

O-059-13

**IN THE MATTER OF REGISTRATION NO. 2571431 IN THE NAME OF
CONTINENTAL SHELF 128 LIMITED IN RESPECT OF THE FOLLOWING
TRADE MARK IN CLASS 25:**

RAW CRAFT

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 84102 BY G-STAR RAW C.V. AND FACTON LTD**

BACKGROUND AND PLEADINGS

1) Continental Shelf 128 Limited (“the proprietor”) is the proprietor of the above mark (“the registration”). It applied for the registration on 7 February 2011 and the registration procedure was completed on 6 May 2011. The registration covers the following goods in Class 25:

Articles of clothing, footwear, headgear

2) On 28 June 2011, G-Star Raw C.V. (“G-Star”) and Factor Ltd (“Factor”), collectively referred to as “the applicants”, applied for the registration to be declared invalid under Section 47(2) of the Act. The grounds of the application are as follows:

- The registration offends under Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) because it is in respect of a mark that is similar to eight earlier marks and in respect of identical or similar goods;
- The registration offends under Section 5(3) of the Act because the eight earlier marks enjoy a reputation in the UK and the proprietor will benefit from the applicants’ investment in advertising, leading to an advantage, without any investment, to the proprietor; that any poor quality goods provided under the proprietor’s mark will reflect upon the applicants’ business leading to detriment to their reputation; that there will be detriment to the distinctive character of the applicant’s marks because their marks will no longer signify origin;
- The applicants have established goodwill identified by seven signs. It is claimed that these seven signs have all been used in respect of belts, bags, wallets, key cases, clothing, footwear and retail services. These seven signs are shown below, together with the date in which use is first claimed:

Sign	Claimed first use
	1995
RAW FOOTWEAR	2003
RAW	2001
G-RAW	1995
GS Raw	2007
RAW SHOES	2003

G-RAW

1995

3) The relevant details of the eight earlier marks relied upon by the applicants in their grounds based upon Section 5(2)(b) and Section 5(3) of the Act are reproduced below:

Mark and relevant dates	List of goods and services
<p>2491837</p>  <p>Filing date: 4 July 2008</p> <p>Registration date: 27 February 2009</p>	<p>Class 18: <i>Leatherware, made of leather, imitation of leather and goods made of these materials not included in other classes including bags and wallets; travelling trunks; umbrellas.</i></p> <p>Class 25: <i>Clothing, footwear, headgear; leather belts (clothing)</i></p> <p>Class 35: <i>Business advertising services relating to franchising, business advice relating to franchising, business assistance relating to franchising, business consultancy relating to franchising, business consultancy relating to franchising, franchising consultancy services, management advisory services related to franchising; Retail services in the field of soaps, perfumery, essential oils, cosmetics, suntan oils, hair lotions, glasses, sunglasses, head straps/cords for glasses, cases for glasses, cases for sunglasses, image sound and data cassettes, records, compact discs, DVD's, CD rom's, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, ornaments, precious stones, horological and chronometric instruments, watches and clocks, leather and imitations of leather, and goods made of these materials, bags, rucksacks and wallets, trunks and travelling bags, umbrellas, furniture, clothing, footwear, headgear, belts (clothing) and fashion accessories; business management; advertising and promotion services; aforementioned services also provided via the Internet.</i></p>
<p>Community Trade Mark (CTM) 5429931</p> <p>RAW FOOTWEAR</p> <p>Filing date: 31 October 2006</p> <p>Registration date: 15 October 2008</p>	<p>Class 18: <i>Leather and imitations of leather, and goods made of these materials and not included in other classes, including bags and pocket wallets; trunks and travelling bags; umbrellas; except products relating to wrestling, wrestling entertainment and wrestlers.</i></p> <p>Class 25: <i>Clothing, footwear, headgear; belts [clothing]; except products relating to wrestling, wrestling entertainment and wrestlers.</i></p> <p>Class 35: <i>Advertising; business administration; office functions; business management, including retailing and franchising relating to leather and imitations of leather, and goods made of these materials, not included in other classes including bags and wallets, trunks, travelling bags, umbrellas, clothing, footwear, headgear, and belts [clothing]; except services relating to wrestling, wrestling entertainment and wrestlers.</i></p>

