TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 2623785 BY JSN JEWELLERY UK LIMITED

AND

OPPOSITION No. 103874

BY ICE S.A. AND ICE IP S.A.

Background and pleadings

1. This is an opposition by ICE S.A. of Belgium and ICE IP S.A. of Luxembourg to an application filed on 6 June 2012 ("the relevant date") by JSN Jewellery UK Limited to register the trade mark **Canadian Ice**. The applicant seeks registration of the mark for:

Class 14: Gold, Silver and platinum jewellery with diamonds, including rings, earrings, bangles, bracelets, brooches, pendants, but excluding timepieces, chronometric and horological instruments, watches, watch bands, boxes for watches and watch jewellery.

- 2. The opponents oppose the trade mark on the following grounds:
 - Under section 3(1)(b) and (c) of the Act on the basis that the mark is non-distinctive and/or descriptive of the goods at issue because the word 'Canadian' denotes the geographical origin of the goods and the word 'ice' is not distinctive for jewellery containing diamonds.
 - Under section 5(2)(b) of the Act on the basis that the applicant's mark is similar to seven earlier Community trade marks and one international trade mark protected in the UK, all incorporating the word 'ICE' and covering identical goods, and there is a likelihood of confusion on the part of the public.
 - Under section 5(4)(a) of the Act because the opponents have used the mark shown below in the UK since 2008 in relation to watches, boxes for watches, watch jewellery and associated promotional materials, and use of the applicant's mark will lead the UK public to believe that the applicant is connected to the opponents. In view of the opponent's established earlier common law rights, use of the applicant's mark would therefore be contrary to the law of passing off.



- 3. The applicant filed a counterstatement denying the claims made. I note that the applicant makes the following points.
 - The word 'Canadian' denotes the [geographical] origin of the diamonds sold by the applicant.
 - The literal meaning of the word 'Ice' when used in relation to jewellery is that of a transparent piece of diamond that has been cut and polished, and is valued as a precious gem.
 - The Cambridge Dictionary defines 'ice' in the context of jewellery as a slang word meaning "jewellery, especially diamonds".
 - The applicant's mark must be assessed as a whole and not broken down into its constituent parts. The literal meaning of Canadian Ice is 'frozen water from Canada', which is not descriptive or otherwise non-distinctive for the goods at issue.
 - Although the applicant's mark has been used in the UK since 2008, it has not obtained sufficient ubiquity to have become generic for anything other than the meaning in a literal sense.
 - The applicant's goods could be described as 'Canadian diamonds', which, in contrast to the words in the mark, would be a descriptive and non-distinctive term.
 - There are numerous differences between the applicant's goods and those of the opponents, including the nature of the respective goods, prices, distribution channels and customers.
 - The mark applied for differs from the opponents' marks in appearance, sound and literal meaning.
 - The applicant is the owner of UK registration 2522792, which is for the figurative mark 'Canadian Ice, Diamond Collection' and covers the same goods as those in this application. That mark was registered prior to the opponents' marks.
- 4. Both sides seek an award of costs.
- 5. Both sides filed evidence and written submissions. No hearing was requested and so this decision is taken following a careful perusal of the papers.

The Facts

6. The opponents' evidence comes from Céline Eyers who is the Senior Legal Counsel with ICE S.A. Ms Eyers' evidence is a 2 page witness statement with 17 exhibits amounting to 652 pages. The statement does little more than introduce the exhibits. It makes virtually no attempt to summarise or explain what they show or even add up the sales figures. Looking through the exhibits I can see that:

