

O-224-07

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 1461059
IN THE NAME OF C & J CLARK INTERNATIONAL LIMITED
OF THE TRADE MARKS (SERIES OF TWO):**

CICA

CICA

IN CLASS 25

AND

**THE APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 82098**

**BY
FOUR STAR DISTRIBUTION**

Trade Marks Act 1994

**In the matter of registration no 1461059
in the name of C & J Clark International Limited
of the trade marks (series of two):**

CICA

and

The logo consists of the letters 'CICA' in a bold, black, sans-serif font. The letters are closely spaced and have a slightly irregular, hand-drawn appearance.

**in class 25
and the application for a declaration of invalidity
thereto under no 82098
by Four Star Distribution**

Introduction

1) On 4 April 2005 Four Star Distribution, which I will refer to as Four Star, made an application for the invalidation of registration no 1461059. The application for registration, under no 1461059, was made on 10 April 1991 and the registration procedure was completed on 30 April 1993. The trade marks are registered for:

*footwear; boots, shoes and slippers; parts and fittings for all the aforesaid goods;
all included in Class 25.*

The registration is in the name of C & J Clark International Limited, which I will refer to as C & J.

2) Four Star is the owner of United Kingdom registration no 1432636 for the trade mark **CIRCA**. The application for registration of Four Star's trade mark was made on 20 June 1990 and the registration procedure was completed on 18 May 1992. Four Star claims that the respective trade marks CICA and CIRCA are very similar, it states that the respective goods are similar. Consequently, there is a likelihood of confusion and the registration of the trade marks is contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act). Four Star seeks the invalidation of the registration in its entirety. In the alternative, it seeks the partial invalidation of the registration, if it is decided that the grounds are only substantiated in part.

3) C & J filed a counterstatement. It states in its counterstatement:

“5. The proprietor of the registration in suit agrees that the trade marks CICA and CIRCA are very close and that, in respect of the same goods, CIRCA is confusingly similar to CICA. However, in view of the fact that none of the goods

for which the mark in suit is registered are the same as or confusingly similar to those for which No. 1432636 is registered, the registration in suit does not offend under Section 5 of the Act as alleged sufficient for there to be a Section 47 case.”

4) Both parties filed evidence. A decision in relation to this application was given on 10 April 2006, BL O/099/06. The decision dismissed the application on the basis that Four Star, had failed to establish genuine use of the earlier trade mark upon which it relied within the period of five years preceding the date of the application for invalidation. The decision was the subject of an appeal to the appointed person. On 20 December 2006 Professor Ruth Annand, sitting as the appointed person, upheld the appeal of Four Star, decision BL O/0371/06. At paragraph 44 of her decision she stated:

“I turn to consider the scope of use in the relevant period across the specification of Registration number 1432636. I am satisfied that there has been genuine use of CIRCA in the UK by the Applicant or with its consent for the following goods:

“Shirts, T-shirts, sweatshirts, slacks, trousers, jackets, knitted articles of clothing, articles of clothing made from knitted materials, hats, articles of sports clothing, articles of outer clothing, belts, caps, jeans and articles of underclothing”.

However, contrary to the Applicant’s claim, I find that there is no evidence of use of the mark for scarves, gloves or swimwear (or the remainder of goods listed in 1432636).”

Professor Annand went on to state, at paragraph 45:

“The Applicant’s appeal having been successful, I will remit the case to the Registry for determination of the Applicant’s application for invalidity under section 47(2)(a)/section 5(2)(b) of the TMA. In accordance with section 47(2E) of the TMA that application shall be deemed to be based on the goods listed at paragraph 44 above in respect of which I have decided genuine use in the UK to be established.”

5) The case was assigned to a different hearing officer, as is the practice of the registrar when cases are remitted to him. A hearing was held on 18 July 2007. C & J was represented by Mr Moody-Stuart of counsel, instructed by Stevens, Hewlett & Perkins. Four Star was represented by Mr Engelman of counsel, instructed by Field Fisher Waterhouse LLP.

6) I will refer to the evidence filed by the parties, where necessary, in the body of the decision. Additional evidence was filed by Four Star at the appeal stage, some of which was allowed into the appeal. Mr Moody-Stuart submitted that I should not consider it as it was for the purposes of the appeal. Professor Annand made no instruction that this evidence should be ignored by the hearing officer. I cannot see that once evidence has

been admitted into proceedings that it should be excluded unless there are reasons that demand its exclusion, eg it includes “without prejudice” material, or the party adducing the evidence seeks its exclusion. There are no obvious administrative or case management reasons for its exclusion. The evidence is in the proceedings and can potentially allow for a decision with a greater foundation in fact, to exclude it would, in my view, be perverse in the extreme. If C & J wanted the evidence that was allowed in by Professor Annand excluded it should have made a specific request to have this done; although I would not be sanguine about its chances of success. It is a matter of public policy that decisions should as far as possible be made with all the available evidence. The evidence admitted into the proceedings by Professor Annand will be considered by me. (I cannot see that anything turns upon this evidence as far as the decision that I have to make is concerned.)

Written submissions

7) At the hearing I allowed counsel two weeks to make written submissions in relation to two matters. In relation to the similarity of the goods I referred counsel to a judgment of the Court of First Instance (CFI) *Leder & Schuh AG v Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle) (HABM)* Case T-32/03¹; Mr Engelman was not aware of this judgment and asked for time to furnish written submissions in relation to it. I allowed time for written submissions in relation to this judgment. At the commencement of the hearing, I noted to counsel that the registration was for a series of trade marks but that this did not seem to have been addressed in the evidence or the skeleton arguments. All the efforts of the parties had been directed to the word only trade mark; that there is a series of trade marks, and the nature of this particular series, gives rise to an issue as to whether in an invalidation action one trade mark of a series could be cancelled or whether the registration as a whole would have to be cancelled, even if the grounds for invalidation only existed against one trade mark. I was not aware of any case law in relation to this matter, neither were counsel. As this was not a matter dealt with in their skeleton arguments I allowed time for written submissions.

