

O-449-12

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION 2590988
BY USA BOSSERT INTERNATIONAL DEVELOPMENT CO LIMITED TO
REGISTER THE FOLLOWING TRADE MARK IN CLASS 25:**

BOSSERT

AND

**OPPOSITION THERETO (NO 102744) BY HUGO BOSS TRADE MARK
MANAGEMENT GMBH & CO KG**

The background and the pleadings

1) Application 2590988 was filed by USA Bossert International Development Co Limited (“USA”) on 11 August 2011 and it was published in the Trade Marks Journal on 9 September 2011. The mark and the class 25 goods for which registration is sought are set out below:

BOSSERT

Clothing; swimsuits; footwear; boots; insoles (other than orthopaedic); headgear for wear; hosiery; gloves (clothing); neckties; leather belts (clothing).

2) Hugo Boss Trade Mark Management GmbH & Co Kg (“Hugo”) opposes the registration of USA’s mark. Its opposition was filed on 7 December 2011 and is based on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In each case the earlier marks/signs that are relied upon consist solely, or essentially, of the word: **BOSS**. The various earlier marks/signs are:

International registration (“IR”) 456092 which designated the UK for protection on 13 May 2000 with protection being conferred on 7 August 2005 for the mark:

BOSS

in respect of the following goods in class 25:

Clothing (including knitted garments and garments of knitted fabrics) for women, men and children; hoses; clothing accessories, particularly shawls, bandannas, foulards, shoulder wraps, stoles and handkerchieves as clothing accessories; neckties, belts, headwear; footwear.

IR 773035 which designated the UK for protection on 16 August 2001 with protection being conferred on 3 October 2004 for the mark:

BOSS

in respect of the following goods:

Class 09: Eyewear and parts thereof, but not including goggles for use in shooting and similar goods to goggles for use in shooting.

Class 14: Clocks and watches, jewellery.

Class 18: Goods made of leather and leather imitations (included in this class); belts made of textile or plastic materials, suitcases and bags, umbrellas and parasols.

Class 24: Table linen and bed linen, woven fabrics, curtains, bathroom textiles, namely towels; handkerchiefs made of textile material.

Class 25: Articles of clothing for ladies, gentlemen and children, especially suits, coats, jackets, trousers, shirts, raincoats, outer garments and underwear, socks, stockings, tricots, pullovers, knitted shirts; footwear and head coverings, ties, gloves, belts, braces, bathrobes.

Class 28: Gymnastic and sports equipment; balls.

Class 34: Tobacco products, lighters.

UK Registration 1198781 which was filed on 1 July 1983 with its registration procedure being completed in 1988 for the word mark:

BOSS

in respect of the following goods in class 25:

Articles of clothing for men; but not including gloves or any goods of the same description as gloves.

Under section 5(4)(a) of the Act, Hugo claims to have used the sign BOSS in the UK since 1998 in respect of “clothing, footwear, headgear (amongst others)”.

3) Given their filing dates, all three of Hugo’s trade mark registrations constitute earlier marks as defined by section 6 of the Act. Given the dates on which they completed their respective registration procedures, all three of the marks are subject to the proof of use provisions set out in section 6A of the Act. Hugo made a statement of use to the extent that it had used its marks on all of the goods for which they are registered and that they have a reputation to that extent.

4) USA filed a counterstatement denying the grounds of opposition. It makes various arguments (which I will come on to), but the central plank of its defence rests on its view that the marks are not similar enough to engage the heads of damage relevant to the grounds of opposition. USA did not ask Hugo to prove use of its earlier marks and, so, Hugo’s marks will be considered in these proceedings on the basis of their specifications as registered.

5) Only Hugo filed evidence. The matter then came to be heard before me on 19 October 2012 at which Hugo were represented by Mr Jeremy Heald, of counsel, instructed by Simmons & Simmons LLP. USA did not attend the hearing nor did it provide written submissions in lieu of attendance.

