

o/873/21

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3520173
AND THE REQUEST BY MCJB ENTERPRISES LTD.
TO REGISTER THE TRADE MARK**

The text "Ciao Bellissima" is written in a black, elegant cursive script. It is centered horizontally and set against a light gray rectangular background.

IN CLASS 25

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 422425
BY LMSJ LIMITED**

Background and pleadings

1. On 6 August 2020, MCJB Enterprises Ltd. (“**the Applicant**”) applied to register the figurative mark *Ciao Bellissima* as a UK trade mark in respect of *clothing* in Class 25 of the Nice Classification.
2. The application was published for opposition purposes in the Trade Marks Journal on 11 September 2020. It is opposed by LMSJ Limited (“**the Opponent**”) under section 5(2)(b) of the Trade Marks Act (“**the Act**”). The Opponent relies on the following trade marks, which I will refer to as Mark A and Mark B:

Mark A

CIAO

UK trade mark number: 3007971

Filing date: 3 May 2013

Registration date: 20 September 2013

Class 25: Clothing, footwear, headgear.

Mark B



EU trade mark (EUTM) number: 13426416¹

Filing date: 3 November 2014

Registration date: 19 June 2015

Class 25: Clothing, footwear, headgear, men’s wear.

3. An “earlier trade mark” is defined in section 6(1) of the Act as:

“(a) a registered trade mark, international trade mark (UK), a European Union 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”

¹ EUTMs are still relevant in these proceedings given the impact of the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – see Tribunal Practice Notice 2/2020 for further information.

4. Both of the trade marks relied upon by the Opponent have filing dates that predate that of the Applicant's trade mark. The Opponent's marks are therefore "earlier marks" under the Act.

5. Since the Opponent's marks had been registered for more than five years when the contested mark was applied for, they are subject to the use provisions under section 6A of the Act. The Opponent duly provided statements of use in respect of both of its marks. The Applicant has requested that the Opponent provide evidence that it is using Mark A.

The Opponent's case

6. The Opponent considers the Applicant's mark to be highly similar to its earlier marks, with the goods under the respective marks being identical or highly similar. As a result of these similarities, the Opponent submits that there is a likelihood of confusion, which includes a likelihood of association between the marks. The Opponent requests that the Applicant's mark is refused in its entirety.

The Applicant's case

7. The Applicant denies that its mark is similar to the Opponent's marks. The Applicant submits that the word "ciao" is of low distinctive character and highlights the number of other "ciao" marks in the marketplace and on the UK trade mark register, arguing that additional matter or differences between these marks is sufficient to distinguish them. The Applicant contends that the second word in its mark – "Bellissima" – is dominant and that the marks have a different conceptual significance. The Applicant denies that there is a likelihood of confusion between the marks and requests that the opposition be dismissed, and a costs award made in its favour.

Representation and papers filed

8. In these proceedings, the Opponent is represented by Forresters IP LLP; the Applicant by Mathys & Squire LLP. During the evidence rounds, the Opponent filed evidence in chief, which was received in two batches. The Applicant filed evidence, following which, the Opponent filed evidence in reply. No hearing was requested and both parties filed submissions in lieu of a hearing. This decision is taken after a careful perusal of the papers.

The evidence

The Opponent's evidence in chief

9. The Opponent's evidence in chief comprises two witness statements. The first witness statement is by Michael Robert Ellis, Director of the Opponent company, LMSJ Limited and is dated 5 May 2021. Mr Ellis explains that LMSJ Limited is a trade mark holding company that does not trade under the CIAO brand, but which allows Gianni Feraud Limited (of which Mr Ellis is also Director) to use the trade mark registrations relied upon in these proceedings.

