that low to average level.
- 41. Although the single letter H in MIP's mark is also, of itself, devoid of distinctive character, the border which surrounds it is highly stylised given the size, number and positions of the bars which extend from it. The mark is also subject to the limitation as to colour. The mark as a whole is of reasonable distinctiveness.
- 42. The more distinctive the earlier mark, the greater the likelihood of confusion (*Sabel BV v Puma AG*, paragraph 24). I have already found it to be devoid of distinctive character based on its inherent qualities but I go on to consider whether it has accrued any enhanced distinctiveness because of the use made of it on the basis of the evidence filed in these proceedings.
- 43. Hackett has filed a significant volume of evidence to support its claim to use of the earlier mark and, in my consideration under the provisions of section 6(A)(3), I found that genuine use had been made of it. But, whilst I have been provided with figures setting out Hackett's total turnover (see paragraph 10 above), no figures have been provided for goods sold under the earlier mark: Hackett has indicated it does not keep separate figures for each of its boxed H branded goods. Neither do I have evidence of the extent of use of the boxed H mark: as I indicated earlier in this decision, Mr Owen states in his evidence that the earlier mark is:

"only affixed to selective ranges"

#### and that:

"rather than emblazoning it on everything we sell, we deliberately choose not to over-expose it on our goods. The positioning of the "boxed H" in our marketing materials and the way it is used in packaging is consistent with this approach"

but does not give any explanation of on what ranges the mark is used or the extent of that use.

44. The evidence filed in these proceedings does show some use of the boxed H mark but that use is overwhelmingly made in close proximity to the name HACKETT.

The use of HACKETT itself dominates any use of the boxed H device both in terms of size, positioning and frequency of use, a situation which accords with Mr Owen's submissions in his evidence. Taking all matters into account, the evidence before me in these proceedings does not allow me to find that Hackett's earlier mark has accrued any enhanced distinctive character through the use made of it.

#### Other factors

- 45. MIP's mark is subject to a limitation as to colour as set out in paragraph 2 above. The earlier mark is not subject to any such limitation and thus normal and fair use of it could extend to use in the same colour as that of MIP's mark. I will consider the position with this in mind.
- 46. As the respective marks both include *clothing*, I also take into account the comments of Mr Simon Thorley, sitting as the Appointed Person, in *React* [2000] RPC 285 where he said:

"There is no evidence to support Ms Clark's submission that, in the absence of any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection of goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely primarily on visual means to identify the trade origin of clothing, although I would not go so far as to say that aural means of identification are not relied upon."

47. The decisions in *Claudia Oberhauser v OHIM (Fifties)* [2003] ETMR 58 and *Criminal Clothing Ltd v Aytan's Manufacturing (UK) Ltd* [2005] EWHC 1303, also indicate that the circumstances in which the relevant goods and trade marks are encountered by the consumer, particularly at the point at which the purchase is made, is an important consideration, but the matter must be assessed by applying an assessment of all the relevant factors. Although the selection of clothes is primarily a visual act which places the importance on the appearance of marks, this does not negate the need to take into account and balance the aural and conceptual considerations. This I go on to do.

## Visual, oral and conceptual considerations

- 48. Clearly, each of the respective marks contains a letter H within a rectangular border and to this extent they have visual similarities. But considering the marks as a whole, however, as I am required to do, there are also significant differences given the heavy stylisation of the border of MIP's mark which is absent from the rather ordinary line border in Hackett's mark. Those differences are striking to the eye and will not go unnoticed by the relevant consumer. Although the respective marks have some similarity they are not visually similar.
- 49. Although only containing a single letter, from an oral perspective each of the marks is likely to be referred to as H and thus there is a high degree of oral similarity.

50. Despite the stylisation of MIP's border within the mark, and taking into account the relevant goods the only conceptual associations that the respective trade marks are likely to have is as a letter of the alphabet. Given that the same letter is common to both marks, there will be a degree of conceptual identity.

#### Likelihood of confusion

51. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the goods and vice versa. I must consider the distinctive character of the earlier trade mark, as the more distinctive the earlier trade mark (either inherently or as a result of any use that has been made of it), the greater the likelihood of confusion. Any distinctive character of the earlier trade mark must be appraised by reference to the goods in respect of which use has been established and also by reference to the way it will be perceived by the average consumer. I must also keep in mind the average consumer for the goods and services and the nature of the purchasing decision. Having applied the global approach to these findings I have come to the conclusion, albeit with some hesitation, that there is no likelihood of either direct or indirect confusion even where identical goods are concerned and where the marks may be used in similar colours. The opposition under section 5(2)(b) fails.

# The objection under section 5(3)

52. Section 5(3) reads:

"5.(3) A trade mark which-

- (a) is identical with or similar to an earlier trade mark shall not be registered if, or to the extent that, the ealier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.
- 53. The first requirement of getting an objection under section 5(3) off the ground is that the respective marks should be the same or similar. I have found them to be neither, whether viewed from the perspective of a likelihood of direct confusion or from any real possibility of an association being drawn. I have commented earlier in this decision about Hackett's evidence of use and, for the same reasons, it does not allow me to find its mark has a reputation and its distinctive character is low. The objection under section 5(3) fails.

# The objection under section 5(4)(a)

54. Section 5(4)(a) reads:

- "**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 –
- (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 (b) ....

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."

- 55. Hackett relies on the common law tort of passing off. It is well established that the necessary elements are threefold: there must be goodwill, misrepresentation and damage. (See *Ervan Warnick BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31.)
- 56. Whilst I accept that Hackett has a clear and established goodwill, I have already found that the marks themselves are not similar enough to cause the consumer to be confused about the economic origin of the goods in question. That being so, I do not see how Hackett can be in any better position to argue that goods sold under MIP's mark would be taken by the relevant consumer to be Hackett's goods and thus I do not consider there would be any misrepresentation. Accordingly, there is no likelihood of damage. The objection under section 5(4)(a) therefore also fails.

#### Costs

57. The opposition has failed on all grounds and MIP is entitled to a contribution towards its costs. I award costs on the following basis taking account of my comments on the evidence filed:

Considering the Notice of Opposition: £200
Filing the counterstatement: £300
Considering evidence: £600
Filing evidence: £300
Preparation of written submissions: £300

Total: £1700

58. I order Hackett Limited to pay MIP Metro Group Intellectual Property GmbH & Co KG the sum of £1700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Date this 17<sup>th</sup> day of July 2009

Ann Corbett
For the Registrar
The Comptroller-General