O-228-16

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3078278 BY PALEWELL LTD

TO REGISTER THE TRADE MARK



IN CLASSES 25, 35 AND 40

AND

THE OPPOSITION THERETO UNDER NO 404135 BY DOTCOM RETAIL LIMITED

BACKGROUND

1. On 23 October 2014, Palewell Ltd (the applicant) applied to register the above trade mark in classes 25, 35 and 40 of the Nice Classification system,¹ as follows:

Class 25

Clothing; Jeans; Clothing, footwear, headgear.

Class 35

On-line retail store services relating to the sale of clothing; Retail services connected with the sale of clothing and clothing accessories; Retail store services in the field of clothing.

Class 40

Clothing alterations; Clothing alterations [custom manufacture]; Tailoring [custom manufacture]; Tailoring services.

2. The application was published on 16 January 2015, following which Dotcom Retail Limited (the opponent) filed notice of opposition based on section 5(2)(b) of the Trade Marks Act 1994 (the Act), against all of the goods and services in the application.

3. The opponent relies upon United Kingdom trade mark registration no. 3025732, the details of which are as follows:

Mark details and relevant dates	Goods relied upon
Mark:	Class 3 Fragrances and perfumery; toiletries and personal
PONIM	care products; soaps, bath preparations, shampoos, conditioners; hair care preparations;
Filed: 10 October 2013	skin care preparations; cosmetics; sun care and sun tanning preparations; essential oils; make-up;
Registered: 17 January 2014	make-up removal preparations; artificial eyelashes and eyebrows; adhesives for affixing artificial eyelashes and eyebrows; artificial nails; adhesives for affixing artificial nails; abrasive boards for use on nails; hair removal and shaving preparations; air fragrancing preparations; preparations for cleaning cosmetic brushes.
	Class 35 Retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of fragrances and perfumery, toiletries and personal care products, soaps, bath preparations, shampoos, conditioners, hair care preparations, skin care preparations, cosmetics, sun care and sun tanning preparations,

¹ International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).

4. In its statement of grounds the opponent states:

"The potential for confusion is increased by the prominence of the element PONIM in the mark applied for due to the heavy stylisation of the initial character in that mark.

The goods and services claimed in the application are identical or similar to those claimed in the earlier mark, in particular the applicant's claim to retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of underwear and underclothing, hosiery, lingerie and shapewear."

5. The applicant filed a counterstatement on 23 June 2015. It denies the grounds on which the opposition is based.

6. Both parties filed evidence. A hearing took place on 17 Feb 2016, by video conference. The applicant did not attend but filed submissions in lieu of attendance. The opponent filed a skeleton argument and was represented by Mr Anthony King of Mewburn Ellis LLP.

EVIDENCE

Opponent's evidence

Witness statement of Andrew King dated 27 August 2015 with exhibits ATK1 – ATK9

7. Mr King is a Trade Mark Attorney at Mewburn Ellis, a position he has held for more than four years. The evidence attached to Mr King's witness statement comprises the following:

- A General Court (GC) decision, in French, with an internet translation.
- Examination reports from the UK IPO.
- Practice guidance relating to the UK IPO and EU IPO.
- An article from Wikipedia about internet prefixes.
- Examples of trade marks which contain a graphic element followed by a word.
- Examples of UK companies which trade with brand names beginning with 'e', where the 'e' is understood to mean electronic.
- A table summarizing 'e' marks on the UK and EU registers which relate to classes 3, 25 and 35.
- Prints taken from the websites of a number of fashion brands.

Applicant's evidence

Witness statement of Max Fishman dated 4 November 2015 with exhibits MF1 - MF6

8. Mr Fishman is the sole Director of the applicant, a position he has held since 2014. His evidence consists of the following:

• Dictionary results from a search for 'PONIM'.

- Prints from the websites of specialist jeans brands that do not sell underwear/lingerie or cosmetics/beauty products.
- Prints from the websites of bespoke and made to measure clothing companies that do not sell underwear/lingerie or cosmetics/beauty products.
- Prints from websites of online retailers showing that jeans are categorised separately from underwear/lingerie or cosmetics/beauty products.
- Prints from the websites of cosmetic/beauty companies showing that they do not sell jeans.
- Prints from the websites of underwear/lingerie companies showing that they do not sell jeans.

