TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION 2472183 IN THE NAME OF AS & KS GHURA T/A CHURAN AND CO IN RESPECT OF THE TRADE MARK:



AND

OPPOSITION THERETO (NO 97143) BY G-STAR INTERNATIONAL BV AND FACTON LTD

TRADE MARKS ACT 1994

In the matter of application 2472183 in the name of AS & KS Ghura T/A Churan and Co to register a trade mark in class 25

and

Opposition thereto (No 97143) by G-Star International BV & Facton Ltd

The background and the pleaded case

1) On 8 November 2007 AS & KS Ghura T/A Churan & Co ("I will refer to them by their trading name of "Churan") applied to register the following trade mark for the following goods:



Mens, ladies, childrens clothing, footwear and head gear

- 2) The application was published in the Trade Marks Journal on 22 February 2008.
- 3) On 16 May 2008 G-Star International BV ("G-Star") and Facton Ltd ("Facton") jointly opposed the registration of the above application. The tribunal requested some clarifications of the accompanying statement of case which led to an amended statement of case being filed on 11 July 2008. The opposition is directed at all of the goods sought to be registered by Churan. The grounds of opposition are under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). In relation to sections 5(2)(b) & 5(3) reliance is placed on a number of earlier marks which are owned by G-Star, namely:

Community trade mark ("CTM") 4743225 for the word RAW

CTM 4846598 for the words LEGENDARY RAW

CTM 5429931 for the words RAW FOOTWEAR

CTM 5429956 for the words RAW SHOES

CTM 1659895 for the mark: RAW DENIM

G-STAR-

CTM 1659945 for the mark: BY G-STAR



CTM 1660018 for the words G-STAR RAW DENIM

CTM 1860295 for the mark





CTM 2295392 for the mark

CTM 3331857 for the mark



CTM 4017356 for the word G-RAW

4) In relation to section 5(4)(a), reliance is placed on the use made by G-Star and Facton (Facton is a licensee of G-Star) of signs that correspond to the above marks (with the exception of LEGENDARY RAW). The official records show that all of the above marks were filed before Churan's application and all, therefore, count as earlier trade marks as defined by section 6 of the Act. However, earlier marks which completed their registration processes five years or more before the day on which Churan's application was published can only be relied upon to the extent to which they have been used. Of the above earlier marks 1659895, 1659945, 1660018 & 1860295 fall into this category. The statement of case contained a statement of use to the effect that these marks have been used in relation to:

"Clothing, footwear, handbags, pocket wallets, travelling bags, leather bracelets and leather belts."

- 5) In relation to the other earlier marks, because they are not subject to the requirement to prove use, they may be taken into account in these proceedings for their specifications as registered, all of which include, effectively, clothing, footwear and headgear. I say effectively because some of the specifications are limited so as to exclude clothing for wrestling; I will come back to this point later.
- 6) Churan filed a counterstatement denying the grounds of opposition and putting G-star & Facton to proof of use in respect of the earlier marks. Churan also claims that it has been using OSAKA RAW alongside its OSAKA TIGER brand for 10 years. Furthermore, Churan claims that the marks are not similar and highlights other RAW based marks that have been registered.
- 7) Both sides filed evidence. Neither party asked to be heard. Both sides filed written submissions. Churan's evidence¹ and submissions relate, primarily, to its

¹ This consists of a witness statement and accompanying exhibits from Mr Apinder S. Ghura, one of the joint applicants.

use of OSAKA RAW and, also, to the distinctiveness that the word RAW possesses. G-Star's & Facton's evidence² relates, primarily, to the use that has been made of the various earlier marks relied upon and also observations in relation to the words OSAKA and RAW. Rather than provide a detailed evidence summary I will draw from the evidence, to the extent necessary and relevant, when dealing with the substantive issues. I will deal firstly with the opposition under section 5(2)(b) of the Act.

Section 5(2)(b) of the Act

- 8) This section reads:
 - "5.-(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."

- 9) In reaching my decision I have taken into account the guidance provided by the European Court of Justice ("ECJ") in a number of judgments: Sabel BV v. Puma AG [1998] R.P.C. 199, Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer [1999] R.P.C. 117, Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V [2000] F.S.R. 77, Marca Mode CV v. Adidas AG + Adidas Benelux BV [2000] E.T.M.R. 723, Medion AG V Thomson multimedia Sales Germany & Austria GmbH (Case C-120/04) and Shaker di L. Laudato & Co. Sas (C-334/05).
- 10) The existence of a likelihood of confusion must be appreciated globally, taking into account all relevant factors (*Sabel BV v Puma AG*). As well as assessing whether the respective marks and the respective goods are similar, other factors are relevant including:

The nature of the average consumer of the goods in question and the nature of his or her purchasing act. This is relevant because it is through such a person's eyes that matters must be judged (*Sabel BV v Puma AG*);

That the average consumer rarely has the chance to make direct comparisons between trade marks and must, instead, rely upon the imperfect picture of them he or she has kept in mind (*Lloyd Schuhfabrik*

² This consists of a witness statement and accompanying exhibits from Mr Johannes Christian de Bil. Mr de Bil is the Managing Director of Facton and, also, G-Star's general counsel.