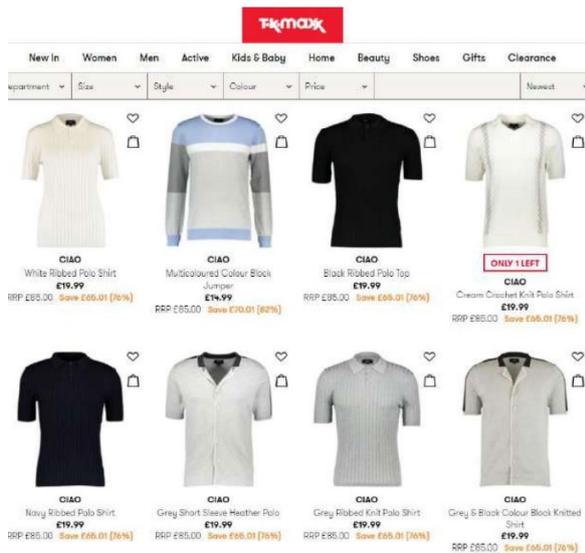
10. The Opponent's second witness statement is by Bruce Clark, dated 17 May 2021. Mr Clark is a sales and design consultant for the Opponent and is authorised by Mr Ellis to make his witness statement on behalf of the Opponent. Mr Clark's evidence comprises Exhibits BC1 to BC8 showing use of the mark on the Opponent's website, the clothing range produced under the brand and the goods being sold on the website of the retailer TKMaxx. Also provided are examples of invoices for sales of CIAO-branded clothing to TJX UK – which I note trades in the UK as TKMaxx – and Spirit Mens & Ladies Wear Ltd ("**Spirit**"). Exhibit BC1 includes pages from the Opponent's 2020 "Lookbook" which includes various designs of men's clothing sold under the CIAO mark, including:



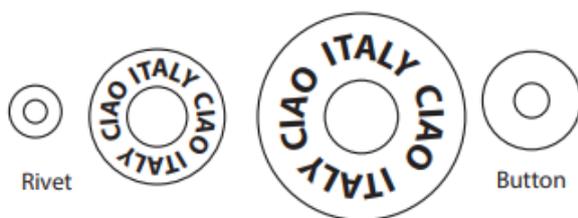
11. Exhibit BS2 features various examples of men's clothing and shoes sold under the CIAO mark, including:



12. Exhibit BS3 features a single page from the TK Maxx website showing CIAO branded shirts and jumpers. I note that there is no reference to the date this was obtained:



13. In terms of promotional activity, Mr Clark states that “*this is mainly by existing trade contacts*”. Mr Clark refers to the Opponent’s attendance at the fashion trade show, *Jacket Required* in February 2015 and July 2015, however, I note that this is outside the relevant period for proof of use in these proceedings.² At Exhibit BC8 are provided images of the Opponent’s products contained in “Lookbooks” for Autumn Winter 2015; 2016 (with no mention of the season); and Autumn Winter 2016. Also, in Exhibit BC8 are examples of labels, tags and rivets applied to the Opponent’s goods and various designs of men’s clothing and shoes bearing the Opponent’s mark. The Opponent’s mark appears in this Exhibit in various forms, including:



Rivet

Button



Draw String Studs
Black with
White Logos

² The relevant period is 7 August 2015 to 6 August 2020.

14. In his witness statement, Mr Clark provides net sales figures for CIAO branded clothing sold to TJX UK:

Year	UK Net Sales Value GBP
2015	8,690.00
2016	48,979.05
2017	109,459.26
2018	37,567.80
2019	61,795.50
2020	85,290.60
2021 to date	24,669.50

15. Sales figures are also provided for Spirit between 2016 and 2020, although Mr Clark indicates that it has not been possible to separate sales of CIAO branded goods from sales of other brands. Nevertheless, Mr Clark states that he is “*reliably informed that sales to them under the Ciao brand have been at least £5,000 per annum every year and possibly more.*”

The Applicant’s evidence in chief

16. The Applicant’s evidence comprises the witness statement of Rebecca Tew, dated 19 July 2021. Ms Tew is a Chartered Trade Mark Attorney at Mathy’s & Squire LLP, she introduces Exhibits RLT1 to RLT3. Exhibit RLT1 features extracts from the Opponent’s website obtained through the WayBack Machine and which, Ms Tew submits show that the Opponent’s “Lookbooks” of products have not changed through different years. Ms Tew also states that the Opponent’s Twitter account has been inactive since 2015. In her statement, Ms Tew states that the Opponent, LMSJ Limited has filed accounts for a dormant company since its incorporation. Exhibit RLT2 features the website homepage of Gianni Feraud Limited, in respect of which Ms Tew states there is no reference to CIAO, and similarly no use found via the WayBack Machine. Exhibit RLT3 features a list of registered or pending trade marks, extending to the UK, for goods in Class 25, and which incorporate the word “CIAO”. I note there are around 20 marks on the list, excluding the parties’ marks.