<p>CTM 4743225</p> <p>RAW</p> <p>Filing date: 24 November 2005</p> <p>Registration date: 15 October 2008</p>	<p>Class 3: Soaps; perfumery, essential oils, cosmetics, hair lotions; except products relating to wrestling, wrestling entertainment and wrestlers.</p> <p>Class 25: Clothing, footwear, headgear; belts (clothing); except products relating to wrestling, wrestling entertainment and wrestlers.</p> <p>Class 35: Advertising; business management, including franchise services; business administration; office functions; except services relating to wrestling, wrestling entertainment and wrestlers.</p>
<p>CTM 4017356</p> <p>G-RAW</p> <p>Filing date: 10 September 2004</p> <p>Registration date: 2 March 2006</p>	<p>Class 3: Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.</p> <p>Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks.</p> <p>Class 25: Clothing, footwear, headgear.</p>
<p>IR (EU) 1010026</p> <p>GS Raw</p> <p>Date of international registration: 27 July 2009</p> <p>Date of protection in the EU: 27 July 2009</p>	<p>Class 3: Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.</p> <p>Class 9: Optical instruments and apparatus; including spectacles, spectacles frames, spectacle lenses, spectacle cases; recording discs.</p> <p>Class 14: Jewellery, horological and chronometric instruments.</p> <p>Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; backpacks, bags, umbrellas, parasols and walking sticks.</p> <p>Class 25: Clothing, footwear, headgear.</p>
<p>CTM 5429956</p> <p>RAW SHOES</p> <p>Filing date: 31 October 2006</p> <p>Registration date: 15 October 2008</p>	<p>Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes, including bags and pocket wallets; trunks and travelling bags; umbrellas, except products relating to wrestling, wrestling entertainment and wrestlers.</p> <p>Class 25: Clothing, footwear, headgear; belts (clothing), except products relating to wrestling, wrestling entertainment and wrestlers.</p> <p>Class 35: Advertising; business administration; office functions; business management, including retailing and franchising relating to leather and imitations of leather, and goods made of these materials, not included in other classes including bags and wallets, trunks, travelling bags, umbrellas, clothing, footwear, headgear, and belts (clothing), except services relating to wrestling, wrestling entertainment and</p>

<p>International Registration, designating the EU (IR (EU)) 986572</p> <p>G-RAW</p> <p>Date of international registration: 26 September 2008</p> <p>Date of protection in the EU: 26 September 2008</p>	<p>wrestlers.</p> <p>Class 35: Retail and franchising services, namely business management; advertising and promotion services; aforementioned services also provided via Internet.</p>
<p>IR (EU) 1000949</p>  <p>Date of international registration: 26 September 2008</p> <p>Date of protection in the EU: 26 September 2008</p>	<p>Class 18: Leatherware, imitation leather and goods made of these materials not included in other classes, including bags and wallets; traveling trunks; umbrellas.</p> <p>Class 25: Clothing, footwear, headgear; leather belts (clothing).</p> <p>Class 35: Retail and franchising services, namely consultation and assistance in business management; organization and promotion services; advertising and promotion services; aforementioned services also provided via Internet.</p>

4) Four of these marks are in the name of Facton and four are in the name of G-Star. All eight of the applicants' marks are earlier marks as defined by Section 6 of the Act, because they all have a date of application for registration earlier than that of the proprietor's mark. Section 47(2A) requires that an earlier mark becomes subject to the proof of use provisions unless its "registration procedure was completed within the period of five years ending with the date of the application for the declaration". Only the applicants' CTM 4017356 G-RAW completed its registration procedure more than five years before the date of application for invalidation and, consequently, it is the only earlier mark subject to the proof of use provisions. However, for reasons that will become obvious, I do not intend to consider if this mark satisfies those provisions. G-Star can rely upon the full lists of goods and services listed in all other of its earlier marks.

5) The proprietor subsequently filed a counterstatement denying the applicants' claims. In respect of an indication whether it wished to put the applicants to proof

of use (Box 5 of the Form TM8), the proprietor completed the box with the text “N/A”, presumably to indicate that it was “not applicable”. As I have explained in the previous paragraph, the provisions apply to one of the earlier marks. Nevertheless, the anomaly in the Form TM8 has no consequence, as will become obvious later.

6) Both sides filed evidence in these proceedings and both sides ask for an award of costs. Neither side requested a hearing and I make my decision after a thorough review of the papers.

Applicants’ Evidence

7) This takes the form of a witness statement by Johannes Christian de Bil, Managing Director of Factor. He explains that both Factor and G-Star are part of the G-Star group of companies and that G-Star is a licensee of Factor. Mr de Bil is also General Counsel of G-Star. He also explains the chain of entitlement between these and other companies that are part of the group. I do not need to detail this chain of title here, but when I refer to use by “the applicants”, this includes use by G-Star, Factor or their predecessors in title.