Opponent's evidence in reply

Second witness statement of Andrew King dated 18 December 2015 with exhibits <u>ATK10 – ATK14</u>

9. Mr King's second witness statement includes the following exhibits:

- Prints from websites of jeans brands (as referred to by Mr Fishman) showing that those brands are used in relation to socks, cosmetics and underwear.
- Prints from websites of companies providing bespoke or made to measure clothing (as referred to by Mr Fishman) showing that those brands are variously used to sell socks, fragrances and underwear.
- Prints from websites of online retailers (as referred to by Mr Fishman) showing that they sell hosiery, lingerie, beauty products, jeans, socks, men's underwear, fragrances and many other products, all under the same brand name.
- Prints from websites of various cosmetics/beauty companies (as referred to by Mr Fishman) showing that, "at least some of these companies also sell various items of clothing, including children's clothing (including jeans), hosiery, socks, eye masks, gloves, pantyhose and infant wear under the same trade marks."
- Prints from websites of underwear/lingerie companies (as referred to by Mr Fishman) showing that, "at least the majority of these companies also provide a range of other clothing products under the same brand names, including denim (style) shorts, denim-effect swimwear. Long pants, trousers, shorts, robes, tops, footwear, pyjamas, leisure suits, dresses, leggings, jogging pants, pyjama trousers and denim leggings. At least some of these companies also supply beauty products, cosmetics, lip gloss and fragrances..."

10. Mr King says of all of these exhibits that the companies referred to all provide retail services.

11. I will not detail the contents of all of the evidence here but will refer to it as necessary below. I make this decision having considered all of the material before me.

DECISION

12. Section 5(2)(b) of the Act states:

"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, orthere exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

13. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

"6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or 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.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

14. The opponent's mark is an earlier mark which is not subject to proof of use because, at the date of publication of the application, it had not been registered for five years.²

Section 5(2)(b) case law

15. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the Court of Justice of the European Union (CJEU) cases mentioned) on the basis indicated below:

The CJEU cases

² See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5th May 2004.

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] F.S.R. 77; Marca Mode CV v Adidas AG & Adidas Benelux BV [2000] E.T.M.R. 723; Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case T-6/01; Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH C-120/04; Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P.

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 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 and the nature of the purchasing act

16. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

17. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*³, Birss J. described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

18. Specifically, in respect of the goods in class 25, in considering the level of attention that will be paid to such a purchase and the nature of the purchasing act, I am mindful of the decision of the General Court (GC) in *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)*⁴ in which it commented:

"43 It should be noted in this regard that the average consumer's level of attention may vary according to the category of goods or services in question (see, by analogy, *Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I- 3819, paragraph 26*). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with

³ [2014] EWHC 439 (Ch)

⁴ Joined cases T-117/03 to T-119/03 and T-171/03

regard to all goods in that sector. It follows that that argument must be rejected."

...

53. Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion."

19. The average consumer of the goods in classes 3 and 25 will be a member of the general public. The purchase is likely to be primarily visual as it is likely to be made from a store or website. The goods cover a range of products which are generally fairly low cost purchases. Consequently, the level of attention paid is likely to be average. In other words, sufficient to ensure the correct goods are selected taking into account factors such as fragrance, ingredients, size and colour.

20. The retail services in class 35 include services relating to, inter alia, gemstones and precious metals, face cloths and pillow cases. Clearly, given the range of products to which the services relate, the level of attention paid to the purchase will vary according to the nature of those items the subject of the retail service. I would expect the selling and purchase of gemstones to require a higher level of attention to be paid than the same services offered for a pillowcase, especially in light of the respective cost and the likely frequency of such purchases.

21. Similarly, the services in class 40 include minor alterations to clothing as well as the creation of tailored clothing. Commissioning a tailor to create an item, or coordinated range of clothing items, is likely to require careful selection and not insignificant expense and will lead to a higher than average level of attention being paid to the purchase. Minor alterations to clothing are likely to require a no more than average level of attention to be paid to the purchase. In both cases the selection is likely to be primarily visual, though I do not discount an aural element where word of mouth plays a part, such as the recommendation of a good tailor.

Comparison of goods and services

22. The goods and services to be compared are as follows:

The opponent's goods	The applicant's goods
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Class 3 Fragrances and perfumery; toiletries and care products; soaps, bath personal preparations, shampoos, conditioners; hair care preparations; skin care preparations; cosmetics; sun care and sun tanning preparations; essential oils; make-up; makeup removal preparations; artificial evelashes and evebrows; adhesives for affixing artificial eyelashes and eyebrows; artificial nails; adhesives for affixing artificial nails; abrasive boards for use on nails; hair removal and preparations; fragrancing shaving air preparations: preparations for cleaning cosmetic brushes.