The statute law

8) Applications for invalidation are governed by section 47 of the Act:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date, or
- (c) the use conditions are met.

(2B) The use conditions are met if -

- (a) within the period of five years ending with the date of the application for the declaration 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) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, 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.

(2D) In relation to a Community trade mark, any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

(2E) 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.

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that -

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
- (b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

9) Four Star’s case is based upon section 5(2)(b) of the Act. According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

Section 6(1)(a) of the Act defines an earlier trade mark as:

“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”

The registered trade mark of Four Star is an earlier trade mark within the meaning of the Act. The proof of use question, as per sections 47 (2A to 2E), has been decided by Professor Annand.

Material date

10) Mr Moody-Stuart raised the issue of the material date(s) for this case and referred to my decision BL O/214/06ⁱⁱ. In that decision I decided that in an invalidation action there are two material dates: the date of application for registration and the date of the hearing; the grounds for invalidation had to exist at both material dates for an applicant for invalidation to be successful. I am not aware of any judgments since I wrote that decision

which lead me to question my findings re the material dates. In fact the judgment of the CFI in *MIP METRO Group Intellectual Property GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-191/04* strengthens my view that there are two material dates. So, Four Star has to establish the grounds for invalidation that it pleads apply at the date of the application for registration, 10 April 1991, and the date of the hearing, 18 July 2007. In this case nothing turns upon there being two material dates, as I will explain later in more detail.

Likelihood of confusion – section 5(2)(b) of the Act

Average consumer and nature of purchasing decision

11) The goods of both registrations are bought by the public at large. In my experience there is a good deal of brand consciousness in relation to clothing and footwear, the brand often being as important or even more important than the actual garment; this is indicated by the propensity of brand owners to put the trade mark on the outside of clothing and footwear. The purchasers of clothing take a reasonable degree of care and interest in the purchasing of clothing and footwear. The case law holds that in relation to clothing it is the visual impression of the trade mark that is most importantⁱⁱⁱ.

Comparison of goods

12) In assessing the similarity of goods it is necessary to take into account, inter alia, their nature, their intended purpose^{iv}, their method of use and whether they are in competition with each other or are complementary^v. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(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.”

13) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade”^{vi}. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning^{vii}. The class of the goods in which they are placed

is relevant in determining the nature of the goods^{viii}. Consideration should be given as to how the average consumer would view the goods^{ix}.

14) The goods of C & J's registration are: *footwear; boots, shoes and slippers; parts and fittings for all the aforesaid goods; all included in Class 25*. The goods to which they have be compared are, as per the decision of Professor Annand: *shirts, T-shirts, sweatshirts, slacks, trousers, jackets, knitted articles of clothing, articles of clothing made from knitted materials, hats, articles of sports clothing, articles of outer clothing, belts, caps, jeans and articles of underclothing*.

15) Mr Engelman submitted that *footwear, boots and shoes* are all *articles of sports clothing*. He based this argument upon the *Shorter Oxford English Dictionary* defining clothing as being “things to cover the body and limbs”. He submitted that *footwear, boots and shoes* are worn to cover the body and limbs. I commented at the hearing that *Collins English Dictionary* defines limb as an arm or leg, not a foot. I certainly would not describe the foot as a limb. However, this is by the bye; dictionaries do not define how words are seen for the purposes of trade or their natural meaning within the context of their trade use or how the average consumer would view them. I do not consider that it is natural to describe *boots and shoes* as being articles of clothing; it appears to me that this is straining the meaning to the academic rather than the actual. The grounds for invalidation of Four Star do not claim that the goods are identical, only that they are similar. The CFI in *Leder & Schuh AG g Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle) (HABM) Case T-32/03* did not consider that shoes, Schuhe, and articles of clothing, Bekleidungsstücken, are identical; indeed, it decided that there is only a low degree of similarity between such goods. *Footwear* gives rise to different considerations, in my view this term must encompass anything that covers the foot, it is not limited to shoes, boots (or slippers); it will encompass socks. Various parts of Four Star's specification will encompass socks ie *knitted articles of clothing, articles of clothing made from knitted materials* and *articles of sports clothing*. The CFI has held that goods can be considered as being identical when the goods of the earlier trade mark are included in a more general category of goods included in the specification of the later trade mark^x. **Consequently, it must be held that *footwear* of C & J's registration is identical to the goods of the earlier registration.**

16) Mr Moody-Stuart submitted that similarity should be considered on the basis of the paradigm use shown by the parties in their evidence. He based this submission on the judgment of Neuberger J in *Premier Brands v Typhoon* [2000] FSR 767 in relation to paradigm use of a trade mark^{xi}. This was dealing with use of the trade mark and not to use in relation to goods. Neuberger J quotes with approval the comments of Jacob J: “the allegedly infringing sign has to be compared with that mark “*used in a normal and fair manner in relation to goods for which it is registered*” (my emphasis). That the comparison has to be with the goods for which it is registered clearly contradicts that submission made by Mr Moody-Stuart. The CFI has held that in taking account the particular way that goods are marketed at one particular time in deciding whether there is a likelihood of confusion is erroneous in law^{xii}. The protection that an earlier right has is for the full panoply of its specification, subject to the proof of use rules. In this case the

earlier right has been subject to proof of use and the specification decided by the appointed person on appeal; it is not restricted to the exact nature of the use shown. Effectively Mr Moody-Stuart wants a different specification to that decided upon by the appellate body. Equally I have to consider the full panoply of the goods of C & J's specification; it is not subject to any restriction, although Mr Moody-Stuart did submit that the trade mark had only been used for products for children. There is no restriction to Four Star's specification and so it will also cover goods for children.

