

TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION No 2012128  
BY S.OLIVER BERND FRIER GMBH & CO.KG  
TO REGISTER A MARK IN CLASSES 18 & 25

AND IN THE MATTER OF OPPOSITION THERETO  
BY Q.S.FAMILYWEAR PLC

IN THE MATTER OF APPLICATION No 2012128  
by S.Oliver Bernd Frier GmbH & Co. KG to register a trade mark in class 18 & 25

AND IN THE MATTER OF OPPOSITION thereto  
by Q.S. Familywear Plc.

## DECISION

### BACKGROUND

On 16th February 1995, S Oliver Bernd Frier GmbH & Co. KG of Ostring, D-97228 Rottendorf, Germany, applied under the Trade Marks Act 1994 for registration of the trade mark **QS by S. Oliver** (in a stylised form as shown below) in class 18 of the register in respect of:

“Leather goods; leather bags; sports bags; shopping bags and other leather goods which are not specially made for the things they contain: toilet bags, purses, keybags, containers and boxes;”

and also class 25 of the register in respect of:

“Clothing for men and women; knitted clothing; clothing of leather and imitation leather; blouses; shirts; T-shirts; sweatshirts; jackets, pullovers, tops, bustiers, trousers, skirts, suits, coats, underwear, swimwear, headgear, scarves, headbands, jogging and fitnesswear; gloves; shoes; footwear. “



On the 18th December 1996 Q S Familywear PLC filed notice of opposition to the application. The grounds of opposition are:

- i) The opponents are proprietors of a number of registrations including or consisting solely of the letters **QS** in class 25 (see annex A).
- ii) The letters **QS** have become associated with the opponents' activities as a result of use and prominent visibility on high streets throughout the UK.
- iii) Use of the applicants' mark in both class 18 and 25 would be detrimental to the opponents' own marks.
- iv) As the applicants' mark is in substance identical to essentially or containing the mark **QS** or in the alternative similar to one or more of the opponents' registered trade marks for identical or similar goods in class 25 and similar goods in class 18 it offends against Section 5 of the Trade Marks Act 1994.

v) The presence on the register of the opponents' mark means that the applicants' mark is incapable of distinguishing the goods sold under the applicants' mark from those of the opponents and so should not be registered by virtue of Section 1 and 3(1)(a) of the Trade Marks Act 1994.

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vi) The opponents contend that their mark is well known throughout the United Kingdom.

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vii) The presence of the opponents' marks on the register means that the applicants' mark is devoid of distinctiveness and therefore offends against Section 3(1)(b) of the Trade Marks Act 1994.

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viii) Should the applicants' mark be registered the public would be deceived as to the origin of goods sold under the said mark and it therefore offends under Section 3(3)(b) of the Trade Marks Act 1994.

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ix) That as the mark **QS** has a repute in the UK in respect of the opponents' goods alone the applicants are seeking to take advantage of this reputation with full awareness and the application was therefore made in bad faith and should be rejected under Section 3(6) of the Trade Marks Act 1994.

x) Use of the applicants' mark would deceive the public and cause confusion and would amount to passing off and would be contrary to law.

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The applicants subsequently filed a counterstatement denying all of the grounds of opposition.

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Following the publication of the mark on 18th September 1996, observations under Section 38 (3) of the Act were made on 22nd November by Kings Patent Agency Ltd, acting on the behalf of Q S Familywear PLC. The observations drew the Registrar's attention to the prior trade mark registrations of their clients set out in Annex A.

Following consideration of these observations the Registrar indicated on 5th December 1996 that the application appeared to have been accepted in error.

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Although this view has been expressed on the behalf of the Registrar, I have considered matters afresh in reaching my decision. The matter came to be heard on the 8 October 1998 when the applicants were represented by Mr Franks, of Franks & Co ( via video link) and the opponents were represented by Mr Moore of Kings Patent Agency Ltd.