Class 35

Retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of fragrances and perfumery, toiletries and personal care products, soaps, bath preparations, shampoos, conditioners, hair care preparations, skin care preparations, cosmetics, sun care and sun tanning preparations, essential oils, make-up, makeup removal preparations, artificial eyelashes and eyebrows, adhesives for affixing artificial eyelashes and eyebrows, artificial nails, adhesives for affixing artificial nails, abrasive boards for use on nails, hair removal and shaving preparations, air fragrancing preparations, preparations for cleaning cosmetic brushes. cosmetic preparations for medical purposes, sanitary preparations for medical purposes. medicated preparations for the treatment of the skin and scalp, medicated bath preparations, air fresheners, plasters, materials for dressings, material for stopping teeth, dental wax, dietary and nutritional supplements. hygienic and beauty implements, hair styling appliances, curling tongs, curling irons, crimping irons, electric rollers for hair, diffusers for hair, body art tools, emery files, eyelash curlers, eyelash separators, flat irons, hair cutting and removal implements, hair clippers, cutters, trimmers and scissors, razors, manicure and

Class 25

Clothing; Jeans; Clothing, footwear, headgear.

Class 35

On-line retail store services relating to the sale of clothing; Retail services connected with the sale of clothing and clothing accessories; Retail store services in the field of clothing.

pedicure tools, cuticle nippers, tweezers, nail buffers, clippers, files and scissors, manicure and pedicure sets, cases for manicure and pedicure instruments, electrical apparatus and instruments used as an aid to slimming, electrical apparatus	
C [c	Class 40 Clothing alterations; Clothing alterations [custom manufacture]; Tailoring [custom manufacture]; Tailoring [custom

23. When making a comparison between the parties' respective goods and services, all relevant factors should be taken into account. In *Canon* the CJEU stated at paragraph 23 of the judgment:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Goverments 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."

24. In *British Sugar Plc v James Robertson* & Sons Limited (Treat) 5 (hereafter Treat), Jacob J highlighted the following factors 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 found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

25. In comparing the goods and services, I bear in mind the following guidance provided by the General Court (GC) in *Gérard Meric v OHIM*, Case T-133/05:

"29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

26. Whilst this case was considering the position in relation to goods, the same holds true in respect of services.

27. When considering the complementary nature of the goods and services, I bear in mind the decision in Boston Scientific Ltd v $OHIM^6$ in which the General Court (GC) stated that 'complementary ' means:

"...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"

28. And the comments of Daniel Alexander, sitting as the Appointed Person, in $LOVE^7$ when he said:

⁵[1996] R.P.C. 281

⁶ T-325/06

⁷ BL 0/255/13

"18... the purpose of the test, taken as a whole, is to determine similarity of the respective goods in the specific context of trade mark law. It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes."

29. With regard to interpreting terms in specifications, I will bear in mind the guidance provided in *Treat*:

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 trade". Words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning."

30. And the comments of Floyd J in YouView TV Ltd v Total Ltd⁸ when he stated:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR) [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

31. Where appropriate I will, for the purposes of comparison, group related goods together in accordance with the decision in *Separode Trade Mark*⁹:

"The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

The applicant's services in class 35

32. The applicant's services in this class are, "on-line retail store services relating to the sale of clothing; Retail services connected with the sale of clothing and clothing accessories; Retail store services in the field of clothing." The opponent's services

⁸ [2012] EWHC 3158 (Ch) at [12]

⁹ BL O-399-10

include "retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of underwear and underclothing, hosiery, lingerie, shapewear". Since the goods to which the opponent's retail services relate are included within the clothing to which the applicant's retail services relate, these are identical services in accordance with the decision in *Meric*.

