

**O-665-18**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3255381  
BY ZHONGSHAO HUANG TO REGISTER:**



**AS A TRADE MARK IN CLASS 14**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 410797 BY  
COMPAGNIE DES MONTRES LONGINES, FRANCILLON S.A. (LONGINES  
WATCH CO., FRANCILLON LTD)**

## BACKGROUND & PLEADINGS

1. On 8 September 2017, Zhongshao Huang applied to register the trade mark shown on the cover page of this decision for the goods shown in paragraph 19 below. The application was published for opposition purposes on 22 September 2017.

2. The application has been opposed in full by Compagnie Des Montres Longines, Francillon S.A. (Longines Watch Co., Francillon Ltd) (“the opponent”). The opposition is based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”), in relation to which the opponent relies upon the same three trade marks, details of which are shown below:

United Kingdom no. 1006587 for the trade mark shown below which was applied for on 14 February 1973 and which was entered in the register on 15 May 1974. The opponent indicates that it relies upon all the goods for which the trade mark is registered, shown in the Annex to this decision:



International Registration (“IREU”) no. 1174907 for the trade mark shown below which designated the European Union on 8 July 2013 (claiming an International Convention priority date of 10 April 2013 from an earlier filing in Switzerland) and which was granted protection in the European Union on 22 July 2014. The opponent indicates that it relies upon all the goods for which the trade mark is protected, shown in paragraph 19 below:



United Kingdom no. 747595 for the trade mark shown below which was applied for on 2 November 1955. The opponent indicates that it relies upon all the goods for which the trade mark is registered, shown in paragraph 19 below:



3. Insofar as its objection based upon section 5(3) of the Act is concerned, the opponent states its trade marks enjoy a reputation in relation to all the goods upon which it relies, adding that it considers all the goods for which registration is sought would take unfair advantage of, or be detrimental to the distinctive character or reputation of its trade marks. In addition to claiming that “the similarity between the [trade marks being relied upon] and the later trade mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks”, the opponent states:

4. In relation to unfair advantage:

“In using the mark applied for in relation to the goods applied for, the applicant would unfairly benefit from the substantial reputation built up by the opponent in [the trade marks being relied upon]. The applicant’s products are likely “to ride on

the coat tails” of the opponent’s marketing efforts, built up over a great many years, which constitutes unfair advantage.”

5. In relation to detriment to reputation:

“Use of the mark applied for is likely to diminish the connotations of prestige, quality and reliability attaching to the opponent’s reputed [trade marks].”

6. In relation to detriment to distinctive character:

“Incorrect association of the marks by the consumer is likely to cause detriment, for example, in the form of dilution or whittling away of the opponent’s reputed [trade marks], and detriment would occur if the ability of the opponent’s [trade marks] immediately and exclusively to identify the goods in question as coming from the opponent is weakened.”

7. The applicant filed a counterstatement in which the basis of the opposition is denied.

8. In these proceedings, the opponent is represented by Haseltine Lake LLP and the applicant by The Trade Marks Bureau. Although only the opponent filed evidence, the applicant filed written submissions during the evidence rounds. Whilst neither party asked to be heard, the opponent elected to file written submissions in lieu of attendance at a hearing. I shall refer to these submissions, as necessary, later in this decision.

### **The opponent’s evidence**

9. This consists of a witness statement from Walter Von Känel, who has been associated with the opponent since 1969 and its President since 1988. The main points emerging from his statement are, in my view, as follows:

- the opponent's business was established in Switzerland in 1832;
- although the opponent initially made and sold pocket watches, the business evolved to "make and market other types of watches";
- the opponent's watches are sold in over 140 countries;
- in 1983, the opponent became part of what is now known as the Swatch Group;
- the opponent is consistently ranked highly in the annual survey of the Best Swiss Brands undertaken by Interbrand. Exhibit WK1, consists of extracts confirming that between 2012 and 2015, the opponent was ranked between 24<sup>th</sup> and 28<sup>th</sup> in the annual survey mentioned;
- the opponent "produces an extensive range of watches and parts and fittings for watches". Exhibit WK2, consists of extracts taken from the opponent's "General Catalogue 2016-2017." Mr Von Känel explains that this catalogue is used throughout the world, distributed to its retailers and available to order through the opponent's website i.e. [www.longines.com](http://www.longines.com);
- the opponent produces a number of special edition watches. Exhibit WK3, consists of extracts obtained from [www.longines.co.uk](http://www.longines.co.uk). The first, dated 18 January 2017, relates to the opponent's "Flagship Heritage – 60<sup>th</sup> Anniversary" model and the second, dated 20 May 2015, its "Conquest 1/100<sup>th</sup> Roland Garros" model;
- the average retail price of the opponent's watches "ranges between nearly £1000 and over £5000";
- the opponent's goods "are sold to consumers through numerous authorised retailers across the United Kingdom" such as Ernest Jones,