17) Mr Engelman considered that I should take the use shown by the parties of their trade marks as being typical of the trade. I find it difficult to see how I can reasonably extrapolate from two examples to the trade as a whole. Mr Engelman particularly noted the references to sport, in writing and pictorially, that were in the evidence of C & J and in particular the pictures showing children with skateboards, skateboarding forms the core of Four Star's marketing strategy. In the autumn/winter 1997 catalogue C & J's marketing manager writes that the company is working towards the goal of being the leading children's sports shoe brand^{xiii}. The specification of C & J includes sports shoes, it is a notorious fact that sports shoes and items of sports clothing, eg track suit bottoms, are worn as casual clothing; for a long time their use has not been confined to the athletic track or the football pitch. It is also not surprising that an undertaking supplying shoes for children would use images showing sporting activities to promote their goods. Children skateboard and they will wear shoes doing this, the specification of Four Star's registration will include articles that might be worn by skateboarders, although not shoes; I am unconvinced that this connection tells one much about similarity of goods, rather it is freighted with the dangers of the syllogism.

18) All the goods under consideration for similarity are for wear, they have this in common and have, consequently, the same basic intended purpose and method of use, even if on a fairly general level. I do not consider that one would readily substitute *boots, shoes and slippers* for the goods of the earlier trade mark and so cannot see that they are in competition. The goods could be made of the same materials but many goods are made of leather or fabric and so I do not consider that this tells a great deal. In my experience it is not uncommon for *boots, shoes and slippers* and clothing to be sold in the same outlets and so to have the same distribution channels^{xiv}. The CFI has held that goods may be considered complementary if they "have a common aesthetic function by jointly contributing to the external image ('look') of the consumer concerned^{xv}". The CFI went on to state:

"50 The perception of the connections between them must therefore be assessed by taking account of any attempt at coordinating presentation of that look, that is to say coordination of its various components at the design stage or when they are purchased. That coordination may exist in particular between clothing, footwear and headgear in class 25 and the various clothing accessories which complement them such as handbags in class 18. Any such coordination depends on the consumer concerned, the type of activity for which that look is put together (work, sport or leisure in particular), or the marketing strategies of the businesses in the sector. Furthermore, the fact that the goods are often sold in the same specialist

sales outlets is likely to facilitate the perception by the relevant consumer of the close connections between them and strengthen the perception that the same undertaking is responsible for the production of those goods.”

The purchaser of sports shoes might wish to purchase a tracksuit or top that is coordinated with the shoe. It is not uncommon for shoes to be purchased that are coordinated with articles of outerclothing. Slippers might be purchased that are coordinated with casual wear that is worn about the house. It is often the case that the respective goods are sold in the same specialist outlets. I am of the view that *boots, shoes and slippers* are complementary to the goods of Four Star’s registration.

19) The CFI in *Leder & Schuh AG g Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle)* (HABM) considered that there is only a low degree of similarity between shoes and clothing. In his written submissions, Mr Moody-Stuart considered that the finding was a finding of fact relating to the particular proceedings with which the CFI was dealing. He did not consider that it should be binding upon me. In his written submissions Mr Engelman ranged far wider than the judgment (inter alia attempting to bring in another judgment of the CFI). I only take on board those parts of his submissions which relate to the judgment for which he sought the opportunity to file written submissions, which parts are very limited, effectively noting that the CFI found that there was a low degree of similarity between the respective goods. I note that Mr Engelman in his submissions states that “You have asked the parties to file submissions on the similarity between the goods covered by the above registrations and in particular in light of the judgment in case T-32/03 Leder & Schuh AG v. OHIM”. This was not the case. Mr Engelman specifically requested that he be allowed to make written submissions in relation to this judgment:

“ MR ENGELMAN. Yes, indeed. It certainly was not – and I apologise – an authority on my list and I had not discovered it, but I would be grateful, were it to come to it, to have, by your leave, the opportunity of making written submissions on that case, as my learned friend would have the opportunity to do likewise, shortly after this hearing and within a period of time defined by you such that we can at least accommodate all the case law you have pointed out.”

At the end of the hearing I made it clear what the parameters of the submissions were to be:

“THE HEARING OFFICER: Okay, thank you. As I have mentioned before, you have two weeks to put in any written submissions you wish to on the CFI judgment, which is T-32/03, and also any submissions you wish to on the abilities or otherwise of me to refuse one trade mark in a series but not the other. Obviously, there will be a delay in the decision. It might be two weeks and one day.”

The CFI was not setting out a legal principle but applying established criteria to the facts of the case. Mr Moody-Stuart is correct, in my view, that in relation to this matter the

judgment is not binding upon me; the judgment is helpful in considering how the CFI dealt with the matter but no more. It is the fundamental legal principles and criteria set out in the various judgments from the courts of this country and Europe that I have to apply to the facts of the case. **I am of the view, taking into account the case law in relation to the assessment of similarity and the nature of the trade in the United Kingdom, that there is a good deal of similarity between *boots, shoes and slippers* and the goods of the earlier registration.**

20) The *parts and fittings* of the goods will encompass such things as metal fittings, soles, heels. (Laces are not in class 25 and so they are not included in the specification.) These are the goods of the cobbler, the heel bar or the factory rather than the clothing/footwear emporium. That a product is part of another product does not make it similar to the latter product^{xvi}. I consider that *parts and fittings* will go through separate channels of trade. They will not be substituted for Four Star's goods and I cannot see that they have symbiotic or mutually dependant relationship with Four Star's goods or that they have a common aesthetic function. Consequently, the respective goods are neither in competition nor complementary. The *parts and fittings* will be for manufacture or repair whilst the goods of Four Star will be for wear, consequently, they do not have the same intended purpose and will have a different method of use. The *parts and fittings* will be found in different shops to the goods of Four Star, they will not be found in proximity to the goods of Four Star. **I do not consider that *parts and fittings* are similar to the goods of Four Star's registration.**

Comparison of trade marks

21) The trade marks to be compared are:

Four Star's trade mark:

C & J's trade marks:

CIRCA

CICA

The logo for CICA is a large, bold, black sans-serif font. The letters are thick and closely spaced, with a slightly irregular, hand-drawn appearance. The 'C' is particularly large and rounded, and the 'A' has a distinctive shape with a wide base and a pointed top.

22) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details^{xvii}. The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components^{xviii}. Consequently, I must not indulge in an artificial dissection of the trade marks, although I need to take into account any distinctive and dominant components. The average consumer 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 he/she is deemed to be reasonably well informed and reasonably circumspect and observant^{xix}. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^{xx}.

23) This is an unusual case as C & J has stated in its counterstatement that it agrees that “the trade marks CICA and CIRCA are very close”. In her evidence for C & J Ms Derbyshire, C & J’s company secretary, states:

“5. In the absence of Four Star having filed any evidence to support their key contention, I ask the Registrar to consider the following. That CICA is very similar to CIRCA, and vice versa, is not in dispute. Both parties agree on this; for the same goods there is no doubt that with both marks in use there is a likelihood of public confusion. The structure of CICA and CIRCA is the same, the only difference being the slight alteration in the first vowel sound made following the pronunciation of the initial “soft” C. Both marks are short words.”

This acceptance that the trade marks CICA and CIRCA are “very similar” appears to be born of opposition actions launched by C & J against Four Star before the Community trade mark office (OHIM) and this office. In the former case the opposition was based upon the Community trade mark:

CICA

In the latter case the opposition was based upon the above trade mark (which is the same as the second trade mark of the series of registration no 1461059) and the trade mark CICA. In those proceedings C & J claimed that both of its trade marks are similar to CIRCA, however, in this case C & J has only accepted that the word only trade mark is similar, it has not mentioned the lower mark of the series. In its counterstatement and evidence C & J has made an admission against interest and I consider that I have to accept this admission. This is also an inter partes matter and my rôle is limited to the examination of the facts, evidence and arguments provided by the parties and to the relief sought^{xxi}. Consequently, I do not consider that I have any option other than to accept that CICA and CIRCA are, in the words of Ms Derbyshire, “very similar”. Mr Moody-Stuart submitted that there was no admission of phonetic similarity. I cannot see how the penultimate sentence from the paragraph of Ms Derbyshire quoted above can be read as anything other than an acceptance of a high degree of phonetic similarity. Mr Moody-Stuart also commented upon the conceptual difference between the trade marks; CIRCA having a well-known meaning. I cannot see that his arguments can effect the fact of the statement that the respective trade marks are “very similar”; that is the evidence of the registered proprietor and I consider that I am bound to accept it. **C & J have stated that the CICA and CIRCA are very similar and that is the position that I must accept.**

24) This case is unusual as the two trade marks of the series are clearly different; that they have been accepted and registered as a series is a fact, that they actually have the characteristic of a series is not a fact. As I have noted above, I commented to counsel at the beginning of the hearing that C & J’s registration is for a series of trade marks. However, counsel did not specifically address the issue of similarity in relation to the lower mark of the series.

25) It is necessary to consider the lower mark of the series without reference to the upper mark; my perception should not be clouded by the presence of CICA in the series. Four Star’s trade mark is a short, common word. I cannot see that it can be divided up into

dominant and distinctive components but must be considered as a whole. The beginning of the lower mark consists of the letters CIC. Owing to the presence of the three letters before it, the final element of the trade mark is likely to be perceived, owing to presumption and expectation, as a letter. There is no dot over the letter I, so it is likely that the first three letters will be perceived as being in upper case; the average consumer is, therefore, quite likely to presume that the last element is the letter A; no other capital letters approximate to this last element. The only letter in lower case that approximates to the last element is the letter n. So I consider that the likelihood is that the lower trade mark will be perceived as the letters CICA by the average consumer; although I do not exclude the possibility of some consumers seeing the final element as a device. Bearing in mind my analysis of the lower trade mark, I am of the view that primarily the trade mark will be perceived as a whole and the distinctiveness rest in this whole. However, the stylised A contributes in a not immaterial way to the distinctive character of the trade mark.

26) Ms Derbyshire has already accepted, in relation to the upper mark, that the trade marks are phonetically similar; if the lower mark is perceived as being CICA the same must apply and that I am bound to accept her analysis. Visually there is the difference of the absence of the letter R and the stylisation of the letter A. The question of visual similarity must be based upon the likely perception of the average consumer; the brain will interpret stimuli from what it has learnt and from what it expects^{xxii}. Accepting the lower trade mark will be seen as a stylised form of CICA, it is likely that the average consumer will perceive that the last element is the letter A. In considering similarity it is necessary to consider the issue within the context that trade marks are seldom directly compared and the average consumer will have to rely upon his or her often imperfect recollection. How far the average consumer will remember the stylisation of the letter A or just the letter A must be of some debate, however, he or she will certainly have learnt the standard letter A, and without repetition is unlikely to have learnt the stylised form of the letter A of the lower trade mark. Taking into account the likely perception of the average consumer, bearing in mind the concept of imperfect recollection, I consider that CIRCA and the lower mark of the series are visually similar. In his submissions, in relation to the word only trade mark, Mr Moody-Stuart commented upon the conceptual difference between the respective trade marks. CIRCA is, as Mr Moody-Stuart stated, a common English word; its meaning is clear and obvious^{xxiii}. CICA, in stylised form or not, has no meaning. Consequently, there is a conceptual difference between CIRCA and the lower trade mark. **Comparing the trade marks in their entirety, taking into account the perception of the average consumer, I consider that they are similar.**