The applicant's services in class 40

33. The applicant's services in this class are, "clothing alterations; clothing alterations [custom manufacture]; tailoring [custom manufacture]; tailoring services". The opponent compares the applicant's services in class 40 to its own class 35 specification and makes the following submissions:

...the applicants "Clothing alterations; Clothing alterations [custom manufacture]; Tailoring [custom manufacture]; Tailoring services" in class 40 are similar to [the opponent's] various retail and wholesale services, particularly such services connected with the sale of "underwear and underclothing, hosiery, lingerie, shapewear". The retailing services provided by [the opponent] are a sub-set of retail services connected with the sale of clothing in general, which in turn is similar to the applicant's class 40 services. It is common knowledge that many clothing retailers will offer an alterations or tailoring service. Again, it is clear from the evidence that tailoring companies also supply 'off-the-shelf' clothing in a retail environment. It is also clear from the evidence that some clothing retailers also provide clothing alteration services. Moreover, many of the specific items of clothing referenced in class 35 by [the opponent] could be tailored or customised, or else supplied by companies that provide tailoring services, thus further demonstrating the conflict (which is again proven through the evidence).

34. In its evidence at ATK11 the opponent provides prints from websites of a number of bespoke clothing companies such as, inter alia, Austin Reed, Gieves and Hawkes, Richard James, Edward Sexton and Moss Bros. The prints show that these companies sell socks and in some cases a number of other underwear items alongside suits and other clothing items.

35. The applicant submits:

"...there is no similarity whatsoever between retail services relating to underwear and tailoring/clothing alteration services. The nature and purpose of such services is to amend, re-size and repair clothing that the customer brings in or alternatively to create from scratch perfectly fitting clothes. The purpose of retail services is to sell ready to wear clothes as they are. Moreover, underwear is not the kind of clothing that is tailored or altered to fit the wearer..."

36. In accordance with the relevant case law I must consider the core meaning of the services at issue. The opponent does not have retail services for clothing at large in its specification, it has retail services in respect of a limited range of items, namely, underwear and underclothing, hosiery, lingerie, shapewear. The services specifically

relate to the retail services connected with these items. The application in class 40 relates to tailoring and alteration services for clothing at large. A tailoring service allows the consumer to have a garment created to their own specification or to have a garment altered to achieve a better fit. A retail service brings together a range of items for the consumer to choose from, in this case items of underwear. The nature of the services is different, they are not in competition and the trade channels are unlikely to coincide. There is not a complementary relationship between the services as, in my experience, the goods to which the opponent's retail services relate are not likely to require tailoring or alteration services. Whilst I accept that some retailers of tailored clothing also sell items of underwear, this is a long way removed from providing the applicant's tailoring and alteration services in class 40. These are dissimilar services.

The applicant's goods in class 25

Comparison with the opponent's goods in class 3

37. With regard to its goods in class 3 the opponent states:

"...the applicant's 'Clothing; Jeans; Clothing, footwear, headgear' in class 25 are similar to the various cosmetic and fragrance products covered in class 3 by [the opponent's] earlier registration. The users are identical, whilst the uses are also the same, in that they are all for personal beautification. [The opponent] will refer to the evidence to demonstrate that the trade channels are also the same and the goods can be found in the same retail outlets. Moreover, the evidence also proves that the average consumer is used to seeing all of these products being supplied or distributed by the same undertaking of linked manufacturers. It is not at all unusual for clothing manufacturers to directly produce and market class 3 goods of various kinds."

38. In its evidence at ATK10 the opponent provides prints from companies who sell jeans showing that they also sell goods in class 3, though this is limited to fragrances and a limited range of toiletries. At ATK12 examples are provided of large online retailers who sell a range of products including underwear, fragrances, cosmetics and jeans.

39. The users of both parties' goods are members of the general public. The uses of these goods are somewhat different. The goods in class 3 are for personal care or beautification of the body but that is not the case in respect of clothing. Whilst clothing may enhance the body its primary purpose is to cover the body and it may be purchased for, inter alia, warmth and protection. The natures are also different: for the most part the class 3 goods are creams, gels, liquids or accessory items such as false nails and eyelashes. The clothing, headgear and footwear goods are made from a range of fabrics and materials. Whilst all of these goods may have the same destination, where that is a large department store, the way in which the goods reach that store will be different. I accept that the evidence from the opponent shows that some clothing companies also provide a few of the goods in class 3 but this does not mean that the average consumer would expect the same trade origin as a matter of routine. The goods are not in competition and they are not complementary to the

extent that one is indispensable for the use of the other or that the average consumer would expect them to originate from the same source. These are dissimilar goods.

Comparison with the opponent's services in class 35

40. In *Oakley Inc v OHIM*¹⁰, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, distributed through the same trade channels, and therefore may be similar to a degree.