Fraser Hart, Goldsmiths and Mappin & Webb. Exhibit WK4, consists of extracts printed on 8 March 2018 from [www.ernestjones.co.uk](http://www.ernestjones.co.uk) and [www.fraserhart.co.uk](http://www.fraserhart.co.uk) in support of the above;

- the opponent operates “monobrand boutiques”. Exhibit WK5, consists of an extract dated 24 November 2015, obtained from the opponent’s website mentioned above in relation to the opening of a boutique in London’s Oxford Street at which the actress, Kate Winslett, was in attendance;
- the opponent’s watches are also sold in department stores including Harrods and Selfridges in London;
- exhibit WK6, consists of details of the opponent’s sales figures for its watches in the United Kingdom between 2010 and 2016. Given what the opponent regarded as the confidential and commercially sensitive nature of these figures, under the provisions of rule 59 of the Trade Marks Rules 2008, it sought a direction that they only be made available to the registrar, the applicant, his legal advisors and not disclosed to any other party. The applicant did not object to that request, and on 25 April 2018, the registrar issued an Order for Confidentiality on the basis indicated;
- the opponent’s goods “are advertised extensively across the UK” through a variety of media including a range of magazines, websites, newspapers, posters, billboards and electronic displays at, for example, sporting events such as tennis and equestrian tournaments. The amounts spent on advertising by the opponent in the United Kingdom in the period 2010-2016 are provided as exhibit WK7. Like exhibit WK6, these details are also confidential;

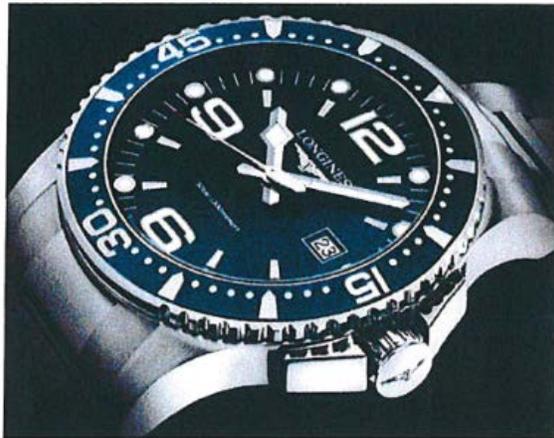
- exhibit WK8, consists of sample advertisements placed by the opponent between 2012 and 2017 which appeared in the following UK publications and, where available, the circulation figures for the publications: *Harpers Bazar*, *Square Meal*, *Vanity Fair*, *GQ*, *Esquire*, *The Moodie Davitt Report* and *Time*;
- the opponent has a presence on social media websites such as Facebook, Twitter, Google+ and Instagram. It also offers downloadable iPhone applications. Exhibit WK9, consists of pages downloaded on 5 March 2018 from itunes.apple.com and the opponent's website mentioned (originating in 2013), provided in support of the latter;
- the opponent's watches are distributed throughout all 28 EU member states;
- exhibit WK10, consists of extracts obtained from the Swatch Group's annual reports from 2015 and 2016 which, Mr Von Känel explains, highlights the opponent's "key business activities in various member states". Exhibit WK11, consists of details of the opponent's sales and advertising spend in a number of European countries between 2010 and 2016. Like exhibits WK6 and WK7, these figures have also been declared confidential;
- the opponent has "long had strong and close associations with sport, and in particular tennis and horse racing." The opponent is an official partner and timekeeper of the Roland Garros tennis tournament and was the official timekeeper for the Commonwealth Games held in Glasgow in 2014. Extracts obtained from the opponent's websites and [www.glasgow2014](http://www.glasgow2014), are provided in support as exhibits WK12, WK13 and WK14;

- the opponent’s “winged hourglass” logo “has evolved through several modifications” and in the 1970s it adopted the version shown in UK trade mark no. 1006587. That version was in continuous use until “a modest update” was made in 2014, resulting in the version shown in IREU 1174907. Exhibit WK15, consists of an extract from a publication entitled “Longines, the winged hourglass – 120 years of logotype protection (1889-2009)” by Patrick Linder;
- exhibit WK16 consists of an article dated 13 October 2009 from the website of the Federation of the Swiss Watch Industry FH i.e. [www.fhs.swiss](http://www.fhs.swiss). The article is entitled “Longines – A Timeless Logo” and refers to “a winged hourglass”.