8) Mr de Bil states that their first use of any mark that included the word RAW was the mark G-STAR RAW DENIM in 1996. He states that, since then, they have made extensive use of G-STAR RAW DENIM, G-STAR RAW DENIM and logo, RAW DENIM logo, GS-RAW, G RAW and RAW on its own. Further, he states that “[t]he exact date when we first used our RAW mark on its own not certain as our use of RAW has moved through various stages”.

9) Mr de Bil explains that the applicants’ family of marks has become established in many markets around the world with offices in more than twenty countries and 5,700 points of sale in over eighty countries. In the UK, Mr de Bil provides turnover figures in respect of the family of marks between 2000 and 2010 that illustrate rapid growth over the first seven years before stabilising at about £37 million a year. Marketing and advertising spend is also provided and is over £1 million in the last four full years prior to the relevant date (28 June 2011, being the filing date of the application for invalidation) defined in Section 47(2B) of the Act.

10) Mr de Bil explains that the applicants’ goods are branded using all of their marks with multiple marks appearing on packaging, marketing materials and on the goods themselves. This is borne out in the exhibits. He states that “all our products will show G-STAR and RAW either separately or together somewhere on the product” (paragraph 6) and “[m]ore recently the mark RAW appears also on its own on our goods, website and product literature”.

11) Mr de Bil lists many overseas trade fairs and states that these are attended by UK buyers for the explicit purpose of viewing products to be sold in the UK.

Examples of invitations to attend the applicants' event at some of these trade fairs are provided at Exhibit JCdeB1 and illustrate use of the mark G-STAR RAW, G-STAR, and G-STAR RAW DENIM and logo.

12) Mr de Bil states that the applicants' goods provided under the various marks are sold in a wide range of retail outlets in the UK including *House of Fraser*, *Selfridges*, *Republic*, *Mesh Menswear*, *Colours*, *Cult*, *Urban Outfitters*, *Aspecto*, *Hayes*, *USC* and others. Exhibit JCdeB2 provides a list of outlets, seventeen of which are in the UK and appear to be additions to those mentioned by Mr de Bil. In addition there are fifteen G-STAR branded stores in the UK that stock G-STAR products. At JCdeB3, Mr de Bil provides a list of 167 towns and cities in the UK where G-STAR products are sold.

13) At Exhibit JCdeB5, Mr de Bil provides examples of outdoor advertising used around Europe including the UK. They consist of copies of billboard advertisements and advertisements appearing on the back of buses (one at least appears to be in London) with the marks G-STAR RAW and RAW and "1 logo" (corresponding to the mark shown in earlier mark 2491837) appearing.

14) Mr de Bil states that the applicants' marks are used in respect of a wide range of goods including clothing, bags, footwear and wallets and, at Exhibit JCdeB6, he provides copies of brochures and leaflets in support of this, totalling 298 pages. This exhibit demonstrates use of the earlier marks "GS Raw" in respect of shoes, at page 282 and others, on a women's vest (on page 263), but both after the relevant date; numerous examples of RAW and "1 logo" used in respect of a variety of clothing as well as numerous marks not relied upon such as G-STAR and G-STAR RAW DENIM. The mark "RAW Essentials" also appears in numerous pages of G-Star's 2011 "Look book" in respect of jeans and t-shirts and RAW DENIM in the Spring/Summer 2006 catalogue (page 76 of the exhibit). The mark "denim RAW" is also seen in use on belts on the undated page 103 of the exhibit.

15) Mr de Bil also provides numerous exhibits of use of the applicants' various marks in numerous member states of the Community. These are provided in Exhibits JCdeB8 – JcdeB15.

Registered Proprietor's Evidence

16) This takes the form of a witness statement by Robert James Hawley, trade mark attorney with Mathys & Squire, the proprietor's representatives in these proceedings. This takes the form of submissions rather than evidence and, whilst I take these into account, I will not detail them here.

DECISION

The legislation

17) The case has proceeded to final determination on the basis of Sections 5(2) (b), 5(3) and 5(4)(a) of the Act, with such grounds being relevant in invalidation proceedings in view of the provisions of Section 47(1) of the Act. The relevant parts of Section 47 of the Act read as follows:

“47. – [...]

(2) The registration of a trade mark may be declared invalid on the ground-

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A)* But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date, or
- (c) the use conditions are met.

(2B) The use conditions are met if -

- (a) within the period of five years ending with the date of the application for the declaration 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) it has not been so used, but there are proper reasons for non-use.

[...]

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that-

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

[...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

18) The relevant parts of Section 5 of the Act read:

“(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.”

(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 a Community trade mark or international trade mark (EC) 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 the repute of the earlier trade mark.

(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 [...]