41. Mr Geoffrey Hobbs QC sitting as the Appointed Person in *Miss Boo¹¹* reviewed the case law concerning retail services versus goods. He said, at paragraph 9:

"The position with regard to the question of conflict between the use of BOO! For handbags in Class 28 and shoes for women in Class 25 and use of MissBoo for the listed services is considerably more complex [than the position with regard to the use of the marks in relation to goods in class 18]. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is registered in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are *'similar'* to goods are not clear cut."

42. On the basis of the European court's judgments in *Sanco SA v OHIM*¹², and *Assembled Investments (Proprietary) Ltd v OHIM*¹³, upheld on appeal in *Waterford Wedgewood Plc v Assembled Investments (Proprietary) Ltd*¹⁴, Mr Hobbs concluded that:

i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;

ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services, it is necessary to envisage the retail services <u>normally</u> associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark.

¹⁰ T-116/06, paragraphs 46-57

¹¹ BL 0/391/14

¹² Case C411/13P

¹³ Case T-105/05, paragraphs 30-35

¹⁴ Case C-398/07P

iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark were registered for goods X.

43. Mr Hobbs rejected the submission that the consequence of the GC's findings in *Oakley* was that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or applied for).

44. With regard to its retail services in class 35 when compared to the applicant's goods in class 25, the opponent states:

"...the applicant's 'Clothing; Jeans; Clothing, footwear, headgear" in class 25 are similar to [the opponent's] retail and wholesale services 'connected with the sale of...underwear and underclothing, hosiery, lingerie, shapewear.' 'Underwear and underclothing, hosiery, lingerie, shapewear' are, of course, items of clothing themselves. Retail services relating to these items of clothing are therefore similar to the applicant's goods, because they remain complementary.

45. The opponent also concluded in its skeleton argument and at the hearing, that its evidence shows that it is common for some 'accessories' such as underwear to be produced by or under the control of the manufacturer of, for example, jeans. Consequently, the level of similarity 'flows through' to retail services connected with the sale of the accessory product too.

46. The applicant submits that 'it cannot be denied' that there is some similarity between clothing in its own specification and 'retail services relating to underwear' in the opponent's class 35 services but concludes that such similarity is 'of a low level'.

47. Both parties have approached the assessment on the basis that the opponent's 'retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of underwear and underclothing, hosiery, lingerie, shapewear' are the services in class 35 of its specification which are closest to the applicant's 'clothing'. I agree and will proceed on that basis.

48. Underwear and underclothing, hosiery, lingerie and shapewear are types of clothing. Given that finding, on the same basis as Oakley I find that 'retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of underwear and underclothing, hosiery, lingerie, shapewear' are complementary services to clothing. If I am found to be wrong in this then the goods to which the services relate are identical or similar to the same and similar goods contained within the term clothing. They are likely to be sold alongside and as alternatives to each other and are likely to be subject to the same retail services. Consequently, the opponent's retail services may be important for the sale of the applicant's goods (to the extent that those goods are, inter alia, underwear and underclothing). It is then possible that the relevant public might believe that the undertaking which sells underwear and underclothing type goods under a particular trade mark, is the same or connected to the undertaking which provides retail services, electronic shopping retail services, mail order retail services and wholesale

services connected with the sale of underwear and underclothing, hosiery, lingerie, shapewear.

Accordingly, there is a degree of complementarity between the opponent's retail services and the applicant's goods insofar as those goods are underwear/underclothing included within the broad term clothing.

49. However, complementarity is one part of the more complex test to be applied in comparing goods and services. The nature, purpose and method of use of the goods are different to retail services and they are not in competition. In conclusion, there is only a low degree of similarity between retail services, electronic shopping retail services, mail order retail services and wholesale services connected with the sale of underwear and underclothing, hosiery, lingerie and shapewear on the one hand and the applicant's clothing goods (to the extent that the term includes the goods to which the opponent's services relate) on the other. In respect of goods contained within the term clothing which are not underwear and underclothing, hosiery, lingerie and shapewear or similar goods, there is no similarity between the applicant's goods and the opponent's retail services.

Footwear, headgear and jeans in the applicant's specification.

50. Having reached the conclusions I have in the preceding paragraphs, it is clear that where the goods in the application are different to those to which the opponent's services relate, the complementarity between them cannot be found. Given that the nature, purpose and method of use are also different I find that the applicant's jeans, headgear and footwear are dissimilar to the opponent's services in class 35.