Hugo's evidence

6) This consists of a witness statement from Mr Adrian Henry Smith, a partner in Simmons & Simmons LLP, Hugo's representative in this matter. He explains that Hugo is the trade mark owner of the Hugo Boss group of companies. He states that the group is a world market leader in the premium fashion and luxury segment of the apparel market and lists various goods that it produces. Exhibit AHS01 contains an overview of the group's brand catalogues – it is not clear whether this document has been made available in the UK – the website from which it comes is a .com website. The brands include BOSS BLACK, BOSS SELECTION, BOSS GREEN, BOSS ORANGE and BOSS HUGU. The word BOSS is also depicted with the words HUGO BOSS below.

7) Mr Smith explains that the group was founded in 1924 by Hugo Ferdinand Boss and was listed on the German stock exchange in 1985. Group sales have exceeded 1 million Euro from 2001 onwards. Further information from the .com website is provided in Exhibit ASH02 about its corporate history. Whilst this is noted, I do not intend to summarise this exhibit in detail. It is sufficient to say that it lists various milestones in the group's history. There is little information in this exhibit directed at the use of the marks in the UK.

8) Mr Smith provides information about the group's base (in Germany) and employees (11,000). Annual sales were over 2 billion Euro in 2011. Sales are apparently made in 124 countries worldwide (they are not listed). Mr Smith states that the most important region is Europe (61% of sales). Various (and significant) annual sales and gross profit figures are provided between 2007 and 2011; again, none of this is broken down to show the proportion of sales achieved in the UK.

9) It is explained by Mr Smith that BOSS products can be purchased at more than 6,300 points of sale worldwide. In addition to sales made through retailers who offer multiple brands, sales are also effected by a number of HUGO BOSS stores in over 80 countries. These are run either by the group (622 stores in 2011) or by franchisees (1000 stores). Online stores are operated in the US, Germany, the UK, the Netherlands, France and Austria. 45% of sales are made through HUGO BOSS stores or the Internet equivalents. UK stores are located throughout the UK including London, Birmingham, Manchester, Edinburgh, Nottingham and Cardiff. Department stores such as Selfridges and House of Fraser also have concessions; websites from these department stores are shown in AHS03 showing the BOSS trade mark with the words HUGO BOSS below.

10) In terms of marketing, Mr Smith refers to "traditional" marketing, social network marketing (a Facebook page is shown in Exhibit ASH04 – which shows BOSS BLACK and HUGO BOSS), cultural and sporting sponsorship etc. In relation to sports sponsorship, this has occurred in respect of sailing, golf and Formula One motor racing. Sponsorship relates to providing clothing/accessories

for particular personalities and event sponsorship. The group currently sponsors three European PGA golf events including one in Wentworth (since 2008). Clothing from the BOSS GREEN line is worn by marshals and support staff. Golf players are also sponsored including Oliver Wilson and Martin Kaymer. Tennis events have also been sponsored. Exhibit ASS05 contains various website prints from its .com website featuring photographs from such sponsorship activities. The word BOSS is depicted on clothing etc with the words HUGO BOSS below.

11) Mr Smith then moves on to the sponsorship of Formula 1 and its relationship with the McLaren team. He says that motor racing has huge exposure in the UK. The group has designed the kit worn by the team and its drivers (Lewis Hamilton and Jenson Button). Exhibits AHS06/7/8 relate to this sponsorship activity. It is referred to as the Boss-McLaren partnership. Various photographs of people wearing clothing are provided, which show the word BOSS (with HUGO BOSS below), mainly with the trade marks of others in close proximity. There is one photograph of Lewis Hamilton with a backdrop featuring the BOSS (with HUGO BOSS below) sign.

12) In 2011, an equivalent of 6% (as opposed to 5% in 2005) of sales was spent on marketing. Mr Smith completes his evidence by referring to various trade marks the group own. I note that Hugo also filed written submissions, these will not be summarised here but are fully borne in mind.