Meyer & Co. GmbH v Klijsen Handel B.V.) This is often referred to as the concept of "imperfect recollection";

That the degree of distinctiveness of the earlier trade mark (due either to its inherent qualities or through the use made of it) is an important factor because confusion is more likely the more distinctive the earlier trade mark is (Sabel BV v Puma AG);

That there is interdependency between the various factors, for example, a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the respective goods, and vice versa (*Canon Kabushiki Kaisha v Metro- Goldwyn-Mayer Inc*).

My approach

11) There are 11 earlier marks pleaded under this ground. Without pre-judging the issue it is clear that some are more similar to the applied for mark than others. Considered individually, G-Star & Facton's best prospect of success lays with the following earlier marks: RAW, RAW FOOTWEAR, RAW SHOES. None of these marks are subject to proof of use. None of these marks are materially narrower in terms of their goods compared to the other earlier marks. I say "considered individually" because there is also a claim to confusion being more likely on account of a family of marks. The following is taken from G-Star & Facton's written submissions:

"Although objections under section 5(2)(b) may be considered without reference to use, the consumer should be assumed to be aware of the Opponent's family of RAW marks in which RAW appears in combination with one or more additional elements. It is submitted that there will be confusion between the Opponent's earlier rights comprising RAW as an extremely strong separate element such as RAW, RAW SHOES and RAW FOOTWEAR, as well as in relation to earlier rights where RAW is a prominent element such as within G-RAW, LEGENDARY RAW, G-STAR ORIGINALS RAW, G-STAR RAW and G G-STAR RAW."

- 12) It is clear from the case-law that the use of a family of marks may increase the likelihood of confusion. The ECJ in *II Ponte Finanziaria SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-234/06 accepted that having a family of trade marks may be relevant in considering whether there is a likelihood of confusion:
 - "62 While it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation of use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the

opposition is based on the existence of several trade marks possessing common characteristics which make it possible for them to be regarded as part of a 'family' or 'series' of marks.

- 63 The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a 'family' or 'series' of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for or considers erroneously that that trade mark is part of that family or series of marks.
- 64 As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a 'family' or 'series', the earlier trade marks which are part of that 'family' or 'series' must be present on the market."
- 13) It is fair to say that the business operated by G-Star and its licensee Facton is a large one both in the UK and throughout the EC. However, it is equally clear from the various exhibits to Mr de Bil's evidence that the primary brand is G-STAR albeit that it is very often used as G-STAR RAW DENIM. The format shown in 1659895 is the most commonly used. There is very little use that I can see of RAW on its own or RAW SHOES/FOOTWEAR, or even G-RAW or LEGENDARY RAW. This is not surprising given that Mr de Bil states:

"The exact date when we first used RAW on its own is not certain as our use of RAW has moved through various stages."

14) It explained that G-STAR RAW DENIM was first used in 1995. But global use, including use in the UK, began in 2001 for G-STAR RAW and the two word and device marks 1659945 & 1659895. No information is given in relation to G-RAW or LEGENDARY RAW. Mr de Bil goes on to say that:

"Use of RAW solus has appeared on our goods, website and product literature on its own more recently. Nevertheless we hold registrations of the mark RAW in relation to the goods and services of the opposed marks."

- 15) To my mind it is difficult to say, on the basis of the evidence provided, that there has been use of a RAW family of marks. Mr de Bil, in paragraph 4 of his witness statement, referred to a family of G-Star marks. This is a more accurate description of the position. Whilst the word RAW may have been used frequently over a number of years it is consistently used with the various G-STAR words and devices. Whilst such use is noted, I do not consider that such use increases the likelihood of confusion with OSAKA RAW. I will therefore consider the marks simply on an individual basis.
- 16) There is one final point I should make at this stage. The earlier mark consisting solely of the word RAW is subject to an unrelated cancellation request before the OHIM³. If this earlier mark becomes the only earlier mark upon which G-Star and Facton succeed then my decision will be suspended to await the outcome of those cancellation proceedings.