Comparison of marks

51. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
PONIM	EPONIM

52. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components¹⁵, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

¹⁵ Sabel v Puma AG, para.23

53. The opponent's mark consists of the single word PONIM in block capitals. No part of the word is stylised or emphasised in any way. Consequently, the overall impression is provided by the mark as a whole.

54. The opponent considers the applicant's mark to be either a graphic element followed by PONIM or E PONIM with the letter 'E' simply being seen as referring to 'electronic', in which case, it concludes, PONIM dominates the overall impression. In support of its position the opponent has provided examples in evidence of other brands which use a graphic element followed by a word [exhibit ATK6]. These include, inter alia, *Natwest, Greggs, Pepsi, Billabong, Reef and Hotpoint.* In each case these 'graphic elements' which precede the word are stylised elements which do not resemble letters and would not be read as letters by the average consumer. They are not on all fours with the applicant's mark in this case, the first element of which, in my view, will be considered to be a stylised letter 'E'.

55. The opponent further submits at paragraph 10 of it skeleton argument:

"In the seemingly unlikely alternative that the initial E element in the applicant's mark is regarded by consumers as being a highly stylised letter 'E' (which is not admitted by the opponent), then consumers would isolate this letter and attribute it with the meaning of 'electric' or 'electronic' (such as in 'email' or 'e-commerce), particularly as it is distanced from the remainder of the mark on account of its stylisation."

56. In support of this position the opponent has provided examples of other marks and brands which use 'e' as a prefix to mean 'electronic' [exhibit ATK7]. The examples given include, but are not limited to, *eBookers, eHarmony, eSpares, eDeals UK, E Flowers UK, eCards, eVitamins* and *e-furniture*. In each of the examples provided the first letter 'e' is clearly separated from the following word (either by typeface, a gap or a hyphen) and in each case the subsequent word is a word in its own right, such as, vitamins, bookers, harmony, spares. The consequence of this is that the average consumer can clearly see that these brands allow them access to electronic versions of goods and services such as electronic cards or access the goods via a computer or website, such as the case with electronic spares, deals etc.

57. In the mark at issue, the letter 'E' is not separated from the remainder of the word, either by position or style and it is presented in the same blue colour as the rest of the word. Furthermore, the opponent states in its skeleton argument and stated at the hearing that PONIM has no meaning. Therefore, I find it highly unlikely that the average consumer of the relevant goods and services would consider the application to be referring to 'electronic' PONIM.

58. I find that the applicant's mark consists of EPONIM, the first letter E having a degree of stylisation to the extent that the tie (central bar of the capital letter 'E') is turned through 45 degrees to create a diamond. The small degree of stylisation does not prevent the mark being seen as EPONIM and it is that word in which the overall impression of the mark rests.

Visual similarities

59. With regard to visual similarities between the respective marks the opponent states:

"21. The marks have an above-average level of similarity from a visual perspective, due to the "PONIM" verbal element that appears in both marks. This results in over 80% of the parties' marks being identical.

22. The high degree of stylisation of the initial E element in the applicant's mark, rather than presenting a visual difference between the marks, instead makes them appear even more visually similar to one another (through the eyes of the reasonably observant average consumer) since it serves to separate out the "PONIM" element in the applicants marks and thus highlight the identity with the same component in [the opponent's] marks.

23. The font found in the applicant's mark is banal and ordinary, whilst the colour is equally insignificant to the overall impression created by the mark."

60. The applicant maintains the view that the initial letter 'E' creates a striking difference between the marks, it states:

"14. Visually, the dominant element of the Applicant's Mark is the stylised letter 'E', which would grab the attention of the customer and operate as the brand identifier. This is noticeably absent from the Opponent's Mark. The Applicant's Mark is also a logo in a particular font and colour."

61. For the reasons outlined in *Specsavers*¹⁶, the colouring of the words does not have a bearing on the issue of similarity as neither party's mark is limited to any particular colour. Visual similarity rests in the fact that the 2nd-6th letters of the mark applied for, namely 'P-O-N-I-M', are the letters which, in the same order, are the totality of the opponent's mark.

62. The difference rests in the additional, slightly stylised, letter 'E' at the beginning of the application. There is a general rule, clear from decisions such as joined cases T-183/02 and T-184/0275¹⁷ that the first parts of words catch the attention of consumers. However, it is also clear that each case must be decided on its merits considering the marks as wholes. In this case the initial stylised letter 'E' at the start of the application would not go unnoticed by the average consumer and provides a clear point of difference between the two marks. I find the marks to be visually similar to, at the highest point, a medium degree.