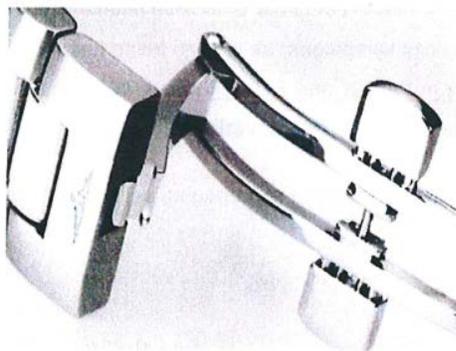
10. Mr Von Känel explains that the “winged hourglass” device is used in several different ways on the opponent’s watches and provides examples i.e. (i) “on the face of most watches”:



(ii) “engraved on the winding crown”:



(iii) “engraved on the clasp”:



(iv) “engraved on the buckle”:



11. Mr Von Känel concludes his statement in the following terms:

“34. [The opponent’s] “winged hourglass” logo...is physically applied to LONGINES branded products and appears in all of the company’s advertising and publicity material. It is used both in close physical proximity to the LONGINES word and separated from it...”

12. That concludes my summary of the evidence filed by the opponent to the extent I consider it necessary.

## **DECISION**

13. The opposition is based upon sections 5(2)(b) and 5(3) of the Act which read 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,

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

(3) A trade mark which is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

14. An earlier trade mark is defined in section 6 of the Act, which states:

“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,

(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.”

15. Under section 5(2)(b) of the Act, the opponent is relying upon the three trade marks shown in paragraph 2 above, all of which qualify as earlier trade marks under the above

provisions. Given the interplay between the dates on which the opponent's trade marks were entered in the register/granted protection and the publication date of the application for registration, only United Kingdom trade mark nos. 1006587 and 747595 are subject to the proof of use provisions contained in section 6A of the Act. In its Notice of opposition, the opponent indicates that these trade marks had been used in relation to all of the goods shown in paragraph 19 and the Annex to this decision. However, in its counterstatement, the applicant only asks the opponent to make good those claims in relation to UK trade mark no. 1006587. In those circumstances, the opponent is entitled to rely upon UK no. 747595 in relation to all the goods claimed without having to demonstrate genuine use. As IREU no.1174907 is not subject to proof of use, the opponent is entitled to rely upon it in relation to all the goods shown in paragraph 19.

### **The objections based upon section 5(2)(b)**

#### **My approach to the proceedings**

16. In its submissions, the applicant states:

“...[no. 747595] contains the wing device together with the word LONGINES shown above the device. The earlier wing device marks [the subject of the IREU and UK no. 1006587] are identical except that the [IREU] is shown in a thicker and bolder lines.”

17. In my view, the trade marks the subject of UK no. 1006587 and the IREU are, at the very least, highly similar. However, as the IREU is not subject to proof of use and its specification contains a broad range of goods in class 14, I will, initially at least, conduct the comparison on the basis of this trade mark and UK no. 747595, returning to consider the question of proof of use of no. 1006587 only if I consider it necessary to do so. In its submissions, the applicant states:

“The evidence...does show that [UK no. 747595] has established a reputation in the United Kingdom for horological instruments.”

### **Section 5(2)(b) – case law**

18. The following principles are gleaned from the decisions of the courts of the European Union in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *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, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

#### **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 be dominated by one or more of its components;

(f) however, it is also 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 greater 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.

## Comparison of goods

19. Proceeding on the basis indicated above, the competing goods are as follows:

Opponent's goods	Applicant's goods
<p><b>IREU – no. 1174907</b></p> <p>Class 14 - Precious metals and their alloys and goods made of these materials or coated therewith included in this class, namely figurines, trophies; jewelry, namely rings, earrings, cuff links, bracelets, charms, brooches, chains, necklaces, tie pins, tie clips, jewelry caskets (cases), cases; precious stones, semi-precious stones; timepieces and chronometric instruments namely chronometers, chronographs, clocks, watches, wristwatches, wall clocks, alarm clocks as well as parts and accessories for the aforesaid goods namely hands, anchors, pendulums, barrels, watch cases, watch straps, watch dials, clockworks, watch chains, movements for timepieces, watch springs, watch glasses, presentation cases for timepieces, cases for timepieces.</p>	<p>Class 14 - Alloys of precious metal; Bracelets; Brooches [jewellery]; Charms; Earrings; Jewellery; Jewellery cases; Jewellery chains; Lockets; Necklaces [jewellery]; Paste jewellery; Pins being jewellery; Precious stones; Rings [jewellery]; Silver bullion; Statuettes of precious metal; Watches; Works of art of precious metal; Wristwatches; Key chains for use as jewellery. .</p>