Likelihood of confusion – conclusion

27) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa^{xxiv}. I have decided that *footwear* is identical to the goods of the earlier registration and that there is a good deal of similarity between *boots, shoes and slippers* and the goods of the earlier registration. (I have decided that *parts and fittings* are not

similar and so there cannot be a likelihood of confusion in relation to these goods^{xxv}. Indeed I can see no point of coincidence in relation to similarity or even any similarities; any threshold, however low, will not be passed^{xxvi}.) In the case of the CICA trade mark, C & J has stated that the trade mark is very similar to CIRCA. In considering the degree of similarity between the lower trade mark and CIRCA it is necessary to consider the nature of the goods. “[G]enerally, the purchase of an item of clothing involves a visual examination of the marks.”^{xxvii} In my experience footwear also primarily involves a visual examination of the trade mark; the trade mark traditionally appearing upon the insole and in the case of casual footwear and sporting footwear often appearing on the outside of the footwear. The trade mark also often appears on display furniture upon which the footwear is put out for sale and inspection. The strongest area of similarity is on the phonetic level. It is possible for phonetic similarity on its own to give rise to a likelihood of confusion. However, this likelihood has to be assessed on the basis of the global appreciation; likelihood of confusion cannot be assumed each time that phonetic similarity is established. “[C]onceptual and visual differences between two signs may counteract aural similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately”^{xxviii} Owing to the nature of the goods, the visual similarity is more important than the phonetic similarity in considering whether there is a likelihood of confusion^{xxix}. I have decided that there the trade marks are visually similar, although the level of that similarity is well below the level of phonetic similarity. It is necessary to consider whether the conceptual difference is such that it will counter the phonetic and visual similarities. This is a case where there is conceptual difference rather than conceptual dissonance, as the trade mark of C & J has no conceptual association. It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion^{xxx}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xxxi}. In determining the distinctive character of a 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 mark to identify the goods 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^{xxxii}. CIRCA neither describes nor alludes to the goods for which use has been substantiated. It is an ordinary English word, which means that the consumer has a conceptual hook upon which he or she can rely for the purposes of identifying the goods sold under it. I am of the view that CIRCA enjoys a reasonable degree of inherent distinctiveness for the goods for which use has been substantiated.

28) The main thrust of Mr Moody-Stuart’s argument that was no likelihood of confusion was based on the claim that there had been no confusion in the market place. Mr Moody-Stuart’s submission starts on weak foundations on the basis of the case law in relation to this matter. Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18 gave weight to an absence of confusion in the market place. However, he was not referred to the existing case law in regard to this matter: the Court of Appeal in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at p

291, Laddie J in *Compass Publishing BV v. Compass Logistics Ltd* [2004] RPC 41 at p 809 and the Court of Appeal in *Phones 4U Ltd v. Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paragraphs 42 to 45.) The matter was succinctly summed up by Millet LJ in the first case:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

29) I have analysed the invoices to Slam City Skates Ltd which have adduced into the proceedings in order to garner an idea of the volume of trade that there has been in relation to CIRCA goods. Slam City is the United Kingdom distributor of CIRCA products. I have not been able to analyse invoice 0101045 as there is no description of goods on it; the invoice covers 485 items. Two invoices have been duplicated in the evidence, 0107068 and 0206257. Invoice 0206133 is neither to Slam City nor to the United Kingdom. I have not considered the invoices exhibited at MB5 as Professor Annand did not admit this exhibit into the proceedings. There may be some minor arithmetical errors in the adding-up. Pants are the United States equivalent of trousers, shorts refers to United Kingdom shorts rather than American shorts ie they are not undergarments.

Item	1999	2000	2001	2002	Total
Sweatshirts	136	450	75	183	844
T-shirts	96	687	531	818	2132
Headgear	192	360	174	314	1040
Shoes	480	240	817		1537
Pullovers		48	21		69
Jackets		103	9	108	220
Pants/shorts		211	395	606	1212
Shirts		211	32	185	428
Socks		108	36		144
Polo shirts			84		84
Wristbands		60			60
Bags			88		88
Belts			18	258	276
Wallets			36		36
Key leashes			12		12
Tanks			32	35	67
Shoe laces			96		96
Cuffs			12		12
Lanyards			48		48

I have included goods which are not covered by the specification, such as shoes, as the issue I am dealing with here is whether the absence of evidence of confusion in the market place is indicative of a likelihood of confusion and such goods will be relevant to my deliberations.

30) Mr Moody-Stuart submitted that there might be greater use than shown in the invoices. There might have been but I can only work on the evidence before me. If part of C & J's defence rests upon lack of evidence of confusion in the market place it is for it to establish that this lack of evidence of confusion indicates that there is not a likelihood of confusion; that the use of the trade marks is such that the judgements referred to above do not bite.

31) C & J's evidence shows that there have significant sales of CICA branded shoes for children from 1990 to 2002. Between these years 12.5 million pairs of CICA shoes had been sold in the United Kingdom. In the twelve month period following January 2000 CICA branded footwear account for between 3% and 4% by value of children's footwear sales in the United Kingdom for the under 11 age group. Mr Moody-Stuart contended that owing to the significant use of C & J's trade mark(s), even if Four Star's use had been limited, the trade marks would have come into contact and so the absence of evidence of confusion is significant. If the trade marks have been used in totally different arenas I do not see that this is the case. In his submissions Mr Moody-Stuart spent some time in identifying how the area of the market where C & J had used its trade mark was very different to the area where Four Star has used its trade mark, they have been in discrete and different areas of the market. It seems to me that his argument torpedoes the submission that the absence of evidence of confusion is relevant. Mr Moody-Stuart stated that CICA has been used for shoes for children. The evidence supports him in this. In his submissions Mr Moody-Stuart stated:

“However, from the point of view of the narrowing down argument, which is where I started this trawl, the question of whether CICA is in fact used in some outlying sense as something that might be sold to an adult is something that is neither here nor there because there is clearly on the face of this demarcation in the trade between children's and adults' shoes.”