The Opponent's evidence in reply

17. The Opponent's evidence in reply comprises a second witness statement of Bruce Clark, dated 13 September 2021. No exhibits are presented by Mr Clark, who instead provides responses to the Applicant's evidence. Mr Clark's statement includes that:

- (i) The references to Opponent's website constitute one small part of the Opponent's evidence, with the website alone not being proof of actual trading, which is shown through the other exhibits.
- (ii) Trading of the Opponent's goods does not take place through its website, with sales typically being made to retailers rather than end consumers.
- (iii) With the Opponent's sales model, it is not necessary for it to have a website or Twitter feed that is regularly updated.
- (iv) In respect of the Applicant's claim that the Opponent has filed accounts for a dormant company since its incorporation, the Opponent is a trade mark holding company, with use of the CIAO mark being by Gianni Feraud, with the consent of the Opponent.
- (v) The Gianni Feraud brand is separate to the CIAO brand, which explains why there is no reference to CIAO on the Gianni Feraud website.
- (iv) The Opponent has, when appropriate, raised objections to certain "CIAO" marks and has reached settlements with some of their owners.

18. I have taken account of all of the evidence and submissions filed.

DECISION

19. In respect of the UK's departure from the EU, it should be noted that section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the Transition Period. The provisions of the Trade Marks Act 1994 relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

PROOF OF USE

Preliminary matter

20. I will first address the matter raised by the Applicant in respect of the Opponent company – LMSJ Limited – being a dormant company.

21. In the witness statements for the Opponent of Mr Ellis and the second statement of Mr Clark, it is explained that LMSJ Limited is a trade mark holding company, with the CIAO mark being used by Gianni Feraud Limited with LMSJ's consent. In this respect, I note that the caselaw is clear that *“Use of a mark by natural persons or legal entities other than the holder shall be deemed to constitute use by the holder himself if such use is made with the holder's consent.”*³

22. I have no reason to doubt the statements of Mr Ellis and Mr Clark and accept that the sales under the CIAO brand by Gianni Feraud Limited are made with the consent of the Opponent, LMSJ Limited. As a result, I find that the use of the mark by Gianni Feraud Limited shown in the Opponent's evidence counts as use by the proprietor LMSJ Limited.

The law on proof of use

23. The relevant statutory provisions are as follows:

“Raising of relative grounds in opposition proceedings in case of non-use”

6A(1) This section applies where

(a) an application for registration of a trade mark has been published,

³ See the comments of Mr Geoffrey Hobbs Q.C. as the Appointed Person in *Einstein Trade Mark* [2007] RPC 23.

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

[...]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

24. Section 100 of the Act is also relevant, it reads:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

25. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114... The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439, La Mer (cited above), Case C 416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I 4237, Case C-442/07 Verein Radetsky-Order v Bundesvereinigung Kamaradschaft ‘Feldmarschall Radetsky’ [2008] ECR I-9223, Case C-495/07 Silberquelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: Ansul at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: Ansul at [36]; Sunrider at [70]; Verein at [13]; Leno at [29]; Centrotherm at [71]; Reber at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: Ansul at [36]; Sunrider at [70]; Verein at [13]; Silberquelle at [17]; Leno at [29]; Centrotherm at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: Gözze at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: Ansul at [37]. Internal use by the proprietor does not suffice: Ansul at [37]; Verein at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: Silberquelle at [20]-[21]. But use by a non-profit making association can constitute genuine use: Verein at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial raison d'être of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: Ansul at [37]-[38]; Verein at [14]; Silberquelle at [18]; Centrotherm at [71]; Reber at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: Ansul at [38] and [39]; La Mer at [22]-[23]; Sunrider at [70]-[71], [76]; Leno at [29]-[30], [56]; Centrotherm at [72]-[76]; Reber at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: Ansul at [39]; La Mer at [21], [24] and [25]; Sunrider at [72] and [76]-[77]; Leno at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: Reber at [32].”

Decision on genuine use

26. I remind myself that the Opponent has been requested to provide proof of use only of Mark A, that is the Opponent’s UK registration for the plain text mark “CIAO” in respect of *clothing, footwear and headgear*. This use must be shown during the five years up to the date when the contested mark was applied for, that is 7 August 2015 to 6 August 2020 (“**the relevant period**”).