Preliminary points

19) In his written submissions, Mr Hawley suggests that the applicants provide evidence to prove that G-Star is, indeed, the licensee of Factor. On the register of marks, G-Star is recorded as the proprietor for four of the eight earlier marks and Factor is the proprietor of the other four. This is taken as *prima facie* evidence that one or other of them is entitled to bring these proceedings against the proprietor. Consequently, putting the applicants to evidence on this point is unnecessary.

20) Mr Hawley also submits that, because the exhibits, provided by Mr de Bil in Exhibit JCdeB6, are undated they should be declared inadmissible. I decline to do this. The fact that they are undated does not render the exhibit inadmissible but rather it goes to the issue of what weight should be attached to it.

Section 5(2)(b)

21) I find it convenient to begin by considering the case based upon Section 5(2)(b) of the Act.

22) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P. 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*,

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(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*,

(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*,

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

(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*,

(g) in determining whether similarity between the goods or services covered by two marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) 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*,

(i) 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 and Adidas Benelux BV*,

(j) 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*.

(k) 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; 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; *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

23) The applicants rely upon a number of earlier marks (detailed in paragraph 3, above), but for the purposes of my consideration in respect to this part of the Act, I will only look at the applicants' case insofar as it is based upon its CTM

4743225, in the name of G-Star, for the mark RAW because it is my opinion that this represents one of its best cases and if it is not successful when relying upon this mark it will not be successful when relying on the other earlier marks listed. This earlier mark completed its registration procedures on 15 October 2008. This being less than five years before the date of the application for the proprietor's mark to be declared invalid it is not subject to the proof of use provisions discussed earlier.

Comparison of goods

24) The applicants' CTM 4743225 RAW includes the following Class 25 specification:

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

25) The proprietor's specification is in respect of *Articles of clothing, footwear, headgear* and it is self-evident that these are identical to the corresponding goods in the applicants' mark except for where such terms cover goods relating to wrestling, wrestling entertainment and wrestlers. Nevertheless, the terms in the proprietor's specification will include goods that are very similar to those of the applicants. This is because the applicants' specification will include goods relating to other combat sports (or sport more generally) that may be of a very similar nature to such goods relating to wrestling.

The average consumer

26) Matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23), who 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 and services can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems B.V. v. OHIM*, Case T-112/06).

27) The average consumer of the parties' goods will be ordinary member of the public who wish to purchase clothing, footwear and headgear. The purchase is normally made from high street or Internet retailers. In respect of the nature of the purchasing act for these goods, I am mindful of the comments of Mr Simon Thorley, sitting as the Appointed Person, in *React trade mark* [2000] R.P.C. 285:

"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.”

28) The General Court (GC) has continued to identify the importance of visual comparison when considering the purchasing act in respect of clothing (see for example Joined Cases T-117/03 to T-119/03 and T-171/03 *New Look Ltd v OHIM (NLSPOORT et al)* [2004] ECR II-3471 at [49]-[50] and Case T-414/05 *NHL Enterprises BV v OHIM (LA KINGS)* [2009] ECR II.). There is nothing before me in the current proceedings to lead me to conclude differently and, consequently, taking into account the above comments, I conclude that the purchasing act will generally be a visual one. However, I do not ignore the aural considerations that may be involved.

Comparison of marks

29) For ease of reference, the respective marks are:

Applicants' mark	Proprietor's mark
RAW	RAW CRAFT

30) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23).

31) The applicants' mark consists of the single word RAW and obviously this must be its dominant and distinctive element. The proprietor's mark consists of the two words RAW and CRAFT, both being of equal visual prominence in the mark. Both words may have equal dominance in the mark. However, I am also mindful that the word CRAFT may be perceived as having some allusive quality (see paragraph 34 below) and, consequently, it may be endowed with a lower level of distinctive character. With such a perception, the word RAW will be perceived as the dominant and distinctive element of the mark.

32) In making a visual comparison, the applicants' mark is wholly contained in the proprietor's mark appearing as its first element. This is an obvious point of similarity. The additional word CRAFT present in the proprietor's mark is an equally obvious point of difference. Taking these factors into account, I conclude that the respective marks share a moderate to moderately high level of visual similarity.

33) Similarly, from an aural perspective, the identical single syllable word RAW is present in both marks. The proprietor's mark also contains the additional single syllable word CRAFT. Taking this into account, I conclude that the respective marks share a moderate to moderately high level of aural similarity.