There is little evidence of the nature of the use of CIRCA in the trade mark, other than the pages copied from *Sidewalk* of September 2004. Four Star do supply shoes for children as per page 149 et seq of bundle 1, however, there is no indication that such shoes have been supplied in the United Kingdom. Three invoices to Mischief give the sizes of shoes that have been supplied, the smallest size is 5.5. The goods of Four Star are promoted by reference to skateboarding; children skateboard but the image presented in the promotional material and the articles themselves can be classified roughly as urban clothing. There is nothing to suggest that there has been any crossover in the United Kingdom in terms of marketing or the areas where they are marketed. It is Mr Moody-Stuart's submission, indeed, that they have inhabited discrete areas of the market. This submission leads inevitably to the judgment of Laddie J in *Compass Publishing BV v. Compass Logistics Ltd*

“26 The reason why the rule of thumb referred to above does not give a safe indication of whether there is infringement in this case is because of the nature of the parties' respective presences in the market. They are not in competition with

each other. The business consultancy field is enormous. Indeed, on the basis of the evidence before me, the logistics section of the business consultancy field is enormous. The claimant's core activities are not in the logistics field, the defendant's are. Furthermore, even within that field, the defendant is a very small player, as will be explained below. In those circumstances it is not surprising that there has been no confusion in the market-place. To date the claimant and the defendant trade in different parts of the market. This does not come close to imitating the notional world used for determining likelihood of confusion under Art.9.1(b).”

The clothing market is very large and diverse, with many niche parts of it. The use of Four Star’s trade mark has been small, in terms of the size of the market, and would appear to be in a particular niche area of the market; an area for the aficionados of skateboarding and those who adopt the type of clothing favoured by skateboarders.

32) The catalogues exhibited clearly identify CICA as a Clarks brand. So when the purchase is being made it is possibly not just being made in relation to CICA but also to Clarks. This is another matter that must be considered in relation to the submissions about the absence of evidence of confusion. The full gamut of the specification of Four Star’s specification, as decided by Professor Annand, has to be considered, as is the nature of a specification, even following proof of use, it is wider than the actual use. It will cover, for instance, all the goods being specifically for children and infants.

33) I do not consider that in the circumstances of this case that the absence of evidence of confusion is indicative that there is not a likelihood of confusion. (There are always the problems with claims of an absence of confusion that those who have been completely confused would not know that they have been and the premise, underlying the claim, that those who have been confused would report the matter.)

34) The strongest card in the hand of C & J is the conceptual difference between the trade marks. However, this has to be considered in relation to the acceptance that CICA and CIRCA are very similar, as stated by Ms Derbyshire. It has to be considered in relation to the phonetic similarity of the trade marks and that the goods will be selected by the eye. A reasonable degree of care is taken in relation to the purchasing of clothing and footwear and their trade marks; this being a trade where brand is of great importance, hence the tendency to display the brand name on the outside of garments and footwear. However, purchases can often be made on impulse and there is not the sort of degree of care and research that takes place with purchasing eg a computer. The concept of imperfect recollection must be borne in mind; also, with trade marks which are very similar, the eye might see what it expects rather than what is there, increasing the potential effects of imperfect recollection. In the United Kingdom there is, in my experience, a very close relationship nowadays between clothing and footwear in the market place. There are, of course, many clothing brands do not crossover into shoes and vice versa. However, the public is used to many major brands being used for both sets of products. In her evidence Ms Derbyshire refers to Adidas, Nike and Reebok, all of which are famous for supplying both sporting and casual footwear and clothing.

35) At the beginning I referred to the matter of material dates, as raised by Mr Moody-Stuart. In this case I cannot see that the circumstances are any different as of the date of application for registration or the date of the hearing. If the lack of evidence of confusion had a bearing upon this case it would have been applicable to either date, as it would have been indicative that there was not a likelihood of confusion whether at the date of application for registration or the date of the hearing. It is difficult to recall with any precision whether trading practices in relation to clothing and shoes were very different in April 1991 from today and so whether the analysis of the similarity of goods would have been different then. There is no evidence as to this from Four Star, upon whom the burden of proof rest. However, even if the crossover between shoes and clothing was not so extensive in the trade at that time, I consider that the other factors in relation to the similarity of goods would still lead to a finding of a good degree of similarity. So I consider that the position is the same at both material dates to be effectively the same.

36) In his submissions Mr Moody-Stuart indicated that C & J would be willing to limit its specification to children's shoes. There is no clear demarcation between children's and adult wear, other than in relation to the payment of VAT. The specification of the Four Star's registration will encompass goods for children as well as adults. Consequently, I do not consider that such a limitation would have a bearing upon the outcome of the case.

37) A likelihood of confusion only requires that there is a real prospect of confusion, not that there is a probability^{xxxiii}. I consider that there is a likelihood of confusion in respect of both trade marks in respect of all of the goods of registration with the exception of parts and fittings. The likelihood is greater in respect of the word only trade mark of the series owing to the greater proximity with the earlier trade mark.

38) I declare that registration no 1461059 is invalid and that the registration shall be deemed never to have been made in respect of

footwear; boots, shoes and slippers; all included in Class 25.

The registration will be retained for the following goods:

parts and fittings, all being for footwear, boots, shoes and slippers; all included in Class 25.

Invalidation of a series of trade marks

39) In the event that I am found to be wrong in respect of one of the trade marks of Four Star, and correct in respect of the other, I need to consider the issue of invalidation of a series of trade marks.

40) The concept of a series of trade marks is alien to the Directive^{xxxiv}. However, in relation to an invalidation action the first port of call has to be the Directive. Article 4 of the Directive begins with the following: “A trade mark shall not be registered or, if registered, shall be liable to be declared invalid.” The Article then goes on to give the various grounds for refusal or invalidation on the basis of relative grounds. So the Directive identifies the issue as being one relating to a particular trade mark; which, of course, is not surprising as the Directive does not even contemplate series of trade marks. The purpose of section 47 of the Act is to implement Article 4, as far as is required, and so the grounds for invalidation are limited to those within the Directive; so it is not a ground of invalidation that a series of trade marks is not a series.

41) In his written submissions Mr Moody-Stuart commented upon the distinction between the terms “trade mark” and “registration”. He submitted that the absolute and relative grounds for refusal or invalidation of registrations in both the Act and the Directive apply to the trade marks registered or applied for, not to registrations as such. Mr Moody-Stuart submits that there is no power under the Act to declare a trade mark registration invalid in respect of a trade mark for which the grounds of invalidity do not apply. He submits that if the grounds for invalidation apply only to one out of a number of trade marks registered as a series, then the registration of the individual trade mark can be declared invalid but there is no legal basis or power under which the other trade marks of the series can be declared invalid. Mr Moody-Stuart goes on to submit that under section 47(5) it is possible that a declaration of invalidation could be made out against one trade mark of a series in respect of some of the goods of the registration.