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#### OPPONENTS' EVIDENCE

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The opponents' evidence takes the form of a statutory declaration dated 17th September 1997 by Mr Eric Holes, who is the Finance Director of Q S Plc formerly called Q S Familywear Ltd, the opponents in these proceedings. Mr Holes explains that the opponents were originally called Quality Seconds Ltd, the company changed its name to Q S Familywear Ltd on 13th July 1987.

Mr Holes claims that since 1972 the opponents have used the two letters **Q S** in various stylised forms as well as plain block capitals, to identify the goods sold by the company. He states that despite the stylisations the essential feature of the trade mark has always been the two letters **QS**

and the whole marketing strategy of the opponents has been one in which these two letters alone form the trade mark distinguishing the company's products and premises.

5 At exhibit 2 to Mr Holes' declaration are copies of the opponents seven registered trade marks in class 25, all of which consist of or incorporate as a prominent feature the letters **QS**.

10 Mr Holes provides figures showing that between the years 1992 and 1997, the opponents achieved an annual turnover averaging £34 million with advertising during the same period averaging £422,600 per annum. A list of company stores is provided at exhibit 7 to Mr Holes' declaration and shows the company to have more than 100 retail outlets, for the most part in the South East, South West and East Anglia.

15 Exhibits 5,6, & 8 of Mr Holes' declaration consist of a number of newspaper articles and advertisements which show the opponents' usage of the letters **QS**, and also that the press tend to refer to the opponents by these initials.

20 Mr Holes states that the opponents sell an extensive range of products for men, women and children consisting of outerwear, underwear, sportswear and footwear. All products sold have the **QS** trade mark on them either in the form of a sewn in label, a swing ticket or similar merchandising marking means. By November 1994 they were also selling umbrellas in gift packs with scarves and gloves, although it is not clear whether these goods had the **QS** mark physically attached to them. The opponents have not provided separate sales figures for umbrellas.

25 Mr Holes contends that many high street retailers selling clothing and footwear whether under their own trade mark or under the trade marks of others make available other goods which could be called fashion accessories, such as umbrellas, purses, handbags and holdalls. Whilst these are not strictly clothing he states that they are associated with clothing by way of styling, colour or other visually distinctive features. Mr Holes is of the opinion that the use of the letters **QS** on such products would lead to these products being linked to his company. If such products were inferior  
30 in any way then Mr Holes claims that serious damage to his company's goodwill might occur and confusion would be inevitable and amount to passing off.

The applicants did not file any evidence in these proceedings.

35 That concludes my review of the evidence. I now turn to the decision.

#### 40 DECISION

It is clear from the exhibits 1 & 4 of the evidence that the opponents are the proprietors of seven registered Trade Marks which consist of or have the letters **QS** prominently featured. However the presence on the register of these marks does not have a bearing on whether the applicants mark meets the requirements of Section 1 of the Trade Marks Act 1994 which states:

45 *"In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings."*

And Section 3(1)(a) which states:

*“The following shall not be registered - signs which do not satisfy the requirements of section (1).”*

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Each trade mark must be considered on its own merits for the purposes of determining whether it meets the criteria in Section 1(1). The proviso to Section 1(1) specifically states that a trade mark may consist of letters. The opponents have not shown why these particular letters are incapable of distinguishing. Consequently the opposition under Section 1(1) and 3(1) (a) fails.

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The opponents also claim that the applicants’ mark offends against Section 3(1)(b) which states:

*“ The following shall not be registered - trade marks which are devoid of any distinctive character”.*

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A comparison with marks already on the register does not form part of the test to determine whether a trade mark is distinctive or is devoid of distinctiveness. The applicants’ mark consists of the letters “QS” and (in smaller script) “by S. Oliver”. The letters “QS” do not appear to have any descriptive significance. I do not think that the opponents have shown why the mark as a whole is devoid of any distinctive character. Consequently, the application under this heading also fails.