**UK no. 747595**

Class 14 - Horological instruments and parts thereof. this trade mark is hereby altered under section 35 of the trade mark act, 1938 representations of the mark as altered were deposited on the 27th September, 1972.

20. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the Court stated at paragraph 23 of its judgment:

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

21. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

22. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, 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”.

23. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-

5275, paragraphs 43 and 44; and Case T- 10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

24. In its submissions, the applicant states:

“4. The goods in question are identical and similar.”

Notwithstanding that admission, for the sake of completeness, I will conduct a full comparison.

**IREU no. 1174907**

25. The opponent’s specification contains the word “namely”. The addendum to the Trade Marks Registry’s Classification Guide indicates how this word should be approached:

“Note that specifications including “namely” should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above “dairy products namely cheese and butter” would only be interpreted as meaning “cheese and butter” and not “dairy products” at large. This is consistent with the definitions provided in Collins English Dictionary which states “namely” to mean “that is to say” and the Cambridge International Dictionary of English which states “which is or are”.”

26. Keeping that guidance in mind, I reach the following conclusions:

As “Alloys of precious metal” in the application is an alternative way of describing “Precious metals and their alloys...” in the opponent’s specification, they are to be regarded as identical. The terms “Bracelets”, “Brooches”, “Charms”, “Earrings”, “chains”,

“Necklaces”, “Precious stones”, “Rings”, “Watches” and “Wristwatches” appear in both parties’ specifications and are identical. As the terms “Jewellery” and “Paste jewellery” in the application would include, inter alia, the opponent’s items of jewellery mentioned above, they are to be regarded as identical on the principle outlined in *Meric*. “Jewellery cases” in the application is identical to “jewelery caskets (cases)” in the opponent’s specification. “Pins being jewellery” in the application would include “tie pins” in the opponent’s specification and are to be regarded as identical on the *Meric* principle. As “Precious metals and their alloys...” in the opponent’s specification would include “silver bullion” in the application, such goods are identical on the *Meric* principle. As “precious metals and their alloys and goods made from these materials...figurines...” in the opponent’s specification is simply an alternative way of describing “Statuettes of precious metals” in the application and as the applicant’s “Works of art of precious metals” would include the opponent’s above named goods, they are to be regarded as identical, either as an alternative description of the same commercial article or on the basis outlined in *Meric*. As the term “chains” in the opponent’s specification would include the applicant’s “Key chains for use a jewellery”, the competing goods are to be regarded as identical on the *Meric* principle.

27. Collinsdictionary.com defines a “locket” as “a piece of jewellery containing something such as a picture, which a woman wears on a chain around her neck.” That accords with my own understanding of the word and, more importantly, I am satisfied, will accord with that of the average consumer’s understanding. In my view, “lockets” in the application are, in the sense outlined in *Boston*, complementary to (at the very least) “chains” in the opponent’s specification and, as a consequence, similar to at least a medium degree.

## **UK no. 747595**

28. As the term “horological instruments” in the opponent’s specification includes the applicant’s “Watches” and “Wristwatches”, such goods are to be regarded as identical on the *Meric* principle.

29. In its submissions, the opponent draws to my attention a decision of this tribunal (BL-O/306/13), confirmed on appeal to the Appointed person (BL-O/200/14), in which the opponent in these proceedings was relying upon an earlier trade mark registered for “horological and chronometric instruments and parts therefor” to oppose a trade mark whose specification read “precious metals and their alloys, jewellery, costume jewellery, precious stones”. I have read the Hearing Officer’s decision (paragraphs 22-27 of her decision refer) and agree with her analysis and conclusions. However, as I noted above, in its submissions, the applicant states that the goods at issue are “are identical and similar”. In my view, that concession is far more likely than not to have been made in relation to the broad specifications of goods included in UK no. 1006587 and the IREU shown above, rather than to the narrower specification of goods included in this registration. It is on that basis I intend to proceed.