42) Mr Moody-Stuart submits that there is no power under rule 21 of the Trade Mark Rules 2000 (as amended) (the Rules) to order division of the application. However, he does not consider that under the provisions of section 47(6) and 64(5) of the Act that there is any need for such a power. Rule 21 only allows for division of applications, not registrations. However, rule 21(3) does allow the proprietor of a registered series of trade marks to request the deletion of a trade mark in the series. Section 64(5) allows the registrar to “remove from the register matter appearing to him to have ceased to have effect”. He submits that the removal of a trade mark of a series falls within this category of removing matter from the register. So Mr Moody-Stuart is saying that a trade mark is matter in the context of the Act. If Mr Moody-Stuart’s submission is correct then, *inter alia*, section 64(5) is stating the registrar may remove a trade mark from the register if it appears to him that it has ceased to have effect. I cannot read “matter” in this way, especially in the context within which it is used; the word indicates that it is something that is sub-ordinate to the registration and rights of the trade mark, not the trade mark itself. The wording states “ceased to have effect”, so this indicates that it is matter that at one time had a basis but over time no longer has. This cannot apply to an invalidation of

a trade mark, where the registration is deemed never to have had effect. The wording in any normal reading has to be seen as relating to something which at the time of registration had effect and was relevant but with the passage of time no longer is relevant. I do not consider that section 64(5) of the Act allows for the removal of a trade mark from the register.

43) In his submissions Mr Engelman refers to the definition of a series of trade marks from section 41(2) of the Act:

“A series of trade marks means a number of trade marks which resemble each other as to their material particulars and differ only as to matters of a non-distinctive character not substantially affecting the identity of the trade mark.”

He then refers to section 44(1) of the Act which prohibits the alteration of a registered trade mark upon the register during the period of registration or on renewal other than, under section 44(2) of the Act, “where the mark includes the proprietor’s name or address and the alteration is limited to alteration of that name or address and does not substantially affect the identity of the mark”. He then refers to rule 21(3), which I have referred to above. Mr Engelman goes on to write:

“The question then arises whether a deletion constitutes an alteration in the Register. Clearly, it would not because the deletion contemplates one which does not affect the character of the trade mark. Were it to affect the character of the trade mark then the marks should never have been dealt with as a series and/or the deletion should not be sanctioned by the Registrar.”

Mr Engelman conflates a registration with a trade mark; the wording of section 44(1) refers to a trade mark not a registration; a registration does not have “character”, only a trade mark can have this quality. The registrar does not have a discretion in deleting a trade mark from a series at the request of the proprietor. The Rules states that he “shall delete the mark accordingly”. Mr Engelman is also making the assumption that because a group of trade marks have been accepted as a series that they have the characteristic of a series. If a kernel of sweetcorn by mistake appears in a bag of peas it does not mean that the sweetcorn is a pea. There also appears to be the presumption in what he is saying that a series of trade marks have to be treated as a job lot. However, the Directive and the Act require comparing individual trade marks. The logic of the argument of Mr Engelman is that I could choose either of the trade marks of the series and make the comparison with the trade mark of my choice. If I decided that there was no case against one, for example the non word only trade mark, then there would be no case against the word only trade mark. This would seem an odd outcome to me. I also find it difficult to square with the Directive and the Act.

Mr Engelman finishes his written submissions by stating:

“If the series is not a true series, then Rule 21(3) cannot bite, and deletion cannot be ordered by the Registry.”

Rule 21(3) can only be activated at the request of a proprietor, so deletion cannot be ordered under this rule. If a proprietor does seek deletion of a trade mark in a series the registrar has no discretion in this matter, as noted above.

44) I consider that the key to the matter is that referred to by Mr Moody-Stuart; the legislation deals with grounds for invalidation of trade marks not registrations. If the registration is for only one trade mark the registration ceases, however, if there are a series of trade marks then one trade mark could be declared invalid, another not, and there would still be a registration. I do not consider that there is any requirement for subsidiary legislation in relation to this. The Directive and the Act clearly refer to grounds in relation to a trade mark; that is all there is the power to do. To accept Mr Engelman's argument would be to, potentially, invalidate a trade mark without any basis in the Directive or the Act; I suggest that this course of action would clearly be unlawful.

45) I have only considered that the grounds of invalidation of Four Star do relate to both trade marks as in its statement of grounds it refers to the registration, although it only identifies the CICA trade mark, because I have accepted that by referring to the registration it is referring to both trade marks, although with some misgivings. Mr Moody-Stuart did not submit that the grounds should only be seen as relating to one of the trade marks and this has never been argued by C & J.

46) This is an unusual case in that there is such a difference between the trade marks of the series. It is my conclusion that if there were grounds for partial invalidation against only one of the trade marks of the registration then it would have been beholden upon me to have partially invalidated that trade mark only. I could not partially invalidate a trade mark against which there were no valid grounds for the partial invalidation. If this had been the case it would have given rise to further matters for consideration; as one would have ended up with a series of trade marks with different specifications. It would have been necessary to find a way of recording the difference in the specifications, however, that is an administrative rather than a legal issue and not something that I have to deal with in this case. (A similar situation arises, and is dealt with, where there is a partial assignment of a trade mark; although this deals with the goods or services being split.)

Costs

47) Four Star having been successful, for the most part, is entitled to a contribution towards its costs. Mr Engelman suggested that there should be some compensation in the costs for Mr Moody-Stuart raising matters at the hearing which he did not consider were raised in his skeleton argument; the matter of the material dates was not raised in the skeleton argument. Costs are awarded as a compensation for costs that have been incurred. I do not consider that the fact that Mr Moody-Stuart did not raise this matter in his skeleton argument gave rise to any additional costs. I consider that costs should be awarded as per the scale.