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I next consider the ground of opposition under Section 3(3)(b) which is as follows:

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*(3) A trade mark shall not be registered if it is:  
(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).*

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The opponents contend that the applicants’ mark is likely to deceive the public into thinking that the applicants’ goods originate from them. However, I note that Section 3(3)(b) is intended to apply where the deception alleged arises from the nature of the mark itself. This is consistent with the heading of Section 3 of the Act which is entitled “Absolute grounds for refusal” and is to be contrasted with Section 5 of the Act which deals with the “relative” rights of the applicant and other parties. Consequently, the opponents cannot succeed under this heading based upon their use of a similar mark. As there are no other grounds for refusal under Section 3(3)(b) the opposition under this heading fails.

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I next consider the ground of opposition under Section 3(6) which is as follows:

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*A trade mark shall not be registered if or to the extent that the application is made in bad faith.*

In my view the opponents have offered no evidence to support this pleading, therefore I do not consider this ground proven.

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Finally I consider the grounds of opposition under Section 5, which in so far as it is relevant to the pleadings is as follows:

*5 - (2) A trade mark shall not be registered if because -*

*(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or  
(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 mark is protected,*

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

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*(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -*

*(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or*

*(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.*

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*A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.*

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In considering the trade marks in question (shown at annex A) it is clear that the opponents’ marks have the letters **QS** as the only or the dominant feature. One mark features these letters alone, another has the two letters with an ampersand between them, three others have the letters in a square with lines emanating from the sides whilst the remaining mark has the two letters, the square and lines and the laudatory words “the sign of unrivalled value”. The devices and laudatory words are simply a background for the prevailing feature being the two letters **QS**.

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At the hearing I was invited by Mr Franks to reject the opposition on the grounds that there were some 26 companies registered at Companies House which had the letters **QS** as part of their name, and would, he claimed, use **QS** as a trade mark. Similarly he claimed that there were a number of trade marks registered which included the letters **QS**. Mr Franks also argued that this prevented the opponents monopolising the letters **QS**. He also claimed that the Trade Marks Registry’s practice should have led to the opponents’ mark not being accepted for registration.

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Mr Franks also contended that the letters **QS** in the opponents’ mark stood for the words “Quality seconds”, which he claimed were laudatory words that any trader should be able to use. This was disputed by Mr Moore for the opponents who stated that whilst the letters may have originally been taken from the company name that over the years they had acquired their own distinctiveness. This is all irrelevant. Section 72 of the Act states that registration is prima facie evidence of validity. The applicants have not made an application for the opponents’ mark to be declared invalid. Consequently I must regard it as valid in all respects.

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The applicants’ mark consists of the slightly stylised letters **QS** with the words “by s.Oliver” printed sideways next to them in a much smaller typeface. In my view the dominant feature of this mark is also the letters **QS**. At the hearing, Mr Franks invited me to accept that the public would see the “by S. Oliver” part of the applicants’ mark as the element which indicates origin because they would be reminded of his clients other registered mark “Sir Oliver”. Mr Franks suggested that the mark “Sir Oliver” enjoyed a considerable reputation in the market place which would help to distinguish the applicants’ mark from the opponents.

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5 However, no evidence was filed by the applicants' to show that the mark "Sir Oliver" is registered and if so in what classes it is registered. Similarly there is no evidence that the "Sir Oliver" mark has any reputation in the market place or that any association that there may be will help to distinguish the applicants' products from those of the opponents. In my view the public would not ignore the **QS** element, which I believe will be taken as the dominant feature of the applicants' mark. Indeed the relative size of the elements suggests the applicants have set out to emphasis the **QS** element.

10 Mr Franks for the applicants, offered to disclaim the letters **QS** as they are not distinguishable. This would not assist his case because such a disclaimer would not go into the market place and would therefore not assist in avoiding confusion.

15 In deciding whether the two marks are similar I rely on the decision of the Court of Justice of the European Communities in the *Sabel v Puma* case C251/ 95 - ETMR [1998] 1-84. In that case the court stated that:

20 "Article 4(1)(b) of the directive does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion 'depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified'. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.

25 Global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - "there exists a likelihood of confusion on the part of the public" - shows that the perception of the marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details."