The average consumer

- 17) Clothing is bought by the public at large. The average consumer is, therefore, a member of the general public. The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods can, however, vary depending on the particular goods in question (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)). In my view, clothing will be purchased with a reasonable degree of care and attention. The average consumer may try the goods on and is likely to inspect them for colour, size, style etc. All of this increases the potential exposure to the trade mark. That being said, the purchase is unlikely to be a highly considered process as clothing is purchased relatively frequently and although cost can vary, it is, generally speaking, not a highly expensive purchase.
- 18) Although aural similarity will not be ignored completely from my analysis, I am conscious that the visual impression of the trade marks is likely to take on more significance as the purchase of clothing is normally a visual act⁴.

Comparison of goods

19) Churan's specification reads:

Mens, ladies, childrens clothing, footwear and head gear.

³ The Office for Harmonization in the Internal Market (Trade Marks and Designs) – the office that administers the Community Trade Mark.

⁴ See Société provençale d'achat and de gestion (SPAG) SA v (OHIM) Case T-57/03 and React Trade Mark [2000] RPC 285.

20) The 3 earlier marks I am considering all have the same specification, namely:

Clothing, footwear, headgear; belts (clothing); except products relating to wrestling, wrestling entertainment and wrestlers.

21) There is clearly identity between the goods, both specifications covering clothing, footwear and headgear. The fact that the earlier marks' specifications exclude various goods relating to wrestling does not negate this finding. The only way it would have done would have been if Churan had limited its goods to relating to wrestling – this has not been done and would not, in any event, reflect what Churan sell (jeans etc).

The distinctiveness of the word RAW

- 22) It is important that I address this point as it is one of the factors upon which Churan's defence is based and it is a factor which could impact on my assessment of the dominant and distinctive elements of the marks.
- 23) In its evidence Churan makes the following statements:

"The point in question is one of presentation and structure of use. The word "raw" is generally taken to mean the state which is a number of stages away from perfection, being descriptive, the word is an adjective. One would use the term "raw meat". The word "raw" is being used to describe the product which is meat. This is fundamental to our argument. The opponent states that the word "raw" appears on marketing materials in conjunction with other marks such as "G-Star Raw", "G-Star Raw Denim" here the word Raw is being used in an ancillary and supportive sense, rather than making the mark distinctive."

- 24) Evidence is then presented in relation to *Pepsi Raw Cola* which was apparently promoted as "naturally born cola". The point made is that the word RAW has become vogue and is simply an ancillary term used as part of intricate packaging. Such use is contrasted with the use of the word GOLD that traders sometimes use in relation to gold labels etc. In relation to OSAKA RAW it is stated that "it is widely acknowledged that the distinctive element of our mark is OSAKA and raw being merely supportive and descriptive". It is concluded that raw is sometimes descriptive, sometimes supportive, but never distinctive.
- 25) Reference is also made in Churan's counterstatement, and also in its submissions to other marks on the register containing the word RAW. Reference is made, inter alia, to:

RAW BLUE (2299514) RAW VINTAGE (E5146691) RAW EDGE (E4095584)

XPLICIT RAW TO THE CORE (2542467 & 2542469)

- 26) G-Star and Facton argue that the word RAW has no inherent meaning in relation to clothing items (in contrast to the word being used in relation to meat) and that no evidence has been put forward demonstrating that the word is descriptive.
- 27) Other than Mr Ghura's commentary, all that has been filed to support Churan's claim is the existence on the register of other marks (beyond those of the parties) that contain the word RAW. Five marks are referred to that relate to goods in class 25, although two of them are the XPLICIT RAW TO THE CORE marks which differ only in their accompanying device element. This hardly shows that the word RAW has become vogue. Churan's position is worsened because the evidence presented is merely evidence of marks on the register. There is no evidence that any of these marks are in actual use and it cannot safely be assumed that the average consumer has encountered them. In *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 Jacob J stated:

"In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led to the Registrar to put the marks concerned on the Register. It has long been held that under the old Act that comparison with other marks on the Register is in principle irrelevant when considering a particular mark tendered for registration, see *e.g. MADAME Trade Mark* (1966 RPC 541) and the same must be true of the 1994 Act. I disregard the state of the register evidence."