Section 5(2)(b)

13) Section 5(2)(b) of the Act 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.”

14) In reaching my decision I have taken into account the guidance provided by the Court of Justice of the European Union (“CJEU”) 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, *Case C-3/03 Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04)

and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

"(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

The average consumer

15) 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 what is involved (see, for example, the judgment of the General Court ("GC") in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

16) The conflict involves, in the main, clothing products. Such goods are "consumed" by members of the general public. The goods may be tried on and are likely to be inspected for colour, size, style etc. All of this increases the potential exposure to the trade mark. That being said, the purchase of clothing is unlikely to be a highly considered process as it is purchased relatively frequently and, although cost can vary, it is not, generally speaking, a highly expensive purchase. I note from USA's counterstatement its comment that Hugo's goods are high-end goods which, given their cost, will assist to militate against confusion. As Mr Heald submitted at the hearing, this is not the correct approach as Hugo's earlier mark is not confined to luxury goods. The analysis must be based on the inherent characteristics of the goods and not the current marketing strategies of the parties¹. I consider the purchasing process to be a normal, reasonably considered one, no higher or lower than the norm.

17) In terms of how the goods will be selected, clothing will normally be self-selected from a clothing rail or shelf (or the online equivalents) or perhaps chosen from catalogues/brochures. This suggests a process of visual selection, a view which has been expressed in previous cases²; aural similarity will not, however, be ignored.

Comparison of goods

18) When making the comparison, all relevant factors relating to the goods in the respective specifications should be taken into account in determining this issue.

¹ See, for example, *NHL Enterprises BV v Office for Harmonization in the Internal Market(Trade Marks and Designs)* (OHIM) Case T-414/05

² See, e.g. *New Look Ltd v OHIM* – Joined cases T-117/03 to T-119/03 and T-171/03 (GC)

In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

19) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(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. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

20) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06 it was stated:

“It is true that goods are complementary if there is a close connection between them, in the *sense that one is indispensable or important for the use of the other in such a way that* customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v*

OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

21) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”³ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning⁴.

22) USA seeks registration in respect of:

Clothing; swimsuits; footwear; boots; insoles (other than orthopaedic); headgear for wear; hosiery; gloves (clothing); neckties; leather belts (clothing).

23) IR 456902 is registered for:

Clothing (including knitted garments and garments of knitted fabrics) for women, men and children; hoses; clothing accessories, particularly shawls, bandannas, foulards, shoulder wraps, stoles and handkerchieves as clothing accessories; neckties, belts, headwear; footwear

24) The above covers goods of such a width that everything sought by USA falls within its ambit. USA’s goods are identical to IR 456902. The same applies in respect of IR 773075 which reads:

Articles of clothing for ladies, gentlemen and children, especially suits, coats, jackets, trousers, shirts, raincoats, outer garments and underwear, socks, stockings, tricots, pullovers, knitted shirts; footwear and head coverings, ties, gloves, belts, braces, bathrobes

In coming to the above views, I agree with Mr Heald that the use of the expression “especially” and “particularly” does not limit the specifications of the IRs to only the goods that follow that expression.

25) The goods of UK registration 1198781 are:

Articles of clothing for men; but not including gloves or any goods of the same description as gloves.

³ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

⁴ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

26) This is more limited as the goods are for men only and gloves have been excluded. However, USA's goods are still partially identical, and where not identical (ladies clothing for example) are nevertheless still similar.

Comparison of the marks

27) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. I see no difference in the assessment required between any of the earlier marks. Whilst two of them have a particular font, I agree with Mr Heald that the fonts used are so unremarkable that they do not in themselves create any meaningful difference with the applied for mark. In view of this, I will focus simply on one of the earlier marks, IR 456092. The marks to be compared are:

BOSS

v

BOSSERT

28) The dominant and distinctive element of the BOSS mark is the word BOSS; it does not break down any further than that. In terms of the BOSSERT mark, I consider the dominant and distinctive element to be BOSSERT; again, the mark does not naturally break down into further elements.