Aural similarities

63. The opponent states the following in respect of the aural similarity between the parties' marks:

¹⁶ Specsavers International Healthcare Ltd v Asda Stores Ltd (No.2) [2011] FSR 1, Mann, J.

¹⁷ El Cortes Inglés v OHIM - González Cabello and Iberia Lineas Aéreas de España (MUNDICOR) [2004] ER II - 965, paragraph 81

"24. The common "PONIM" element would be pronounced identically in the parties' marks. This means that the marks are at least highly similar overall from the aural perspective, but perhaps even identical if the initial E element in the applicant's mark is taken to be purely a graphic symbol, which would then not be pronounced by consumers...In other words, from a phonetic perspective, the applicant's logo mark can be regarded as being essentially just "PONIM".

25. On the other hand, should the applicant's mark be taken to be pronounced as either "EEE-PO-NIM" or "EH-PO-NIM", then the marks remain aurally highly similar."

64. The applicant submits:

15. Aurally, the Applicant's Mark consists of the word EPONIM; although the 'E' is stylised, it is still unmistakably a letter 'E' and forms part of the word 'EPONIM'. It is submitted that the first syllable of the Applicant's Mark

would be pronounced "eh" as in "epic" or "eponym" rather than "ee" as in "e

mail". Consequently, the mark sounds like one composite word with three equal syllables, rather than like "e-ponim".

16. The Opponent's Mark consists of the word PONIM. This has two syllables instead of three; the first syllable of the Applicant's Mark is therefore entirely missing from the Opponent's Mark and causes the marks to sound very different. This is important as it has consistently been held that the consumer generally pays greater attention to the beginning of a mark than to the end (see L'Oreal SA v OHIM [2009] ETMR 49, at [24]).

65. The applicant submits that its application will be pronounced with a short 'e' at the start of the mark, as in 'egg' rather than a longer 'e', as in 'ear'. In my view the mark may pronounced in either way by the average consumer but in either case the aural similarity of the marks is at least medium.

Conceptual similarities

66. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹⁸ The assessment must be made from the point of view of the average consumer.

67. The opponent submits that whether the first letter of the applicant's mark is considered to be an 'E' or whether it is considered a graphic element, both parties' marks have no meaning and are conceptually neutral.

¹⁸ This is highlighted in numerous judgments of the GC and the CJEU including Ruiz Picasso v OHIM [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

68. The applicant states that PONIM is an entirely made up word with no meaning. Of its own mark it states:

"17...EPONIM was derived by its creator from a combination of the word 'eponym', meaning a noun formed after a person and 'denim'...and was intended to reflect the 'made-to-measure' aspect of the Applicant's jeans. As a made up word, therefore, it would have no meaning to ordinary members of the public."

69. I agree. In this case both marks will be considered to be invented words. Consequently, neither conveys a conceptual impression to the average consumer. The marks are conceptually neutral.

Distinctive character of the earlier mark

70. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been used as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger Joined Cases C-108/97 and C-109/97* [1999] ETMR 585.

71. I have no evidence of use of the earlier PONIM mark, so I need only consider its inherent distinctive character. PONIM is an invented word which is not allusive of the goods and services. As a consequence the mark enjoys a high level of inherent distinctive character.

Likelihood of confusion

72. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.¹⁹ I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

73. I have found the marks to be visually similar to, at best, a medium degree, aurally similar to at least a medium degree and conceptually neutral.

Applicant's goods and services	Findings
Class 25 - Clothing	Similar to a low degree to the opponent's services in class 35, to the extent that the applicant's clothing includes underwear and underclothing, hosiery, lingerie and shapewear.

74. With regard to the applicant's goods and services, I have found the following:

¹⁹ Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V paragraph 27

Class 25 – Footwear, headgear and jeans	Dissimilar to any of the opponent's goods and services.
Class 35 – All	Identical to the opponent's class 35 services.
Class 40 - All	Dissimilar to any of the opponent's goods and services.

75. I have identified the average consumer, namely a member of the general public, and have concluded that the level of attention paid to the purchase will vary according to the nature of the goods and services. The purchasing act is a primarily visual one, though I do not rule out an aural element, especially where word of mouth recommendation plays a part.