- 28) Also, in *GfK AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-135/04 the GC stated:
 - "68. As regards the search of the Cedelex database, the mere fact that a number of trade marks relating to Class 35 contain the word 'bus' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned. Firstly, the search in question does not provide any information on the trade marks actually used in relation to the services concerned. Secondly, it includes a number of trade marks in which the word 'bus' is used descriptively by public transport businesses."
- 29) Churan has not shown <u>use</u> by any other traders of marks covering goods in class 25 which include the word RAW. If use had been shown it would not, in any event, have necessarily indicated that the term was lacking in distinctiveness. As Floyd J stated in *Nude Brands Limited v Stella McCartney Limited and others* [2009] EWHC 2154 (Ch):

- "29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c)."
- 30) I am, of course, aware of the judgment of Mr Daniel Alexander QC, sitting as a deputy judge of the High Court, in *Digipos Store Solutions Group Ltd v Digi International Inc* [2008] RPC 24 ("*Digipos*") where he stated:
 - "Mr Tibber's evidence shows that it is not possible to draw firm conclusions as to whether the marks revealed by the search are in use, are in use in the United Kingdom or were in use at any relevant date, but there is, nonetheless, a significant number of undertakings which are either using or at least appear to wish to use the prefix DIGI- to denote digital in a number of contexts."
- 31) It is to be noted that in that case Mr Alexander was not referred to the judgment of the GC in *GfK AG* and his judgment preceded the judgment of Mr Floyd in *Nude Brands Limited*. *Digipos* also turns very much upon its own facts. In his judgment Mr Alexander referred to the *Madame* case being an absolute grounds case and appeared to consider this of significance. The GC case referred to above is a relative grounds cases so clearly the GC considered that the principle of not giving weight to state of the register evidence applies in relative grounds cases.
- 32) Mr Alexander went on to state in *Digipos*:

"It is, in my judgment, to be inferred that the reason that the prefix DIGI- is intended to be used (as these registrations or applications demonstrate) in at least a significant proportion of those marks is so as to indicate that the product or service is or involves digital apparatus, computers or software and that, to a large number of traders, that is what it means. That seems the most logical explanation for (a) the number and (b) the diversity of such marks. This provides further support for the proposition that DIGI-used as a prefix has a limited capacity as such to distinguish goods or services of one undertaking from those of another when used in relation to goods or services involving digital apparatus, computers or software and is common to this general trade."

33) In this case there is no clear link of meaning between clothing and the word RAW. The evidence of Churan does not substantiate the claim that RAW lacks distinctiveness in relation to clothing. There is nothing inherent in the meaning of the word RAW to make Churan's case good. The word has some obvious meaning in relation to meat etc, but not to clothing. It may have, at worst, some allusive qualities (perhaps to a more rough and ready product) but the word per se would function as distinctive word, distinctive to an average degree.

Comparison of the marks

34) In terms of the marks themselves, they are, for ease of reference, replicated below.

G-Star's marks	Churan's mark
RAW RAW SHOES RAW FOOTWEAR	OSAWA BAWA

- 35) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account any distinctive and dominant components.
- 36) In terms of distinctive and dominant components, G-Star's marks are either the word RAW on its own or the word RAW together with the word SHOES or FOOTWEAR. In the context of the goods the words SHOES and FOOTWEAR are non-distinctive terms. The word RAW must, therefore, be the dominant and distinctive element of the mark (it is the only constituent part of the RAW mark).
- 37) Churan's mark consists of the words OSAKA RAW in a particular, albeit unremarkable, font. The words OSAKA RAW do not blend in meaning to create a composite phrase. OSAKA is a city in Japan, neither party dispute this. G-Star and Facton say that it is descriptive. Churan made somewhat contradictory statements in its evidence suggesting that OSAKA would not be registerable on its own, but that in the context of the mark OSAKA RAW, OSAKA is the distinctive element. Absent any evidence relating to the city of OSAKA, I come to the view that the average consumer will perceive both the word OSAKA and the word RAW as being dominant and distinctive elements. As I have already found, RAW is not a word lacking in distinctiveness per se and its presence in the mark OSAKA RAW does not negate this. OSAKA may be slightly more dominant given

that it is at the beginning of the mark (although this, of course, is just a rule of thumb) but RAW still plays a distinctive role in the mark as a whole.

- 38) In terms of the visual and aural similarities, similar considerations apply. There is a similarity given that the word RAW is present in both parties' marks and that this word is the dominant and distinctive element of G-Star's marks and is a dominant and distinctive element in Churan's mark. There are though differences on account of the addition of the word OSAKA in Churan's mark, that Churan's mark is also presented in a particular font, and that in relation to two of G-Star's marks that they have the additional words SHOES/FOOTWEAR. The difference created by the word OSAKA is more significant than the other differences. The other differences will have little impact on the average consumer given that the stylisation in Churan's mark is fairly unremarkable and given that the word SHOES/FOOTWEAR have no distinctiveness. The word OSAKA clearly creates a difference but its presence does not, in my view, completely outweigh the visual and aural similarities that result from the inclusion of the word RAW. I consider there to be a moderate degree of visual and aural similarity.
- 39) In terms of concept, the word RAW has a definite meaning capable of immediate grasp. The parties also appear to be in agreement that the word OSAKA is a known word. In the OSAKA RAW mark both concepts are relevant, albeit they do not combine to create a unified concept. On account of this, there is a degree of conceptual similarity on account of one word in Churan's mark, which plays an independent and distinctive role, sharing the same concept as G-Star's marks. Overall, there is a moderate degree of similarity between the marks.