29) From a visual perspective, USA's mark is appreciably longer than Hugo's mark. Nevertheless, the first four letters of USA's mark make up the totality of Hugo's mark. USA's mark has, though, an additional three letters –ERT. Mr Heald highlighted that the point of similarity is at the beginning of the marks, where more focus is often placed; he considered the marks to be highly similar. Whilst this is noted, and whilst this creates a point of visual similarity, I consider the visual differences created by the additional “–ERT” to be very noticeable. Whilst USA's mark is presented in a particular script, it is, like Hugo's mark, unremarkable, so this has little impact either way. I come to the view that there is some visual similarity but that this must be pitched at only a moderate level.

30) From an aural perspective, a similar theme runs through the analysis. Hugo's mark will be pronounced as BOSS (as in one's manager). In terms of USA's mark, I agree with Mr Heald that the SS in BOSSERT will not be split between the beginning and end sound – the SS will form part of the

pronunciation of the beginning sound. I consider the likely pronunciations to be BOSS-URT or BOSS-AIRT. Either way, the pronunciations differ in that USA's mark has two syllables rather than one, there is a different end sound, but the same beginning sound. I consider, again, that this equates to there being only a moderate degree of similarity. I should add that even if the SS sound was split between the beginning and end sound, it would make no meaningful difference from the assessment already made.

31) In terms of concept, the BOSS mark has a meaning. I consider that the average consumer's most likely perception will be of one's manager or boss. However, I do not rule out that some average consumers may see a surnominal meaning. In terms of BOSSERT, USA highlighted in its counterstatement that, in actual fact, BOSSERT is a surname, but for those who did not know it as such, the mark will be perceived as an invented word. For Hugo, Mr Heald submitted that Bossert will be perceived as a surname, as will its marks, so creating a degree of conceptual similarity, based on surnominal significance. In my view, I do not consider that the average consumer will perceive Bossert as a surname. If it is a surname it must be exceptionally rare in the UK. Bossert is an unusual word – it will have no meaning to the UK average consumer. As a consequence, there is a conceptual difference because Hugo's mark has a meaning(s) which is not shared by USA's mark.

32) As has been stated many times by the courts, conceptual differences may have a counteractive effect on the other aspects of similarity (see, for example, Case C-361/04 P *Ruiz-Picasso and Others v OHIM* [2006] ECR I-643). Whilst conceptual differences do not always succeed in having a counteractive effect (see the GC's judgment in *Nokia Oyj v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-460/07), in the case before me, I consider that, overall, the conceptual difference does have a countering effect on what is only a moderate degree of visual and aural similarity. Overall, any similarity between the marks must be at a very low level.

The distinctiveness of the earlier mark

33) The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In terms of inherent characteristics, I note USA's counterstatement where it said that the word BOSS may not be distinctive at all as a boss (as in a manager) will wear more luxurious clothing to differentiate him/herself from others. As Mr Heald pointed out, it is not permissible to regard the earlier marks as having no distinctive character⁵. It is, though, permissible to regard an earlier mark as having only a low degree of inherent distinctiveness which may be a factor to take into account when deciding whether there exists a likelihood of confusion. That being said, I agree with Mr

⁵ See Case C-196/11 P, *Formula One Licensing BV v OHIM, Global Sports Media Ltd.*

Heald that without evidence to the contrary, the word BOSS is one which possesses at least an average degree of inherent distinctive character; the suggestive meaning put forward by USA is very mild indeed.