30. Applied to the matter hand, I find that (i) “Alloys of precious metals”, “Silver bullion” and “Precious stones” in the application are dissimilar to the opponent’s goods, and (ii) that the items included in the application that would be regarded as, “jewellery” i.e. “Bracelets, Brooches [jewellery], Charms, Earrings, Jewellery, Jewellery chains, Locketts, Necklaces [jewellery], Paste jewellery, Pins being jewellery, Rings [jewellery]” and “Key chains for use as jewellery” are similar to the opponent’s goods to a varying degree, ranging from low to reasonably high.

31. That leaves “Jewellery cases”, “Statuettes of precious metal”, and “Works of art of precious metal” in the application to consider. The opponent’s specification consists of “Horological instruments and parts thereof.” In my view, the word “parts thereof” means

items such as hands, watch cases, clockworks, movements, springs etc. i.e. items which are integral to the operation of the horological instrument. It does not, in my view, extend to items such as presentation cases specifically adapted for horological instruments, such as watches.

32. Approached on that basis and having applied the case law mentioned above, I am unable to detect any meaningful degree of similarity between the opponent's goods and the remaining goods in the application I have identified above. While I accept that it is possible that, for example, watches, may be made of precious metals and some examples may be described informally as "works of art", that is not, in my view, how the phrase "works of art of precious metals" in the application is most likely to be construed.

### **The average consumer and the nature of the purchasing act**

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue. I must then determine the manner in which these goods likely to be selected by the average consumer in the course of trade. 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*, [2014] EWHC 439 (Ch), 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."

34. In its submissions the applicant states:

“5... In this case the opponent’s goods are high-end jewellery and watch products which are premium products in the jewellery and watch markets. It is fair to say that LONGINE products are luxury goods that command very high prices. The applicant’s products are also jewellery and watches which will require careful consideration by the relevant consumer due to the price, styling, fitting, materials etc. Subsequently, the level of attention by the relevant consumer when purchasing the goods in question will be high to very high.”

35. Although the applicant’s comments regarding the nature of the opponent’s watches find support in the opponent’s evidence, as neither parties’ specifications are limited in any way, it is across all price points I must consider the position. While the average consumer of all the goods at issue is potentially a member of the general public, goods such as “alloys of precious metals” and “precious stones” are, I think, more likely to be bought by commercial undertakings for further processing into, for example, items of jewellery.

36. As to how the goods will be selected, as the majority of the goods at issue are most likely to be selected from either a bricks and mortar establishment on the high street or from websites on the Internet, visual considerations are, in my view, likely to dominate the selection process. However, as the average consumer may, for example, wish to place an order by telephone or seek guidance prior to purchase, aural considerations are also likely to play their part, albeit, in my view, to a much lesser extent than visual considerations.

37. As the cost of all the goods at issue may vary enormously, so too will the degree of care paid by the average consumer during the selection process. Contrast, for example, an average consumer selecting a basic watch costing just a few pounds or a piece of costume jewellery, with the same average consumer selecting a designer chronograph

costing many thousands of pounds or an engagement ring. Although the degree of care paid to the selection of the former examples will be much lower than that paid to the latter, as even in relation to the former the average consumer will need to consider factors such as price, style, material, fit, colour etc, I would expect them to pay at least an average degree of attention to their selection. As the cost and importance of the item increases, so too is likely to be the degree of attention paid to its selection. The nature and likely cost of the goods I have identified as being more likely to be selected by a commercial undertaking results in such average consumers paying what, in my view, is likely to be a relatively high degree of attention during the selection process.

### **Comparison of trade marks**

38. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

39. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create. The trade marks to be compared are:

Opponent's trade marks	Applicant's trade mark
<p data-bbox="191 256 457 289">IREU no. 1174907</p>  <p data-bbox="191 718 409 751">UK no. 747595</p> <p data-bbox="263 844 604 907">LONGINES</p> 	

40. It is, I think, fair to say that in their submissions both parties have spent some time on this aspect of the case. Although I do not intend to record all of these submissions here, for the avoidance of doubt, I have read them all and have taken them into account in the conclusions that follow. In its submissions, the applicant describes its trade mark as containing:

“6...a shield device with the letter L shown within the shield in white on a black background. The shield has stylised wings to the left and right of the shield.”

41. I agree that is a fair description of the applicant's trade mark. Although the shield device upon which appears the letter “L” is placed centrally, in my view, it and the

devices of “stylised wings” will make a roughly equal contribution to the overall impression the applicant’s trade mark conveys.