35 Utilising the same approach and applying it to this case, I consider the two marks in the entirety but bearing in mind their dominant features and how they would be perceived by the average consumer. I am content that the average consumer would perceive the marks to be similar as the dominant characteristic of each mark is the same, the letters "**QS**".

40 I next consider whether the goods are identical or similar to those for which the earlier trade mark is protected. It is clear that the goods specified under class 25 for both the opponents registered marks and in the application under opposition are identical. In view of the close similarity of the respective marks and the identity of goods, I am of the clear view that there exists a likelihood of confusion. The opposition under Section 5(2)(b) therefore succeeds insofar as class 25 of the application is concerned.

45 I next consider whether the goods specified in class 18 of the application under opposition are similar to the goods specified under class 25 of the opponents registered mark. In deciding whether

the goods are similar I rely on the decision by Jacobs J in the British Sugar Plc v James Robertson & Son Ltd (1996 RPC 296). In that case the court stated that:

“the following factors must be relevant in considering whether there is or is not similarity:

- 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”.

In utilising the same test and applying it to this case I shall divide the goods specified under class 18 of the application for registration into two parts. In doing so I am disregarding the argument put forward at the hearing by the opponents that all items in class 18 should be regarded as clothing accessories. Mr Moore referred to various shops, such as Miss Selfridge and Next which sell fashion clothing and handbags. He pointed out that outdoor stockists such as Blacks sell outdoor fashion clothing and rucksacks and other leather bags. Finally he referred to sports shops which sold sports fashion clothing and sports bags. I am not convinced that the type of bags sold by sports shops and outdoor stockists could be deemed to be clothing accessories. I therefore propose to deal with the opposition to the Class 18 specification as follows:

a) sports bags, shopping bags, toilet bags, keybags, boxes, hereafter referred to as category A goods; and;

b) Leather goods, leather bags, other leather goods which are not specially made for the things they contain, containers & purses, hereafter referred to as category B goods.

Comparing the category A goods to the opponents’ goods registered under class 25, it is clear that they have different uses and that although they may be the same, there is nothing about the nature of the respective goods which suggests that the users will be the same. The physical nature of the goods is very different, as are the trade channels. They are not likely to be found on the same shelf or even in the same sector of a store, and they are not in direct competition.

The descriptions falling in category B cover goods which I regard as clothing accessories, such as hand bags and purses. Comparing these goods to the opponents’ goods registered under class 25, it is clear that the respective uses whilst being correlative or complementary are different. The users will however be the same. The physical make up of the goods is different but the trade channels will probably be the same. The items would be found adjacent to each other if not on the same shelf, whilst the goods are not in competition. The position is finely balanced but they are close enough to be considered similar. When in addition account is taken of the close similarity of the marks and the opponents’ reputation in the market I consider the similarity of the goods in category B sufficient to bring about a likelihood of confusion.



The opposition under Section 5 (2) (b) therefore further succeeds to the extent that the application includes “leather goods,” “leather bags,” “other leather goods which are not specially made for the things they contain,” “containers” and “purses” . It fails insofar as the remaining goods are concerned, namely, “sports bags,” “shopping bags,” “toilet bags,” “keybags,” “ boxes”.

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The opponents have also raised Section 5(4) in the grounds of opposition. Having taken into account the opponents’ reputation in the market in determining the issue under Section 5(2) (b) it is clear that the opponents’ case under Section 5(4) is no stronger and the opposition under that heading would not produce a result more favourable to the opponent than the opposition under Section 5(2).

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In conclusion in the absence of an appeal the application for registration will proceed for a limited specification consisting of sports bags, shopping bags, toilet bags, keybags, boxes in Class 18. Registration of the mark for all the other goods specified on the application form will be refused.

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The opposition having been partly successful the opponents are entitled to a contribution towards their costs. I order the applicants to pay them the sum of £1135.

Dated this 11<sup>th</sup> day of November 1998

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**George W Salthouse**  
**For the Registrar**  
**The Comptroller General**

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