34) I must also consider the use put forward by Hugo, as summarised earlier. None of the facts put forward in the evidence have been challenged. However, this alone does not answer the question. Whilst Hugo has made significant sales on a global and European level, sales which are based, one way or another, on the BOSS brand, the evidence lacks specific detail of UK sales. However, it is clear that there is a chain of shops selling only Hugo's clothing products including concessions in well-known department stores. There is also the sponsorship activity that has taken place which will have increased the knowledge of the mark in the UK. Therefore, whilst the evidence could have been better and more focused, I am prepared to accept that the use shown in the evidence will have pushed the average level of distinctiveness based on inherent characteristics up to a level where the earlier mark may be considered as a highly distinctive one.

Likelihood of confusion

35) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), 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.

36) The earlier mark is highly distinctive. The goods are identical. I must bear in mind the principle of imperfect recollection and the nature of the purchasing process together with the predominantly visual selection process. The interdependency principle must also be borne in mind because a low degree of similarity between the marks may be off-set by a high degree of similarity between the goods; the goods in this case are identical. Mr Heald did not appear to agree with my description I made at the hearing exemplifying the difference between direct and indirect confusion, both of which are relevant forms of confusion. I consider direct confusion to occur when the marks are close enough for them to be, effectively, mistaken for one another. In my view, this form of confusion is not likely. I consider that the average consumer will be able to clearly differentiate between the marks. The similarities are borne in mind, but the differences are acute enough for the average consumer to distinguish and differentiate between them.

37) I next consider indirect confusion, where even though the average consumer will notice the differences between the marks, they will nevertheless put the similarities between them (when all other factors are considered) down to the undertakings responsible for the respective goods being the same or being

related. This would occur if, for example, the average consumer would perceive one mark as a sub-brand or brand variant of the other. Mr Heald submitted that this is one of the ways in which the average consumer may be confused (although he described this as direct confusion); he also highlighted Hugo's evidence which shows that it does use a number of BOSS variant marks and that the average consumer has been educated to know that there are BOSS variants. The latter point is more akin to a family of marks argument, but no other family members have been pleaded. I therefore doubt whether this aspect of the evidence takes matters any further forward under section 5(2). However, irrespective of the evidence, I must still consider whether the average consumer will be indirectly confused on the basis of the respective marks that are under consideration here. My view is that there will be no such confusion. The word BOSS does not stand out in BOSSERT. It would be a very unusual sub or variant brand to be presented in such a way. As the average consumer will not see BOSS standing out, I do not consider that they will regard it as a BOSS sub or variant mark. I should add that I would have come to this view even if there was a BOSS family of marks as per the evidence (which consists of BOSS GREEN, BOSS ORANGE etc). I see no other reason for coming to the view that there is a likelihood of indirect confusion.

38) There is no likelihood of confusion. The opposition under section 5(2)(b) of the Act is hereby dismissed.

Section 5(4)(a) of the Act

39) Although not always the case, an opponent is often no better off under section 5(4)(a) than it is under section 5(2) of the Act. This is the case here. Even accepting that Hugo will have established the requisite goodwill associated with the word BOSS, I would not have been persuaded that there would have been the requisite misrepresentation. Mr Heald did not advance a materially different case. **The opposition under section 5(4)(a) of the Act is hereby dismissed.**

Section 5(3) of the Act

40) Section 5(3)⁶ of the Act 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 earlier trade mark has a reputation in the United Kingdom (or, in the case of Community trade mark, in the European Community) and the use of the later mark without due cause

⁶ Section 5(3) was amended by The Trade Marks (Proof of Use, etc) Regulations 2004 (SI 2004 No. 946) giving effect to the judgments of the CJEU in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* (C- 292/00) and *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* (“Addidas-Salomon”) (C-408/01)).

would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

41) In order to succeed under this ground the earlier mark must have a reputation. In *General Motors Corp v Yplon SA* (Chevy) [1999] ETMR 122 and [2000] RPC 572 the CJEU stated:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

42) In line with my findings in paragraph 34 above, I conclude that Hugo has the requisite reputation. Its reputation is characterised as being a luxury clothing brand, but one likely to be known not just by the rich and famous but also by everyday members (or at least a significant proportion of them) of the general public.