76. Having found the applicant's goods, footwear, headgear and jeans in class 25 and its services in class 40 to be dissimilar to the opponent's goods and services there is no need for me to consider these goods and services any further. There cannot be a likelihood of confusion.²⁰

77. In making a finding in respect of the services in class 35, I bear in mind the decision in *Aldi GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*²¹, which related to goods but is equally applicable to services, in which the GC stated:

"91 In addition, the Opposition Division considered that the goods at issue were identical, as was recalled in the contested decision, without the Board of Appeal's taking a final decision in that regard (see paragraph 40 et seq. above). That implies, in accordance with the case-law cited at paragraph 23 of the present judgment, that, if there is to be no likelihood of confusion, the degree of difference between the marks at issue must be high (see, to that effect, judgment of 29 January 2013 in Case T-283/11 *Fon Wireless* v *OHIM – nfon (nfon)*, not published in the ECR, paragraph 69)."

78. In this case the differences between the marks are not at the highest level, taking into account the concept of imperfect recollection I find there is a likelihood of confusion in respect of the services in class 35.

79. Finally, I turn to the matter of 'clothing' in the application. I have found clothing, in so far as it relates to underwear and underclothing, hosiery, lingerie and shapewear, to have a low level of similarity to the opponent's retail services for those same goods in class 35. Taking all other factors into account and bearing in mind the concept of imperfect recollection, I find there would be likelihood of confusion for this limited range of goods.

Fall-back position

80. In its submissions the applicant put forward a number of fall back specifications which relate to, inter alia, its goods in class 25. The first of these is as follows:

²⁰ The test is a cumulative one, see Vedial SA v OHIM, C-106/03

²¹ Case T-505/11

"51. The Applicant's first fall-back position is that an exception be inserted in relation to clothing (in Classes 25 and 35) so that underwear and underclothing, hosiery, lingerie and shapewear are excluded.

52. It is submitted that in such circumstances, the level of similarity with the Earlier Goods and Services is significantly reduced and consequently the likelihood of confusion on the part of the public is also reduced."

81. I note that the opponent stated at the hearing that it did not accept any of the limitations put forward by the applicant.

82. In making a finding on this point I bear in mind that the comparison I am making in this case is between the applicant's goods in class 25 and the opponent's retail services in class 35. I have found that similarity, at first instance, to be at a low level. In my view, goods which differ from those which are the subject of the opponent's retail services, are sufficiently different, bearing in mind the differences between the marks, to avoid a likelihood of confusion. Consequently, with regard to the goods in class 25, I find this to be an acceptable limitation.

83. The same is not true of the applicant's services in class 35 which are retail services for clothing, and even if restricted in the manner suggested, would still be too close to the opponent's retail services to avoid a likelihood of confusion.

84. A second fall-back position was put forward by the applicant, which essentially sought to limit the goods in class 25 to those made from denim and the retail services in class 35 to the retail of the same. Following the decision in *Postkantoor*²² an exclusion of objectionable goods may be acceptable to the Registry at the examination stage or in response to an opposition, providing it excludes a characteristic of those goods. In my view, the suggested limitation is not an exclusion clause and does not achieve clarity and is not acceptable in light of that case.

85. Furthermore, if I were to accept the second limitation, it puts the applicant in no better position in class 25 than the position which it is currently in with its first suggested limitation accepted. If I were to apply it in class 35, it would not be sufficient to avoid a likelihood of confusion, for all of the reasons I have provided above.

CONCLUSION

86. The opposition succeeds under section 5(2)(b) of the Act for all of the services opposed in class 35.

87. The opposition fails under section 5(2)(b) of the Act for all of the services in class 40 and 'footwear', 'headgear' and 'jeans' in class 25.

88. The opposition fails under section 5(2)(b) of the Act for 'clothing' in class 25, in light of the acceptable limitation put forward by the applicant.

²² C-363/99

89. The application may proceed to registration in respect of the following goods and services:

Class 25

Clothing, not including underwear and underclothing, hosiery, lingerie or shapewear; Jeans; footwear; headgear.

Class 40

Clothing alterations; Clothing alterations [custom manufacture]; Tailoring [custom manufacture]; Tailoring services.

<u>Costs</u>

90. Both parties have achieved a measure of success and I consider each should bear its own costs.

Dated this 10th day of May 2016

Ms Al Skilton For the Registrar, The Comptroller-General