- The opponents sold around 90-100k products in the UK in 2009, around 150k products in 2010 and over 200k products in 2011¹. It is possible to tell from the evidence² that these products were watches and the invoices dated on and after 24 November 2010 show that they were sold to the opponent's UK distributor under the mark 'Ice-watch'.
- The opponents' Ice Watch products were extensively promoted in the UK media after the relevant date³.
- The opponents' UK distributor, Peers Hardy, spent around £400k promoting the goods in the UK. This appears to have been spent mainly on point of sale promotions⁴.
- A publication called Retail Jewellery, which appears to be a UK trade publication, listed Ice-Watch as the best selling 'fashion watch' in the UK in February 2012, although it did not appear in the list of the overall top 5 best selling watches in the opponents' price range, which is less than £200⁵.
- The opponents' may have sponsored a TV program called Take Me Out using the mark Ice Watch, but even if that did happen it was not until the fourth quarter of 2012 and therefore after the relevant date⁶.
- The opponents' internal data indicates that in 2011 and 2012 Ice Watch had 8 or 9% of the UK watch market in the price range 50-99 Euros and was either 2nd or 4th in that market (depending on whether you look at page 504 or page 507 in the evidence), with 1 to 2% of the market for watches in the price range 100-249 Euros (where it rose from 18th to 13th position between 2011 and 2012)⁷.

³ Exhibit CE3 contains 371 pages showing all the publicity achieved from June 2012 onwards.

⁵ See exhibit CE7

¹ These figures are not precise. I have added them up quickly in my head from numerous ledger pages. If the opponents are not prepared to give more attention to their evidence then neither am I.

² Exhibit CE2

⁴ Exhibit CE6

⁶ See exhibit CE9

⁷ See exhibit CE12

- The opponents "ICE brand website" received 788k 'visits' from UK computer users between 2009 and September 2012, about two thirds of which were unique visitors⁸.
- The Ice Watch mark has featured in a number of newspaper publications, but none of those exhibited as CE15 appear to be English language publications.
- The Ice Watch mark was promoted in a number of UK magazines and publications prior to the relevant date, but most of these were trade publications. However, the mark did appear in promotions in a supplement to the Daily Mail (April 2010), somewhere in Vogue magazine (June 2010), on page 96 of Marie-Claire (November 2010), and on page 37 of Loaded magazine (April 2012)⁹.
- Both the Collins English Dictionary (10th Ed.) and New Shorter Oxford English Dictionary (6th Ed.) contain entries for 'ice' as meaning, inter alia, slang for diamonds.
- 7. Ms Eyers filed a second witness statement in response to the applicant's evidence described below. However, it is almost entirely submissions which I will take into account but adds nothing to the above facts.
- 8. The applicant's evidence comes from Joel Stempel, who is the Director of Operations of the applicant company. Mr Stempel states that the applicant launched its Canadian Ice brand in the UK in 2009. The brand was represented to retailers at the 2009 Spring Fair in Birmingham. In 2011, the applicant entered into a licence arrangement with Goldsmiths the jewellers, which has 110 outlets in the UK. In 2012 the retail turnover of the "Canadian Ice business" in the UK was in excess of £18m (however, only the use of the mark prior to the relevant date in June 2012 could be relevant).
- 9. Mr Stempel attaches some press coverage of the brand (from Professional Jeweller, a trade publication dated August 2013), which I note states that Canada has become the third largest diamond mining country in the world. Mr Stempel also refers to the "recent" opening of a shop within a shop at Goldsmiths' Westfield store dedicated to Canadian Ice. However, as Mr Stempel's evidence was given in November 2013, this is not helpful in establishing the position at the relevant date in 2012.
- 10. Mr Stempel says Canadian Ice jewellery features authentic diamonds mined in the Northwest of Canada. They are promoted with images of snow crested

⁸ See exhibit CE14

⁹ See exhibit CE16. Pages 581-646 show further promotions after the relevcant date.

mountains and glacial images which reinforces the literal meaning of 'Ice'. They are sold at prices ranging from £199 - £8000 and the intended market is mainly female. In contrast, the opponents' products are unisex products priced between £37 and £150. Mr Stempel says that there have been no instances of confusion with the opponents' marks.