43) In addition to having a reputation, a link must be made between the respective marks. In *Adidas-Salomon*, the CJEU stated:

“The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23). The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40).”

44) In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07) (“Intel”), the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

“41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...”

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;

- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

45) Although one of the above factors is whether there exists a likelihood of confusion, this is not a prerequisite. Obviously, the goods are identical which means that the relevant public overlap. The reputation is reasonably strong as is the earlier mark’s distinctiveness through use (its inherent distinctiveness being of an average level). Despite all this, I nevertheless come to the view that a link will not be made. The marks are not, in my view, close enough for a member of the relevant public to bring the BOSS marks to mind when encountering BOSSERT. The BOSS aspect of BOSSERT simply does not stand out for a bringing to mind to arise. A member of the relevant public would have to analyse BOSSERT and/or to be prompted to think of another mark in order for BOSS to be brought to mind; this is not a natural process that would be adopted when encountering trade marks in the course of trade. **Without a link, the ground of opposition under section 5(3) is dismissed.**

46) Even if I am wrong on my assessment of whether a link is established, any link created would, in my view, be inconsequential. The link made must lead to one of the heads of damage. One of the claims is made on the basis of the taking, without due cause, of an unfair advantage (often referred to as “free-riding”). In Case C-487/07, *L’Oreal SA and others v Bellure NV (“Bellure”) and others (“Bellure”)* the CJEU defined what is meant by “unfair advantage”:

"41 As regards the concept of 'taking unfair advantage of the distinctive character or the repute of the trade mark', also referred to as 'parasitism' or 'free-riding', that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation.

50 In the light of the above, the answer to the fifth question is that Article 5(2) of Directive 89/104 must be interpreted as meaning that the taking of unfair advantage of the distinctive character or the repute of a mark, within the meaning of that provision, does not require that there be a likelihood of confusion or a likelihood of detriment to the distinctive character or the repute of the mark or, more generally, to its proprietor. The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of the mark where that party seeks by

that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image."

47) Mr Heald also referred to the judgment of the CJEU in Case C-323/09 *Interflora v Marks & Spencer* [2012] ETMR 1 ("*Interflora*"), but as the extract he referred to at the hearing essentially repeats what was said in *Bellure* I need not detail this further. In my view, any link would merely be a fleeting reminiscence. It is of such a nature that USA would not gain anything. For example, if a link were made I do not consider that the image transfer (or the subsequent "leg up") as outlined by the jurisprudence would obviously be in operation. The head of damage is rejected. This is even before coming to the "unfair" aspect of unfair advantage and the "added factor" outlined by Lloyd LJ in *Whirlpool Corporations and others v Kenwood Limited* [2009] EWCA Civ 753.

48) One further head of damage was claimed, that is under the alleged harm or detriment that will be done to the distinctive character of the earlier mark(s). Mr Heald summarised this as the ability to identify the goods of the earlier mark being weakened by the use of the later mark (relying, again, on the *Interflora* case). Whilst I have no difficulties with this assessment of the law, I do not consider that the ability of the BOSS mark to identify its goods would be weakened by the use of BOSSERT. It would have, in my view, no such impact.

49) The ground of opposition under section 5(3) of the Act is dismissed.

Costs

50) USA has been successful and is entitled to a contribution towards its costs. Mr Heald argued at the hearing that the fact that USA did not attend the hearing should be a factor borne in mind. USA did not ask for the hearing Hugo did. Hugo asked to be heard and it duly was. I do not see how USA's failure to attend the hearing should be counted against it. I hereby order Hugo Boss Trade Mark Management GmbH & Co Kg to pay USA Bossert International Development Co Limited the sum of £600. This sum is calculated as follows:

Preparing a statement and considering the other side's statement
£300

Considering Hugo's evidence
£300

51) 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 14th day of November 2012

**Oliver Morris
For the Registrar,
The Comptroller-General**