Conclusions under section 5(2)(b)

- 40) It is clear that the factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.
- 41) Given the nature of the respective marks under comparison it is useful to set out some of the guidance that has come from the ECJ in relation to the likelihood of confusion where complex or composite marks are involved. I particularly note the judgment in *Medion v Thomson Multimedia* [2006] ETMR 13 (which also cross-refers to the *Matratzen* case which is also relevant) where it was stated:
 - "29 In the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with

another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see *Matratzen Concord*, paragraph 32).

- 30 However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.
- 31 In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.
- 32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.
- 33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.
- 34 This would be the case where, for example, the owner of a widely known mark makes use of a composite sign juxtaposing this mark and an earlier mark which is not itself widely known. It would also be the case if the composite sign was made up of the earlier mark and a widely-known commercial name. In fact, the overall impression would be, most often, dominated by the widely-known mark or commercial name included in the composite sign.
- 35 Thus, contrary to the intention of the Community legislator expressed in the 10th recital in the preamble to the directive, the guarantee of the earlier mark as an indication of origin would not be assured, even though it still had an independent distinctive role in the composite sign.
- 36 It must therefore be accepted that, in order to establish the likelihood of confusion, it suffices that, because the earlier mark still has an independent distinctive role, the origin of the goods or services covered by

the composite sign is attributed by the public also to the owner of that mark."

- 42) Also, the judgment in *OHIM v Shaker di L Laudato & Co Sas* (C-334/05 P, 12 June 2007) where it was stated:
 - "41. It is important to note that, according to the case-law of the Court, in the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in *Matratzen Concord* v *OHIM*, paragraph 32; *Medion*, paragraph 29).42. As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element"
- 43) The goods in question are identical. In terms of the distinctiveness of the earlier marks (which is another important factor - see Sabel BV v. Puma AG, paragraph 24), as can be seen from my finding in paragraph 33, I consider the word RAW to be inherently distinctive. It has an average, neither high nor low, degree of distinctive character. The use that has been made of the marks, given my assessment in paragraph 15, does not enhance the level of distinctiveness. Churan's mark has as a dominant and distinctive element the word RAW. Whilst it may not be the most dominant and distinctive element, this does not rule out a likelihood of confusion (see the *Medion* case). The OSAKA element is, in any event, only slightly more dominant than RAW. G-Star's mark consists either of the word RAW on its own or together with a word lacking in distinctiveness (SHOES/FOOTWEAR). The word RAW is the only element the average consumer will place any significance on in terms of indicating trade origin. Taking all of this into account, I believe that the average consumer will believe that the goods are the responsibility of the same or an economically linked undertaking. The similarity in terms of the common inclusion of the word RAW will be put down to economic connection rather than co-incidence. There is a likelihood of confusion.
- 44) When reaching the above finding I have taken into account Churan's claim that it has used its mark for 10 years. In relation to parallel or confusion free trading, this is rarely significant as expressed by Millet J in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at p 291 when he stated:

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

- 45) This is a case in point because there has been no real parallel trade to speak of given my findings in relation to the use made by G-Star & Facton of RAW solus. Furthermore, having examined Churan's evidence in detail, it is not altogether clear as to the degree to which it has used OSAKA RAW, much of the use relates to OSAKA TIGER RAW and, even then, the degree of any use is relatively limited. **The opposition succeeds under section 5(2)(b) of the Act.**
- 46) Given the above findings I do not see how G-Star and Facton can be in any better position under sections 5(3) or 5(4)(a) and I therefore do not intend to deal with them. Also, given that my decision is based upon RAW, RAW FOOTWEAR and RAW SHOES, it is not necessary to suspend the implementation of this decision pending the cancellation proceedings at OHIM.

Costs

47) G-Star and Facton have been successful and are entitled to a contribution towards their costs. I hereby order AS & KS Ghura (being jointly and severally liable) to pay G-Star International BV & Facton Ltd the sum of £1500. This sum is calculated as follows:

Preparing a statement and considering the other side's statement £500

Filing evidence and considering the other side's evidence £600

Providing submissions £400

48) The above sum should 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

Dated this 07 day of February 2011

Oliver Morris For the Registrar, The Comptroller-General