The lack of distinctiveness grounds

- 11. Section 3(1) of the Act is as follows.
 - "3. (1) The following shall not be registered -
 - (a) signs which do not satisfy the requirements of section 1(1),
 - (b) trade marks which are devoid of any distinctive character,
 - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services, (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

- 12. The case law under section 3(1)(b) and (c) was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) by reference to the corresponding provisions of the Community Trade Mark Regulation. The judge said:
 - "90. The principles to be applied under art.7(1)(b) of the CTM Regulation were conveniently summarised by the Court of Justice of the European Union in Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v BORCO-Marken-Import Matthiesen GmbH & Co KG (C-265/09 P) [2011] E.T.M.R. 4 as follows:
 - "29. ... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (*Henkel v OHIM* [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 32).
 - 30. Under that provision, marks which are devoid of any distinctive character are not to be registered.
 - 31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as

- originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; *Eurohypo AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-304/06 P) [2008] E.C.R. I-3297; [2008] E.T.M.R. 59, paragraph 66; and *Audi v OHIM* (C-398/08 P), paragraph 33).
- 32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67)."

[remainder of the quotation of the case law under article 7(1)(b) is irrelevant for current purposes and therefore omitted]

- 91. The principles to be applied under art.7(1)(c) of the CTM Regulation were onveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:
 - "33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is save where Article 7(3) applies devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).
 - 36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).
 - 37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

- 38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).
- 39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke *KPN Nederland*, paragraph 57).

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- 46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).
- 47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.
- 48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.
- 49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the

goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

- 50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."
- 92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]."
- 13. The evidence leaves no room for doubt that 'Canadian' is capable of designating the geographic origin of diamonds. That word is therefore clearly capable of designating a characteristic of 'jewellery with diamonds'.
- 14. The dictionaries show that the word 'Ice' is, amongst other meanings, a slang term for diamonds. In *Killer Chorus Trade Mark*, BL O/431/12, Mr Geoffrey Hobbs Q.C. pointed out that when assesing the distinctive character of words it is appropriate to take into acount the dictionary meaning of a slang word, to the extent that it would influence the perception of the meaning and significance of that word to the relevant consumer. Neither side has filed evidence to establish what proportion of the purchasing public for diamonds would know that 'Ice' is, inter alia, a slang word for diamonds. I must therefore make my own assessment of that fact. Given the appearance of the term in a number of dictionaries I find that the average consumer for 'jewellery with diamonds' would know that one of the meanings of 'Ice' is slang for diamonds.
- 15. It is submitted on behalf of the applicant that, in contrast to 'Canadian Diamonds', Canadian Ice is a combination of words that would conjure up a picture of frozen

water and glaciers in the mind of the relevant average consumer. In its judgment in *Campina Melkunie BV and Benelux-Merkenbureau*, Case C-265/00, the Court of Justice of the European Union ("CJEU"), stated that:

- "39. As a general rule, the mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics within the meaning of Article 3(1)(c) of the Directive even if the combination creates a neologism. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned."
- 16. I accept that 'frozen water from Canada' is one of the meanings that an average consumer of 'jewellery with diamonds' would attribute to Canadian Ice. However, if (as I have found it will be) 'Ice' is also recognised by the average consumers as a slang term for diamonds, and Canada is recognised as a geographical source of diamonds, then it is difficult to see anything unusual in the syntax of the words Canadian Ice that avoids the conclusion that the word combination will also be recognised as designating the geographical origin and kind of goods at issue, i.e. diamonds from Canada. In particular, the syntax of the words Canadian Ice appears to be same as for the words 'Canadian Diamonds'. In both cases 'Canadian' qualifies the following word. Such an indication clearly designates a characteristic of 'jewellery with diamonds'. The fact that the mark may be recognised as having other meanings is irrelevant for the reasons given by the CJEU in its judgment in *OHIM v Wrigley*.
- 17. It is submitted on behalf of the applicant that consumers will not see the potentially descriptive meaning of Canadian Ice because the applicant's promotional material emphasies the other 'frozen water' meaning.
- 18. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited,* Case C-533/06, the CJEU stated¹⁰ that when assessing the likelihood of confusion under Section 5(2) it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. Further, in In *Devinlec Développement Innovation Leclerc SA v OHIM,* Case C-171/06P, the CJEU stated that:
 - "59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks."