34) Finally, from a conceptual view point, the applicants' mark consists of an ordinary English word with a variety of meaning such as "(of food) not cooked", "(of a part of the body) red and painful, especially as the result of skin abrasion", "(of an emotion or quality) strong and undisguised" and "(of the weather) cold and damp; bleak"¹. The proprietor's mark also contains the additional word CRAFT that also has multiple meanings such as "an activity involving skill in making things by hand", "work or objects made by hand", "the skills in carrying out ones work" and "a boat or ship"². It is not obvious how these two words would/could combine to give a meaningful whole and I conclude that the average consumer would not identify any conceptual meaning beyond that endowed by the individual words. It is also equally possible that the word CRAFT may be perceived as being an allusion to the skills employed in making or designing the goods. Having consideration for these factors, I conclude that respective marks share a moderate level of conceptually similarity.

35) I have concluded that the respective marks share a moderate to moderately high level of visual and aural similarity and a moderate level of conceptual similarity. This combines to give a moderate to moderately high level of similarity overall.

Distinctive character of the earlier trade mark

36) I must consider the distinctive character of the earlier mark because the more distinctive it is, either by inherent nature or by use the greater the likelihood of confusion (*Sabel BV v Puma AG* [1998] RPC 199). The distinctive character of the earlier trade mark must be assessed by reference to the goods for which it is registered and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91).

37) The applicants' mark consists of the single word RAW that is an ordinary English word that, whilst it has a number of meanings, will be easily recognised by the average consumer. Whilst it may not have the impact of a made-up word it, nevertheless, is endowed with a normal level of distinctive character, but not the highest level.

¹ "raw". Oxford Dictionaries. April 2010. Oxford Dictionaries. April 2010. Oxford University Press. 25 January 2013 <<http://oxforddictionaries.com/definition/english/raw?q=raw>>.

² "craft". Oxford Dictionaries. April 2010. Oxford Dictionaries. April 2010. Oxford University Press. 25 January 2013 <<http://oxforddictionaries.com/definition/english/craft?q=craft>>.

38) Mr Hawley points out that it is not possible to differentiate which marks the turnover and marketing spend (provided by Mr de Bil) relates to. I agree, it is not possible to say what, if any, of these figures relate to the mark RAW. The applicants' evidence does show some limited use of the mark RAW appearing with the non-distinctive word "denim" or the word "essentials". Far more commonly shown is the word RAW being used as part of a composite mark where the prominent element is the mark G-STAR either alone or with a logo. It is far from clear to me that RAW will stand out as a secondary mark to G-STAR and there has been nothing put before me to suggest that this is the case. Consequently, it is not possible for me to conclude that the mark RAW alone has an enhanced distinctive character resulting from the use made of it.

Likelihood of confusion

39) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*)

40) I have found that the respective goods are identical or highly similar, that the nature of the purchasing act is primarily visual, that the respective marks share a moderate to moderately high level of similarity and that the applicants' mark is endowed with a normal level of distinctive character. Taking all of this into account, together with the particular characteristics of the respective marks, I agree with Mr Hawley's submission and conclude that there is no likelihood of direct confusion where one mark is confused with the other. The fact that one mark consists of one word and the other consists of two words is sufficient to ensure this in the case before me.

41) However, despite the word RAW having well known meanings, the average consumer is unlikely to identify how any of these meanings apply to the word CRAFT and as a consequence, he/she is likely to perceive the two words as operating independently to each other. The result of this is that it is likely that an average consumer exposed to the mark RAW, when then being exposed to the mark RAW CRAFT in respect to identical goods is likely to believe that they originate from the same or linked undertaking. Consequently, I find that there is a likelihood of indirect confusion in respect of all the goods claimed. Even if I am wrong on this point and the word CRAFT may be perceived as to loosely allude to craftsmanship/application of skill in some way, the consumer will be even more likely to perceive that the goods originate from the same or linked undertaking.

42) In summary, I have found a likelihood of confusion in respect of all of the proprietor's goods. The application for invalidation based upon Section 5(2)(b) of the Act is, therefore, successful in its entirety.

Section 5(3) and Section 5(4)(a)

43) As a consequence of my findings in respect of Section 5(2)(b) it is not necessary for me to go on to consider the additional grounds based upon Section 5(3) and Section 5(4)(a) of the Act.

COSTS

44) The application for invalidation having been wholly successful, the applicants is entitled to a contribution towards its costs. I take account of the fact that no hearing has taken place but that it did file written submissions in lieu of attendance. I award costs on the following basis:

Application for invalidation (inc. fee) & considering statement of case in reply	£500
Preparing and filing evidence and considering other side's evidence	£700
Filing written submissions	£400
TOTAL	£1700

45) I order Continental Shelf 128 Limited to pay G-Star Raw C.V. and Factor Ltd 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.

Dated this 6th day of February 2013

**Mark Bryant
For the Registrar,
the Comptroller-General**