Form of the mark

27. The evidence shows that the Opponent's mark is frequently used with "ITALY" written alongside, or beneath it. As well as this, the mark is shown almost exclusively in the stylised form of the Opponent's registered EUTM, Mark B - **CiAO** - in either white or black letters, on a contrasting background. Before considering whether the evidence shows a sufficient degree of use, I will assess whether the use shown constitutes an acceptable variant of Mark A – CIAO. In *Colloseum Holdings AG v Levi Strauss & Co.*⁴, the Court of Justice of the European Union (CJEA) held that:

*"...the 'use' of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark."*⁵

28. Where the issue is whether use has been made in a different form, rather than use with, or as part of, another mark, the decision of Mr Richard Arnold QC (as he then was), sitting as the Appointed Person, in *NIRVANA Trade Mark*⁶ is relevant. He said:

"33. ...The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period..."

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

⁴ Case C-12/12.

⁵ Paragraph 32.

⁶ BL O/262/06.

29. Mark A consists of the word “CIAO”. I take judicial notice of the fact that Italy has a reputation for fashion and as such, the addition of this country name alongside, or beneath the Opponent’s mark will be seen by consumers of clothing, footwear and headgear, as descriptive matter, referring to the location of the manufacture of the goods or of their design. This being the case, I find that the addition of “ITALY” does not alter the distinctive character of the Opponent’s mark and, considered alone, constitutes an acceptable variation.

30. Turning now to the use of the Opponent’s mark in the stylised form. Examples of this are shown below:



31. The letters A and O in these variants are highly stylised, with the capital letter “A” being reminiscent of a mountain icon and the letter “O” resembling a capital letter “D” that slants to the left. These represent significant differences to the word “CIAO”, which I consider would be understood as a salutation of greeting or departure by a majority of the relevant public. In my view, the highly stylised letters “A” and “O” alter the distinctive character of the mark “CIAO” and I find that the use of the mark in the stylised form is not an acceptable variant of the Opponent’s Mark A.

Level of use of the mark

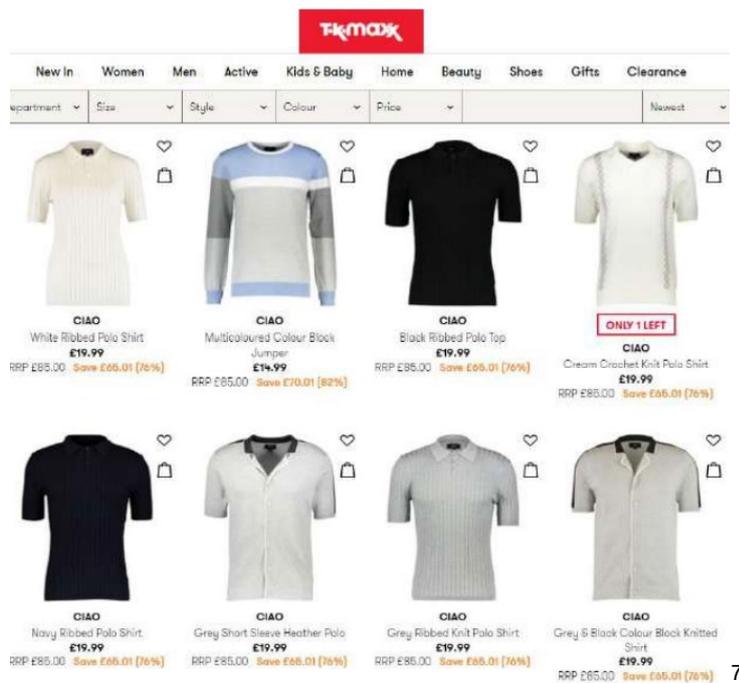
32. Whether the use shown is sufficient to constitute genuine use will depend on whether there has been real commercial exploitation of the trade mark, in the course of trade, sufficient to create or maintain a market for the goods at issue in the UK during the relevant five-year period. In making my assessment, I am required to consider all relevant factors, including:

- The scale and frequency of the use shown;

- The nature of the use shown;
- The goods for which use has been shown;
- The nature of those goods and the market for them; and
- The geographical extent of the use shown.

33. I have found that use of the Opponent’s stylised logo does not constitute use of its plain word registration. I therefore turn to assess the use shown in the evidence of the plain word mark. Below are the examples of use of the Opponent’s word mark that I have identified in the evidence:

(i) On a third-party website:



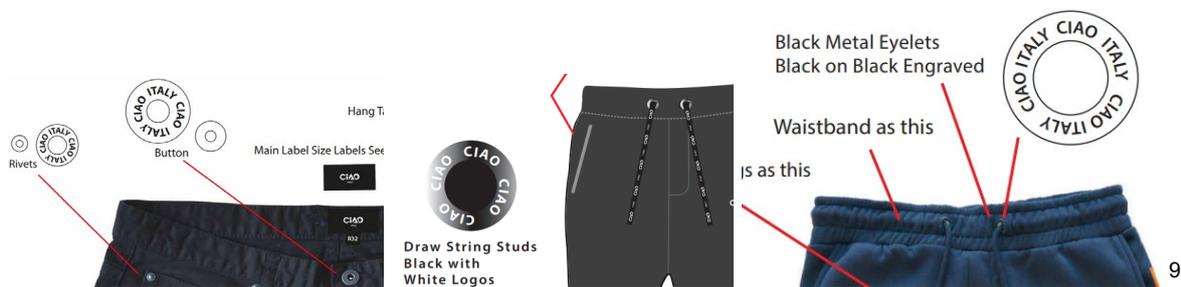
34. This page from the retailer TKMaxx does show the word “CIAO” in relation to the goods, however, there is no evidence of the amount of sales of the Opponent’s goods that are made via its website and the page is undated, meaning that it is unclear that the goods were available during the relevant period.

⁷ Exhibit BC3.

(ii) On the goods themselves:



(iii) From the design creation process / “lookbooks”:



35. The examples from the design creation process and “lookbooks” suggest that the plain text word “CIAO” is used at least in relation to the Opponent’s jogging pants and jeans, where it appears on eyelets, studs and buttons. My first issue with this use is that the mark will be very small when seen on the goods and may be overlooked. My second issue concerns the lack of evidence of sales of jogging pants and jeans. I have analysed the purchase orders and invoices provided in Exhibit BC4. In my analysis, I have excluded (i) sales to the EU market¹⁰, which do not support the Opponent’s case of use of its UK mark, and (ii) sales where the deal creation date and invoice are dated after the relevant period. The invoices and purchase orders include a range of terms including *shirts; crew; turtle; hoody; quarter zip; Breton; rib; polo*. These all appear to refer to shirts and sweaters, with none appearing to refer to jogging pants or jeans, where, according to the design documents, the word mark appears. As a result, I have not been able to ascertain any use of the Opponent’s Mark A in respect of the sales to TJX UK¹¹; indeed the page from the TK Maxx website does not feature jogging pants, or jeans.

⁸ Exhibit BC2.

⁹ Exhibit BC8.

¹⁰ Designated by the 55 at the start of the purchase order number.

¹¹ TJX trades in the UK as TK Maxx.

36. Turning to the invoices for Spirit provided in Exhibit BC5, the weekly sales figures provided group different goods together under codes such as “Ciao C1/C2/C3/C5”. According to the invoice in Exhibit BC6, C1, C2 and C3 refer to different t-shirts and C5 to jogging pants. As the goods are grouped together, it is not possible to discern how many jogging pants or jeans – in respect of which, according to the design documents, the word “CIAO” appears – have been sold.

37. Exhibit BC6 shows the Opponent’s one-off large sale to Spirit, which is described in Mr Clark’s first witness statement. The invoice and manufacturer packing list from this sale indicate that 250 pairs of jogging pants were sold in 2018, with Spirit being invoiced in 2019 – both dates being within the relevant period. If these jogging pants are of the style shown in the design documents, the eyelets through which the drawstring at the waistband runs through would feature the word “CIAO” in one of the following forms:



38. Having considered the evidence as a whole, it is clear from the turnover figures and invoices that the Opponent is selling items of men’s clothing in the UK, with annual sales of between £40,000 and over £100,000 during the relevant period and that these sales are made across the UK. I understand from the Opponent’s witness statements that its sales model does not lead to any significant promotional expenditure. What I find to be lacking in the Opponent’s evidence is sufficient proof of use in respect of the plain text word “CIAO”, or an acceptable variation of that plain word. From my analysis of the evidence I have been able to identify sales of 250 pairs of jogging pants which may feature the word “CIAO” and which, if it does appear, will be in very small letters upon two eyelets on the garment. What is far more prominent on the labels, swing tags and in some cases on the outer of the clothing, is the stylised **CiAO**, which I have found is not an acceptable variant of the word “CIAO”.

39. In conclusion I find that the Opponent has not shown genuine use of Mark A – CIAO – in respect of *clothing, footwear, and headgear*. The Opponent is therefore unable to rely upon Mark A in its opposition to the Applicant’s mark.

DECISION ON SECTION 5(2)(b)

40. As I have found that the Opponent is unable to rely on Mark A in these proceedings, my decision under section 5(2)(b) concerns the Opponent’s Mark B only - **CiAO** - in respect of *clothing, footwear, headgear, and men’s wear*.