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¹⁰ At paragraph 66 of its judgment

- 19. Exactly the same considerations apply to the assessment required under s.3(1). I therefore find that the applicant's current marketing strategy is irrelevant to the assessment of the grounds for refusal under s.3(1)(b) and (c) of the Act.
- 20. For the reasons given above I find that Canadian Ice is excluded from registration in relation to 'jewellery with diamonds' under s.3(1)(c) of the Act. For the same reasons, I find that the words are devoid of any distinctive character for the goods at issue and therefore also excluded from registration by s.3(1)(b) of the Act.
- 21. Although the applicant has filed some evidence of use of the mark prior to the relevant date, it has not pleaded a case of acquired distinctiveness under the proviso to s.3(1) as a result of that use of the mark prior to the date of the application for registration. This may be why the applicant's evidence is poorly particularised as to the extent of the use of the mark in the UK between 2009 and 2011 (and, as regards the promotion of the mark, also in the period January to June 2012). What evidence there is gives the impression that the mark was only used on any scale in the UK from sometime in 2011. For the avoidance of doubt, I do not consider that the evidence establishes that the mark had acquired a distinctive character by the relevant date.
- 22. These findings effectively determine the opposition in the opponent's favour, however, for the sake of completeness, I will also address the relative grounds of opposition.

The relative grounds of opposition

- 23. Section 5(2)(b) of the Act is as follows:
 - "5(2) A trade mark shall not be registered if because-
 - (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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".
- 24. An earlier trade mark is defined in s.6(1)(a) of the Act like this:
 - "6. (1) In this Act an "earlier trade mark" means -
 - (a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks"

- 25. According to The Trade Marks (International Registration) Order 2008, the request for protection of the international registration in the UK shall be regarded as the date of filing of an international trade mark (UK).
- 26. The opponents rely, inter alia, on Community trade mark 7239064 and international trade mark (UK) M1029087, which are registered in the name of ICE S.A. These marks are shown below.

7239064



M1029087



- 27. The date of filing of M1029087 is 24 April 2012. The date of filing of CTM 7239064 is 17 September 2008. The filing dates of these marks are earlier than the filing date of the opposed mark, being 6 June 2012. Therefore both of the opponents' marks are earlier trade marks for the purposes of the Act.
- 28. M1029087 was protected on 11 February 2014. CTM 7239064 was registered on 26 June 2012. The applicant points out that it is the owner of UK registration 2522792, which is for the figurative mark 'Canadian Ice, Diamond Collection' and covers the same goods as those in this application. That mark was registered on 20 November 2009, which is prior to the dates of registration of the opponents' marks. However, it is clear from s.6(1)(a) of the Act that the relevant date for assessing priority is not the date of registration, but the date of the application for registration. CTM 7239064 is therefore an earlier mark compared to UK 2522792. Further, in the absence of an application to invalidate M 1029087, it must be considered to be

validly registered¹¹ and an earlier mark than the opposed mark. Therefore the existence of UK registration 2522792 in the applicant's name is irrelevant.

29. The goods for which M1029087 is protected are:

Precious metals and their alloys and goods in precious metals or coated therewith not included in other classes; jewellery, precious stones, timepieces and chronometric instruments.

30. The goods for which CTM 7239064 is registered are:

Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments produced in Switzerland.

31. I consider that these marks represent the opponents best prospects of success because the word ICE is plainly a significant element of these marks and presented in such a way that, to the eye, it is separated from the words 'Watch' and 'Swiss'. If the opponents cannot succeed on the basis of these marks they will not succeed on the basis of the any of the other marks included in the notice of opposition, which include the word marks 'icewatch', 'ice-ramic', 'ice star', 'ice-clock' and 'Ice-dune', and a figurative mark including the words 'ICE watch'.

Comparison of goods and services

- 32. The applicant's "Gold, Silver and platinum jewellery with diamonds, including rings, earrings, bangles, bracelets, brooches, pendants" are subsumed within the description "Precious metals and their alloys and goods in precious metals or coated therewith not included in other classes; jewellery, precious stones" in the lists of goods for the opponents' marks.
- 33. In *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T-133/05, the General Court stated that:
 - "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".
- 34. On that basis the respective goods listed at paragraph 32 are identical.