42. As for the opponent’s trade marks, as I mentioned earlier, the applicant agrees that the trade mark the subject of the IREU and the device component present in UK no. 747595 contains what it describes as a “wing device.” As to the central component of those trade marks, it may, as the opponent intends, be understood by the average consumer as a stylised device of an hourglass. Equally, it may be seen as a stylised letter “X” or as simply an abstract geometric device. In my view, it is the stylised wing device that will dominate the overall impression of the IREU.

43. Turning to UK no. 747595, although the device component is presented in a feinter font, my conclusions in relation to the IREU apply with equal force. Of course, this trade mark also contains the word “LONGINES” presented in bold capital letters in a stylised but unremarkable font and placed above the device component. Given their relative sizes and notwithstanding that the word “LONGINES” is placed above the device component, both make what I consider to be a relatively equal contribution to the overall impression the trade mark conveys. I shall now compare the competing trade marks from the visual, aural and conceptual standpoint with the above conclusions in mind.

### **Visual similarity**

44. In its submissions, the opponent states:

“All the marks under comparison represent figurative representations of a pair of wings in a highly similar composition. In case (sic) the wings extending outward from a central figurative component that consists of a relatively simple geometric shape that is taller than it is wide. All the “wing” logos are depicted in a black outline on a white background. In each case the impression of a bird’s wing is created by the presence of several layers representing rows of feathers. Each

“wing” in the earlier and later mark possesses approximately the same number of “layers” – three/four – and the overall proportions of the later mark are closely similar to the earlier mark.”

45. In its submissions, the applicant conducts a forensic analysis of the competing trade marks, concluding that the trade marks are “visually different to a high degree.” I have already concluded that the overall impression of the IREU will, irrespective of the presence in it of the figurative central component, be dominated by the devices of wings. Notwithstanding the presence of the shield device and letter “L” in the applicant’s trade mark, as the devices of wings make an important contribution to the overall impression it conveys, it results in an above average degree of visual similarity between the competing trade marks. Although my conclusions in relation to the IREU also apply in relation to the device component in UK no. 747595, the presence of the word “LONGINES” in that trade mark reduces the degree of visual similarity between the competing marks to what I consider to be an average degree.

### **Aural similarity**

46. In *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, T- 424/10 the GC stated:

“46. A figurative mark without word elements cannot, by definition, be pronounced. At the very most, its visual or conceptual content can be described orally. Such a description, however, necessarily coincides with either the visual perception or the conceptual perception of the mark in question. Consequently, it is not necessary to examine separately the phonetic perception of a figurative mark lacking word elements and to compare it with the phonetic perception of other marks.”

47. In its submissions, the opponent accepts that as, inter alia, its IREU would not be pronounced, the aural comparison with this trade mark is not relevant. In its submissions, the opponent states:

“The verbal element [in UK no. 747595] would be pronounced as “LON-JEENS(S)”. If pronounced, the [trade mark the subject of the application] would be pronounced as the letter “L”. There is no aural similarity between the marks...”

48. I agree with the opponent’s conclusion.

### **Conceptual similarity**

49. In its submissions, the applicant states:

“Conceptually, the marks in question are only similar to the extent that they contain their own individual stylised wing elements...”

50. In its submissions, the opponent states:

“The opposed mark is conceptually identical to... [the IREU] insofar as they share the common “winged” element in combination with a central, geometric shape...The letter “L” does not detract from the identical semantic content of the marks. Further, in the case of the comparison with UK no. 747595, the letter “L” creates an additional point of conceptual similarity, due to the likelihood of this letter being perceived as an abbreviation of “LONGINES”...”

51. Although the presence of a device which the average consumer might interpret as an hourglass in both the IREU and UK trade mark may introduce a concept alien to the applicant’s trade mark, the fact that both the applicant’s trade mark and the IREU evoke the concept of wings, results in an, at least, average degree of conceptual similarity

between them. I also agree with the opponent that as UK no. 747595 also conveys the concept of wings and contains the word “LONGINES” (which begins with a letter “L”), the presence of the letter “L” in the applicant’s trade mark is likely to increase still further the degree of conceptual similarity between the applicant’s trade mark and the UK trade mark mentioned, resulting in a well above average degree of conceptual similarity.

### **Distinctive character of the earlier trade marks**

52. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. 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 marks to identify the goods for which they have been registered 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.