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

“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”.

42. The following principles are gleaned from the decisions of the CJEU 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.

(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 might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of the goods

43. In considering the extent to which there may be similarity between the goods, I take account of the guidance from relevant case law. Thus, in Canon the CJEU stated that:

“In assessing the similarity of the goods or services concerned, ... 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”.¹²

44. The relevant factors identified by Jacob J. (as he then was) in the Treat¹³ case 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;

¹² Case C-39/97, at paragraph 23.

¹³ British Sugar PLC v James Robertson & Sons Ltd., 1996 R.P.C. 281.

(f) The extent to which the respective goods or services are competitive.

45. The Opponent relies on all of its goods under Mark B. As the Applicant did not request that the Opponent provide evidence of genuine use of Mark B, the Opponent is entitled to rely upon all of its goods under that mark. The opposition is aimed at all of the goods in the Applicant's mark.

46. The goods at issue are therefore:

Opponent's goods under Mark B	Applicant's goods
<u>Class 25:</u> <i>Clothing</i> <i>Footwear</i> <i>Headgear</i> <i>men's wear.</i>	<u>Class 25:</u> <i>Clothing</i>

47. The Applicant's *clothing* is plainly identical to the Opponent's *clothing*.

Average consumer and the purchasing act

48. It is necessary to determine who is the average consumer for the respective goods and services and how the consumer is likely to select them.

49. In *Hearst Holdings Inc*¹⁴, Birss J. explained that:

"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 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 word "average" denotes that the person is typical ..."

¹⁴ *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), at paragraph 60.

50. It must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*¹⁵.

51. I agree with the parties that the average consumer of the goods in Class 25 is the general public at large. The Opponent describes the average consumer's level of attention as being a normal degree and states that there is no suggestion in the evidence that the Opponent offers luxury goods, in respect of which a higher degree of attention may be paid. The Applicant describes the level of attention as being a medium to high degree, arguing that the goods are not everyday purchases, their prices are not necessarily insignificant, and consumers pay attention to the brands they wear.

52. I find that clothing, footwear and headgear will be purchased fairly frequently by the general public, most often without a heightened degree of care and attention. I must consider the goods as set out in the respective specifications, so the Opponent's statement that its goods are not luxury items does not impact upon my assessment. However, I do consider that prior to making a purchase of clothing, footwear or headgear, the general public is likely to consider various aspects of the same, such as the style, the quality, the aesthetics and the practicality of the articles. Considering these factors, I find the general public will pay at least a medium degree of attention in respect of the Class 25 goods.

53. I find that the goods will normally be purchased following visual inspection, either in stores or online. However, I cannot discount that there may be an aural element to the purchase, as there may be verbal assistance from retail staff. Also, there is the possibility of word of mouth recommendations.

¹⁵ Case C-342/97.

Comparison of the marks

54. It is clear from *Sabel BV v. Puma AG*¹⁶ (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*,¹⁷ 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.”

55. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

56. The Applicant’s mark and the Opponent’s Mark B are shown below:

Opponent’s Mark B	Applicant’s mark
	

57. The Applicant’s mark consists of two words, “Ciao” and “Bellissima” written in a typeface in the style of cursive handwriting. While “Ciao” is an Italian language word,

¹⁶ Case C-251/95.
¹⁷ Case C-591/12P.

I consider that it would generally be understood by UK consumers as a salutation, meaning either hello or goodbye, and I note that it appears in English dictionaries:

Cambridge Dictionary (online):

ciao

Exclamation informal

Used for saying “goodbye” or, less often, “hello”

Oxford English Dictionary (online):

ciao, int

An informal Italian greeting or farewell (also affected as a fashionable expression by English speakers):

Hello, good-bye.

58. I consider that the meaning of the second word “Bellissima” will not be so readily understood by the average UK consumer, however, in the context of the word “Ciao” I find that it will at least be recognised as an Italian word.

59. The overall impression of the Opponent’s Mark B is of a single word, presented in a bold typeface. The first two letters of the word are lower-case letters “c” and “i” and these are followed by two further characters. The third character is reminiscent of a mountain icon and I consider that, seeing this in the middle of a word, consumers will understand it as a highly stylised capital letter “A”. The fourth character resembles a capital letter “D” slanting to the left, meaning that the mark will be read as “ciAD”, or “CIAD”, which has no meaning in English.