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¹¹ See s.72 of the Act, which applies by virtue of The Trade Marks (International Registration) Order 2008

35. The opponents' marks (but not the applicant's) also cover watches, timepieces and horological and chronometric instruments, which are different in nature to, and not in competition with, jewellery, but (to the extent these descriptions cover watches) may be worn partly for decorative purposes, and may also be complementary to jewellery. Both types of products are often sold through the same trade channels. These goods are therefore similar to quite a high degree, although not the highest possible level of similarity.

Comparison of marks

- 36. It is clear from the judgment of the CJEU in *Sabel BV v. Puma AG* (particularly paragraph 23, see below) 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 and give due weight to any other features which are not negligible.
- 37. The opponents' marks include the word ICE in a prominent manner. The applicant's mark also includes the word ICE, which is qualified by the longer word 'Canadian'. The opponents mark also include the secondary words SWISS or WATCH, which are not present in the applicant's mark (and in the case of ICE Swiss, there is also a small figurative element).
- 38. The inclusion of the common word ICE introduces a degree of visual and aural similarity between the marks, but in my view, overall they are only visually similar to a modest degree. The applicant's mark will be verbalised as Canadian Ice. The opponents' marks as Ice Watch and Ice Swiss. In my view the marks are only aurally similar to a modest degree.
- 39. Whether the average consumer perceives the word ICE in relation to jewellery as meaning 'frozen water' or 'diamonds', the marks are conceptually similar to a reasonably high degree, despite the fact that the respective and well known meanings of 'Canadian', 'Swiss' and 'Watch' introduce some conceptual differences.

Average consumer and the purchasing act

40. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: See the judgment of the CJEU in *Lloyd Schuhfabrik Meyer*, Case C-342/97.

- 41. The CJEU has examined the question of the relevant public for the purposes of trade mark law. In *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04. The court found that:
 - "24. In fact, to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say <u>in trade</u> and or amongst average consumers of the said goods or services, reasonably well-informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for." (emphasis added)
- 42. The court had earlier addressed the significance of the trade's perception of trade marks in more detail in *Björnekulla Fruktindustrier AB v Procordia Food AB*, Case C-371/02, where the court found that:
 - "24. In general, the perception of consumers or end users will play a decisive role. The whole aim of the commercialisation process is the purchase of the product by those persons and the role of the intermediary consists as much in detecting and anticipating the demand for that product as in increasing or directing it.
 - 25. Accordingly, the relevant circles comprise principally consumers and end users. However, <u>depending on the features of the product market concerned</u>, <u>the influence of intermediaries on decisions to purchase</u>, and thus their <u>perception of the trade mark</u>, must also be taken into consideration." (emphasis added).
- 43. The average consumer in this case is the general public who buys jewellery. However, as retailers may influence the public's purchasing decisions, their perception is also relevant to a degree.
- 44. The applicant points out that its goods are relatively expensive items of jewellery. However, in *Bang & Olufsen A/S v OHIM*, Case T-460/05, the General Court of the European Union held that:
 - "According to the case-law, the price of the product concerned is also immaterial as regards the definition of the relevant public, since price will also not be the subject of the registration (Joined Cases T-324/01 and T-110/02 Axions and Belce v OHIM (Brown cigar shape and gold ingot shape) [2003] ECR II-1897, paragraph 36)."
- 45. I therefore find that the relevant public includes buyers and potential buyers of jewellery of all prices. The level of attention paid by the average consumer will vary

from average in the case of low cost jewellery, to high when it comes to high cost jewellery or trade customers.

Distinctive character of the earlier trade mark

- 46. In Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV, Case C-342/97 the CJEU stated that:
 - "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 WindsurfingChiemsee v Huber and Attenberger [1999] ECR I-0000, paragraph 49).
 - 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."
- 47. The opponents assert that the word ICE is descriptive of, at least, diamond jewellery. If that is right it follows that the only element that is common to the respective marks is not distinctive for jewellery.
- 48. However, in *Formula One Licensing BV v OHIM,* Case C-196/11P, the CJEU found that:
 - "41.it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.
 - 42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the

mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

- 43. However, as the appellant rightly points out, their verification has limits.
- 44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii)."
- 49. The same must apply to registered Community trade marks and protected international trade marks (UK), both of which are presumed to be valid in the UK¹².
- 50. I also take into account that the 'frozen water' meaning of ICE (which would be distinctive for the purposes of trade mark comparisons) may be more apparent to some average consumers than the slang descriptive meaning, and that some of the jewellery for which the opponents' marks are registered may be obviously something other than diamond jewellery, for which the word ICE would be correspondingly more distinctive.
- 51. Overall, I consider that the opponents' marks as a whole have an average level of inherent distinctiveness for jewellery. The ICE element has, at best, an average level of distinctiveness. In relation to jewellery which is, or may be, diamond jewellery, it has a below average level of distinctiveness.
- 52. I accept that, notwithstanding the possibility that watches and timepieces may be decorated with diamonds, earlier mark M1029087 had an above average level of distinctiveness for those goods at the relevant date, partly because of the use made of it prior to the relevant date, with the result that a significant share of the UK watch market held under the mark at June 2012 (albeit that this was predominantly confined to the cheaper end of the watch market).

Likelihood of Confusion.

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53. In Specsavers International Healthcare Limited & Others v Asda Stores Limited [2012] EWCA Civ 24 para 51 et seq, the Court of Appeal approved the following principles gleaned from the decisions of the EU courts in Sabel BV v Puma AG, Case C-251/95 [1998] RPC 199, Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97 [1999] RPC 117, Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. Case C-342/97, Marca Mode CV v Adidas AG & Adidas Benelux BV, Case C-425/98 [2000] E.T.M.R. 723, Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case C-

¹² See article 99 of Regulation 207/2009 so far as Comunity trade marks are concerned.

3/03, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04 and Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) Case C-334/05P.

The principles

- (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 in 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 creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.
- 54. The applicant seeks to rely on the different price bracket within which its goods fall (compared to the opponents' goods) and its marketing strategy, which helps to avoid confusion. However, for the reasons given above neither of these factors may be relied on to avoid the likelihood of confusion in the future. They do, however, indicate (together with the absence of any evidence of use of the opponents' marks in relation to jewellery) why the absence of confusion to date is not a reliable indication of the likelihood of confusion in the future.
- 55. In my view, the opponents' best case is based on the registration of its marks for jewellery, i.e. identical goods. However, even if the average consumer pays only an average level of attention when selecting goods at the cheaper end of this market, it is hard to see how such a consumer could mistake or mishear Canadian Ice for either of the opponents' marks. Direct confusion is even less likely where higher cost jewellery is concerned, or the trade are the customers, where the consumer is likely to pay an above average level of attention when selecting the goods.
- 56. In reaching this view I have taken due account of the possibility of the marks being seen or heard at different times and the effects of imperfect recollection. I acknowledge that the relatively higher degree of conceptual similarity between the marks increases the risk of imperfect recollection. Even so, I consider the differences between the marks compared as wholes are too great to go unnoticed by an average consumer, even for low cost jewellery, who is deemed to be "reasonably well informed and reasonably observant and circumspect".
- 57. As regards indirect confusion or association, I note that in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. as the Appointed Person described the process of indirect confusion like this:
 - "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal

terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

- 17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:
- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).
- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."
- 58. So far as jewellery is concerned, I have found that the common element in the respective marks the word ICE is, at best, only of average distinctiveness. And it is plainly less distinctive than that so far as the applicant's goods are concerned.
- 59. I have accepted that the word ICE is more distinctive for the opponents' watches etc., but the application does not cover these goods. Although they are similar goods, indirect confusion would involve a consumer making assumptions about common ownership of the marks, despite differences between both the marks and the goods. In my judgment, that is unlikely here.
- 60. It might be said that the addition of 'Canadian' to the later mark is the addition of a non-distinctive element (as per point 17(b) in Mr Purvis's judgment above), but that point has less force where the other element ICE is also of low distinctiveness (for diamond jewellery). Further, the opponents' earlier marks are not ICE solus. They have additional words (and in one case a device) which are not present in the applicant's mark. If the opponents' goods are considered to be jewellery, then the word 'Watch' is not purely descriptive and helps to distinguish the applicant's mark from earlier mark M1029087. So far as the earlier ICE Swiss mark is concerned, although Switzerland has a reputation for watches it has no reputation for diamonds or (so far as I am aware) for jewellery. Therefore it is not obvious why anyone would think that the users of the Canadian Ice and ICE Swiss marks for (diamond) jewellery would be likely to be different branches of the same undertaking, or economically linked undertakings.