53. In its submissions, the opponent states:

“There is no reference to any characteristics of the goods covered by the earlier trade marks within the logo - it is entirely arbitrary and even fanciful for those goods. There is also no evidence to suggest that “wing” logos are in common use in the marketplace in relation to watches. Indeed, the very fact that the opponent has been able to maintain a registered monopoly right in a “wing” logo that dates back to 1889 suggests the concept possesses a certain uniqueness. We contend that the opponent’s “winged” logo enjoys an above average degree of inherent distinctive character.”

And:

“Indeed, the applicant has already conceded that [UK no. 747595] has been used sufficiently to have acquired a reputation in the United Kingdom. “

And:

“In conclusion, the extensive use of the “winged” logo both alongside and separately from word “LONGINES”, and the opponent’s particular focus in its marketing on its continuous use of a “winged” logo since 1889, demonstrates that the mark has acquired a level of significance and recognition amongst the relevant public for watches in the UK that suffices to confer upon [all the earlier trade marks being relied upon]...an enhanced distinctiveness beyond their already above-average level of inherent distinctiveness.”

54. The applicant’s position in its submissions is, in essence, that the opponent has not shown any evidence of use of, inter alia, the IREU being relied upon on its own, indicating that, in its view, it is only ever used with the word “LONGINES”. I shall return to this point below.

### **Inherent distinctive character**

55. As neither of the earlier trade marks forming the basis upon which I am proceeding is either descriptive of or non-distinctive for the goods upon which the opponent relies, they are, in my view, possessed of the above average degree of inherent distinctive character the opponent suggests.

### **Acquired distinctive character**

56. As I mentioned earlier, in its submissions, the applicant accepts that the trade mark the subject of UK no. 747595 has “established a reputation in the United Kingdom for

horological instruments”. As a consequence, I agree with the opponent’s following submission: “that mark necessarily has an enhanced degree of distinctive character for the purposes of determining the case under section 5(2)(b)”; I would characterise the degree of that distinctive character as high. As for, inter alia, the IREU being relied upon, in its submissions, the opponent refers to the decision of the CJEU in *Société des Produits Nestlé SA v Mars UK Ltd*, Case C-353/03, in which the court held that:

“The distinctive character of a mark referred to in Article 3(3) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks may be acquired in consequence of the use of that mark as part of or in conjunction with a registered trade mark.”

57. In its submissions, the opponent points to examples of the trade mark the subject of, inter alia, the IREU, appearing alone. In particular, I note the examples which appear in exhibit WK2 (i.e. the Longines General Catalogue 2016-2017) and which are shown in paragraph 10 above. While I agree that the trade mark the subject of, inter alia, the IREU being relied upon has been used alone, it is, I think, fair to say that the vast majority of the opponent’s use of this device has been in close proximity to the word “LONGINES”. Regardless, as the above case makes clear, a trade mark may acquire distinctive character even if it has been used “as part of or in conjunction with a registered trade mark.” That is the situation here. Considered on that basis in the context of the totality of the opponent’s evidence and in particular the sales it has achieved in the UK and the amounts it has spent on advertising in the UK between 2010 and 2016 (confidential exhibits WK6 &WK7 refer), I am satisfied that the use that has been made of the trade mark the subject of the IREU in the UK is sufficient to have enhanced its distinctive character in relation to “watches and parts and fittings for watches”, resulting in, once again, a trade mark possessed of a high degree of distinctive character.

## **Likelihood of confusion**

58. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is 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. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

59. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

60. Earlier in this decision I reached the following conclusions:

- In the first instance I would conduct the comparison on the basis of only two of the earlier trade marks being relied upon i.e. the IREU and UK no. 747595;
- Goods contained in the specification of the IREU are identical to all of the applicant's goods with the exception of "lockets," which are similar to the opponent's "chains" to at least a medium degree;

- Although some of the applicant's goods are identical to goods in UK no. 747595, other goods in the application are only similar to a low to reasonably high degree and other goods in the application are dissimilar;
- While the average consumer of all the goods is a member of the general public, some goods are more likely to be bought by commercial undertakings for further processing;
- Visual considerations are likely to dominate the selection process but not to the extent that aural considerations can be discounted;
- While the average consumer is likely to pay at least an average degree of attention during the selection process, that level of attention is likely to increase as the cost and importance of the item increases or if the goods are being selected for commercial purposes;
- The device of wings will dominate the overall impression conveyed by the opponent's IREU;
- the overall impression conveyed by the applicant's trade mark and the opponent's UK no. 747595, will be shared equally between the shield device and the letter "L" (in the applicant's trade mark) and the word "LONGINES" (in the opponent's trade mark) and the devices of wings both trade marks contain;
- the opponent's IREU is visually and conceptually similar to the applicant's trade mark to an above average and at least average degree respectively;
- UK no. 747595 is visually and conceptually similar to the applicant's trade mark to an average and well above average degree respectively;
- there is no aural similarity between the competing trade marks;