60. The Opponent submits that earlier Mark B to be “*clearly recognisable as the word CIAO*”, whereas the Applicant submits that the “*average consumer is unlikely to recognise at face value and without any further information or guidance that the mark is representative of the word “ciao”*”. I have already stated above that I consider that the average UK consumer will understand the meaning of the word “ciao”. This being the case, it is possible that consumers will interpret the fourth character in Mark B as a capital letter “O”, with the mark thus forming the Italian salutation “CIAO”.

61. It is not clear to me whether UK average consumers will understand the Opponent's Mark B as "CIAD" and "CIAO" and I will therefore consider both interpretations in my comparison below.

Visual comparison

62. Visually, the marks have the same two letters at the start "c" and "i", however, the typeface of these letters is different, being bold block letters in Mark B and cursive handwriting in the Applicant's mark. Also, the letter "C" in the Applicant's mark is clearly capitalised.

63. Visually, the marks differ in that the third and fourth characters in Mark B are different to the third and fourth letters in the first word in the Applicant's mark. As well as this, the marks differ visually in respect of the second word in the Applicant's mark, "Bellissima", which adds a further ten letters, which are not present in Mark B.

64. I note the Opponent's comments in respect of the importance of the first part of the mark, this being where I have identified the slight visual similarity in "ci". However, the typefaces of these letters are very different, and the respective marks differ visually in all other aspects. Overall, I find the marks to be visually similar to a very low degree.

Aural comparison

65. Aurally, the Applicant's mark will be articulated as "CHOW – BEL-IS-SI-MA".

66. How the Opponent's mark is articulated will depend on the understanding of the fourth character in the mark. If the fourth character is understood as the letter "O", the Opponent's mark will be articulated as "CHOW". In this case, the Applicant's and Opponent's marks will align in their first syllables, but will differ in the additional four syllables in the Applicant's mark. On this basis, and taking account of the principle that consumers tend to place more prominence on the beginning of marks, I find the marks to be aurally similar to a degree that is somewhere between low and medium.

67. If the fourth character in Mark B is understood as the letter “D”, the Opponent’s mark will be articulated as “CI-AD”, or “CHI-AD”. In this case there would be no overlap in the syllable sounds in the respective marks and I find the marks to be aurally dissimilar.

Conceptual similarity

68. For the average UK consumer, the conceptual identity of the Applicant’s mark is of two Italian words, the first being a salutation. If the Opponent’s Mark B is understood as “CIAO”, I consider the Applicant’s and Opponent’s mark to be conceptually similar to a medium degree.

69. If the Opponent’s Mark B is understood as “CIAD”, a word with no meaning in English, I find the conceptual similarity of the marks to be at best neutral.

Distinctive character of the earlier mark

70. Distinctive character is the capacity of the mark to identify the goods or services for which it is registered as coming from a particular undertaking, and to distinguish those goods or services from those of other undertakings: see *Lloyd Schuhfabrik Meyer*, paragraph 22.

71. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The inherent distinctive character may be enhanced through the use that has been made of the mark.

72. In *Lloyd Schuhfabrik Meyer*, the CJEU set out how an assessment of a mark’s distinctive character should be made:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall

assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see Windsurfing Chiemsee, paragraph 51).”

73. 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 said:

“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.”

74. I shall begin my assessment by considering the inherent distinctiveness of the Opponent's earlier Mark B - **CiAO** - before assessing whether the distinctiveness had been enhanced through the use made of the mark.

75. If the fourth character in **CiAO** is understood as the letter "O", the Opponent's earlier mark will be read as the Italian salutation "CIAO". In respect of the goods in Class 25, the word "CIAO" has no meaning and I find the mark to possess a medium degree of inherent distinctive character. As I consider that the word "CIAO" would be generally understood by UK consumers, I disagree with the Opponent's view that, as an Italian language word, "CIAO" possesses a somewhat higher degree of inherent distinctive character in respect of the goods. I also disagree with the Applicant's contention that the number of UK trade marks including the word "CIAO" in Class 25 is an indication that the term is of low-level distinctive character and in this respect, I recall the comments of the General Court in *Zero Industry Srl v OHIM*¹⁸ where it was stated that:

"73. ...It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71)."

76. In conclusion, understood as the word "CIAO", I find the Opponent's mark to possess a medium degree of distinctive character. In respect of the stylisation of the letters "A" and "O" in the Opponent's mark, these elements do not have a counterpart in the Applicant's mark and therefore, in line with the findings of Mr Iain Purvis Q.C. in the *Kurt Geiger* case, *"the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it"*.