61. I therefore find that there is no likelihood of indirect confusion either and the section 5(2)(b) ground of opposition fails.

The passing off right claim

- 62. Section 5(4)(a) of the Act states that 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".
- 63. The requirements to succeed in a passing-off action are well established and are summarised in *Halbury's Laws of England* 4th Ed. Vol. 48 (2007 reissue), paragraph 304, drawing on the guidance given by the House of Lords in *Jif Lemon*. Adapting the guidance to the facts in this case the opponents must establish that:
 - (1) the goods they provide have acquired a goodwill in the market and are known by reference to the figurative 'ICE watch' shown in paragraph 2 above.
 - (2) use of the contested mark in relation to jewellery with diamonds would give rise to a misrepresentation (whether or not intentional) leading or likely to lead the public to believe that such goods or services are connected in the course of trade to the opponents; and
 - (3) they would be likely to suffer damage as a result of the erroneous belief engendered by that misrepresentation.
- 64. The opponents plainly had a protectable goodwill at the relevant date under the mark ICE watch in relation to watches. However, I have already found that, at the relevant date, there was no likelihood of confusion between that mark and Canadian Ice. Subject to one possible point, it must follow that use of the applicant's mark would not have constituted a misrepresentation to the public and the passing off right claim must therefore fail.
- 65. The one possible difference between the position under trade mark law and the position under passing off law is that Lewinson L.J. in the Court of Appeal in *Marks and Spencer PLC v Interflora*, ¹³ cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that "a substantial number" of the relevant public are deceived, which

¹³ See [2012] EWCA (Civ) 1501

might not mean that the average consumer is confused. As both tests are intended to be partly qualitative measures intended to exclude those who are unusually careful or careless¹⁴, it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. However, for the avoidance of doubt, applying the appropriate test for misrepresentation, I find that it is unlikely that a substantial number of persons will believe that jewellery with diamonds marketed under the mark Canadian Ice is connected with the business which uses the figurative mark ICE Watch in relation to watches.

66. The passing off right claim therefore fails.

Outcome

67. The opposition under section 3(1)(b) and (c) succeeds in full. The grounds of opposition under sections 5(2)(b) and 5(4)(a) fail. Subject to appeal, the application will be refused.

Costs

68. The opposition having succeeded the opponents are entitled to a contribution towards their costs. However, I take into account that although the opposition succeeded on absolute grounds, it failed on relative grounds. Further, the opponents filed a substantial amount of documentary evidence that was irrelevant to any of the grounds¹⁵ because it was addressed to the position after the relevant date. The applicant had the unnecessary burden of going through all of this evidence to check for any relevance. Further still, the opponent presented its evidence in such a poorly explained way that it exacerbated the irrelevance of some of the lengthy exhibits.

69. The Registrar has a wide discretion when it comes to awards of costs¹⁶. In these circumstances I have decided to award the opponents scale costs¹⁷ to contribute to the cost of filing the notice of opposition, considering the applicant's defence and preparing written submissions. I will not make an award of costs for the filing of the opponents' own unsatisfactory evidence or considering the applicant's evidence.

¹⁴ As per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40.

¹⁵ See paragraph 6 above.

¹⁶ Rizla Ltd's Application [1993] RPC 365

¹⁷ See Tribunal Practice Notice 4/2007

70. I therefore order JSN Jewellery UK Limited to pay ICE S.A. of Belgium and ICE IP S.A. of Luxembourg the sum of £800 made up of:

£500 for filing the notice of opposition and considering the applicant's counterstatement, including the cost of the £200 official filing fee; £300 for filing written submissions in lieu of a hearing.

71. The above sum to be paid within 7 days of the end of the period allowed for appeal.

Dated this 6th day of May 2014

Allan James
For the Registrar

JSN Jewellery UK Limited was represented by Gregory Abrams Davidson LLP ICE S.A. and ICE IP S.A. were represented by Palmer Briggs Legal