- both of the opponent's earlier trade marks are possessed of an above average degree of inherent distinctive character;
- the applicant accepts that UK no. 747585 enjoys a reputation in the United Kingdom;
- the use the opponent has made of both UK no 747595 and the IREU (the latter both alone and in combination with the word "LONGINES") has resulted in both trade marks acquiring a high degree of distinctive character in relation to "horological instruments and parts thereof" and "watches and parts and fittings for watches", respectively.

61. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He stated:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it."

62. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

63. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12P, on the court’s earlier judgment in *Medion v Thomson* and stated:

“18. The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19. The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20. The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the

situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21. The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

64. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained the difference between direct and indirect confusion stating:

“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.”

65. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he

pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

### **The opponent's IREU**

66. While I do not rule out direct confusion through imperfect recollection, it is, in my view, more likely than not, that the various differences between the competing trade marks will militate against direct confusion. In reaching a conclusion on indirect confusion, I start by reminding myself that while some of the goods in the application are only similar to goods in the registration to a medium degree (i.e. lockets), all of the other goods in the application are identical to goods in the IREU (either literally or on the *Meric* principle).

67. Although I have concluded that the average consumer will pay at least an average degree of attention to the selection of the goods at issue (thus making them less prone to the effects of imperfect recollection), the combination of what I regard as the above average degree of visual and conceptual similarity between the competing trade marks and the above average degree of inherent distinctive character the opponent's trade mark enjoys, is likely, even in relation to goods similar to only a medium degree, to lead an average consumer to assume that the applicant's trade mark is, for example, an updated or variant version of the opponent's trade mark, leading, in turn, to indirect confusion.

68. The opponent's position is even stronger when considered in relation to the applicant's "Watches" and "Wristwatches". This is because the use the opponent has made of the trade mark the subject of the IREU since 2014 (which I agree is only "a modest update" to the previous version of the device contained in UK no. 747595, which has been used since "the 1970s") in relation to "watches and parts and fittings for watches", has elevated its degree of distinctive character to high, thus increasing the likelihood of confusion in relation to such goods still further.

## **Observations**

69. The above conclusions are sufficient to dispose of the opposition in the opponent's favour. Although I have concluded that the use the opponent has made of the IREU (both alone and in combination with the word "LONGINES") has resulted in it acquiring a high degree of distinctive character, as that distinctive character is only in relation to "watches and parts and fittings for watches", it does not materially advance the opponent's case. Similarly, UK no. 747595 is only registered for "horological instruments and parts therefor". As this trade mark is, save for the conceptual comparison, less similar to the applicant's trade mark than the opponent's IREU, whether it is considered on the basis of either its inherent or acquired distinctiveness, it too does not advance the opponent's case beyond that based on the inherent distinctives of its IREU.

## **The objections based upon section 5(3)**

70. Having reached what I regard to be a very clear conclusion under section 5(2)(b) of the Act, I see no reason to also consider the opponent's alternative case based upon section 5(3) of the Act and, in the interests of procedural economy, decline to do so.

## **Overall conclusion**

**71. The opposition has succeeded under section 5(2)(b) of the Act and, subject to any successful appeal, the application will be refused.**

## **Costs**

72. As the opponent has been successful, it is entitled to a contribution towards its costs. Awards of costs in proceedings are governed by Annex A of Tribunal Practice

Notice (“TPN”) 2 of 2016. Applying the guidance in that TPN, I award costs to the opponent on the following basis:

Filing the Notice of Opposition and reviewing the counterstatement:	£300
Preparing evidence:	£700
Written submissions:	£500
Official fee:	£200
<b>Total:</b>	<b>£1700</b>

73. I order Zhongshao Huang to pay to Compagnie Des Montres Longines, Francillon S.A. (Longines Watch Co., Francillon Ltd) the sum of **£1700**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 19<sup>th</sup> day of October 2018**

**C J BOWEN**  
**For the Registrar**

**UK no. 1006587**

**Class 14** - Jewellery; horological and chronometric instruments and apparatus, and parts and fittings for such instruments and apparatus; watch dials, watch bracelets, watch straps, watch clasps, and articles included in Class 14 made of precious metal or coated therewith.