¹⁸ T-400/06.

77. I turn now to whether the distinctiveness of the Opponent's Mark B had been enhanced through the use that had been made of it by the date of application for the contested mark, that is, 6 August 2020. On this point, the Opponent, in its submissions in lieu of a hearing states that "*the earlier marks have been used in the UK since 2015 and this has only served to enhance the distinctive character of the earlier marks.*"

78. From the Opponent's evidence it can be seen that sales of goods in Class 25 date back to 2015, with the Opponent's "lookbooks" from 2015¹⁹ and attendance at the trade show Jacket Required²⁰ showing use of the  form of the mark from this time. I have already mentioned that, due to the Opponent's sales model, there is little promotional activity of the mark. In terms of UK turnover, the £250,000 in sales to TJX UK between 2015 and 2019²¹, the approximate £20,000 in sales to Spirit²² plus the one-off large order for Spirit in 2019 for around £15,000, provides a total of less than £300,000 in a five-year period. This level of sales does not strike me as sufficient to create an impression on the public sufficient to enhance the distinctiveness of the Opponent's mark. Having taken all of the Opponent's evidence into account, I find there to be no material enhancement of the distinctive character of the Opponent's Mark B on the basis of the use that had been made of it.

Likelihood of confusion

79. I have so far considered the factors that need to be taken into account when assessing the likelihood of confusion and I now come to make a global assessment of these factors. In making this global assessment, I take stock of my findings in the foregoing sections of this decision and the authorities and principles that I have set out, in particular, at paragraph 42 above.

80. There are two types of confusion that I may find. The first type is direct confusion which occurs where the consumer mistakes one mark for another. The second type is

¹⁹ Exhibit BC8.

²⁰ Exhibit BC7.

²¹ Turnover for 2020 and 2021 are not included as all of 2021 and a proportion of 2020 turnover will post-date the application for the contested mark.

²² £5,000 per year between 2016 and 2019.

indirect confusion, where the consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that the goods or services derive from the same, or a related economic undertaking.²³

81. I have found the goods in the Applicant's and Opponent's marks to be identical; the relevant consumer to be the general public, who will pay at least a medium degree of attention; and that the goods represent a predominantly visual purchase, although aural factors may come into play. The rest of the findings that I have made are dependent on whether the Opponent's Mark B is seen as the word "CIAO", or whether the stylisation of the fourth character means that it would be seen as "CIAD".

82. Putting the Opponent in the most advantageous position and accepting that Mark B will be read as the word "CIAO", provides the outcome that on the one hand the respective goods are identical, and the respective marks are conceptually similar to a medium degree. While on the other hand, the marks are aurally similar to a degree that is somewhere between low and medium and visually they are similar to a very low degree, with the goods at issue being a predominantly visual purchase and the average consumer, drawn from the general public paying at least a medium degree of attention. Taking all of these factors into account, and even keeping in mind the interdependency principle which holds that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the services,²⁴ I find that there is no likelihood of confusion. Due to the significant differences between the marks, I do not consider that the average consumer, paying at least a medium degree of attention in this predominantly visual purchase would either mistake one mark for the other, nor would they believe that the goods derive from the same, or a related economic undertaking.

83. I have found there to be no likelihood of confusion between the Applicant's and Opponent's marks where the Opponent's Mark B is understood as "CIAO". If the Opponent's mark is understood as "CIAD", the conceptual similarity of the marks becomes at best neutral and the marks are aurally dissimilar, making an even clearer case for a finding of no likelihood of confusion.

²³ L.A. Sugar Limited v Back Beat Inc, BL O/375/10

²⁴ Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97

OUTCOME

84. The opposition has failed and subject to any appeal, the application by MCJB Enterprises Ltd. may proceed to registration for the goods in Class 25.

COSTS

85. The Applicant has successfully defended the opposition and is entitled to a contribution towards its costs, in line with the scale set out in Tribunal Practice Notice 2/2016.

Considering the other side's statement and preparing a counterstatement	£400
Preparing evidence and considering and commenting on the other side's evidence	£1,000
Preparation of submissions in lieu of a hearing	£400
Total	£1,800

86. I order LMSJ Limited to pay MCJB Ltd. the sum of £1,800. The sum is to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 30th day November 2021

Charlotte Champion
For the Registrar
The Comptroller-General