I award costs on the following basis:

Application for invalidation fee:	£200
Statement of grounds:	£300
Considering statement of case in reply:	£200
Preparing and filing evidence:	£500
Considering evidence of C & J:	£250
Preparation for and attendance at hearing:	£1,000

Total £2,450

I order C & J Clark International Limited to pay Four Star Distribution the sum of £2,450. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

Dated this 9th day of August 2007

David Landau
For the Registrar
the Comptroller-General

ⁱ “50 In this judgment (which is not available in English) the CFI stated: Was das Verhältnis zwischen den von der älteren Marke erfassten Produkten der Kategorie „Schuhe“ und Bekleidungsstücken angeht, so ist zunächst ihr vergleichbarer Verwendungszweck hervorzuheben. Beide Warenarten dienen zwei unterschiedlichen Aspekten der Gestaltung des äußeren Erscheinungsbilds einer Person in praktischer und

ästhetischer Hinsicht. Allerdings stehen sie, da sie nicht austauschbar sind, zueinander nicht in einem Konkurrenzverhältnis. Die Zusammenhänge zwischen den jeweiligen Verwendungszwecken und die geschäftliche Wirklichkeit, in der eine erhebliche Anzahl von den Durchschnittsverbrauchern wohlbekanntes Marken sowohl Bekleidungsstücke als auch Schuhe kennzeichnen, sind jedoch geeignet, eine Ähnlichkeit zwischen den fraglichen Waren zu begründen, wenn auch diese Ähnlichkeit nur gering ist (in diesem Sinne Urteil des Gerichts vom 13. Juli 2004 in der Rechtssache T-115/02, AVEX/HABM – Ahlers [a], noch nicht in der amtlichen Sammlung veröffentlicht, Randnrn. 26 und 27).

51 Hinsichtlich der umfassenden Beurteilung der Verwechslungsgefahr ist daran zu erinnern, dass in der Bekleidungsbranche häufig ein und dieselbe Marke je nach Art der mit ihr gekennzeichneten Waren verschiedene Gestaltungen aufweist und dass in dieser Branche ein und dasselbe Unternehmen üblicherweise Untermarken verwendet, d. h. von einer Hauptmarke abgeleitete und mit dieser einen gemeinsamen dominanten Bestandteil teilende Zeichen zur Kennzeichnung seiner verschiedenen Produktserien (Urteil Fifties, Randnr. 49). Wie sich aus den obigen Ausführungen in Randnummer 46 ergibt, könnte der Verbraucher glauben, dass der Begriff „Jello“ eine von der älteren Marke „Schuhpark“ abgeleitete Marke bezeichnet. Er könnte daher weiter annehmen, dass die mit der Anmeldemarke „JELLO SCHUHPARK“ und die mit der älteren Marke bezeichneten Produkte vom selben Unternehmen oder von wirtschaftlich verbundenen Unternehmen stammen. Angesichts der Ähnlichkeit der streitigen Zeichen und der Warenidentität bei „Schuhen“ sowie der – wenn auch geringen – Warenähnlichkeit bei „Bekleidungsstücken“ ist die von der Beschwerdekammer getroffene Feststellung zu bestätigen, dass in Bezug auf die einander gegenüberstehenden Marken bei den maßgeblichen Verkehrskreisen die Gefahr von Verwechslungen besteht. Dass die Beschwerdekammer in Randnummer 42 der angefochtenen Entscheidung von einer hochgradigen Ähnlichkeit zwischen Bekleidungsstücken und Schuhen ausgegangen ist, genügt für sich allein nicht, um die Rechtmäßigkeit der angefochtenen Entscheidung in Frage zu stellen, da der zwischen den beiden Zeichen bestehende Grad an Ähnlichkeit ausreichend ist, um eine Verwechslungsgefahr zu begründen. Der Klagegrund eines Verstoßes gegen Artikel 8 Absatz 1 Buchstabe b der Verordnung Nr. 40/94 greift daher nicht durch. Demgemäß ist die Klage abzuweisen.“

ii “9) Having received the skeleton arguments, I notified counsel that I considered that it would be helpful to receive submissions in relation to what the material date(s) was. I drew their attention to the comments of Professor Annand, sitting as the appointed person, in BL O/227/05:

“My own view is that the starting point for assessing relative invalidity under section 47(2) is the date of the application for registration of the attacked mark. This is because Article 4 of the Directive: (i) defines “earlier trade marks” for the purposes of relative invalidity as trade marks with a date of application for registration which is earlier than the date of application for registration of the attacked mark; and (ii) requires other earlier rights to have been acquired before the date of the application for registration of the attacked mark. However, I believe the wording of Article 4 (section 47(2)) may allow the tribunal to take into account at the date when invalidation is sought, matters subsequently affecting the earlier trade mark or other earlier right, such as, revocation for some or all of the goods or services, or loss of distinctiveness or reputation. I do not find the fact that the Directive specifically provides for defences to invalidation of non-use, consent and acquiescence indicative either way. A further question concerns the cut-off date for taking into account subsequent events. Is this the date of the application for a declaration of invalidity or the date when the invalidity action or any appeal is heard? The Opinion of Advocate General Colomer in Joined Cases C-456/01 P and C-457/01P Procter & Gamble v. OHIM, 6 November 2003, paragraphs 43 – 44, and the Court of First Instance decision in Case T-308/01 Henkel KGaA v. OHIM (KLEENCARE), 23 September 2003, paragraph 26, although concerned with registrability and opposition respectively, indicate the latter. There are indications that timing issues under the harmonised European trade marks law are beginning to be brought to the attention of the ECJ (see, for example, the questions referred in Case C-145/05 Levi Strauss & Co. v. Casucci SPA).”

I also asked them to consider the findings of the European Court of Justice (ECJ) in *Levi Strauss & Co v Casucci SpA* Case C-145/05. In that case the ECJ stated:

“17 The proprietor’s right to protection of his mark from infringement is neither genuine nor effective if account may not be taken of the perception of the public concerned at the time when the sign, the use of which infringes the mark in question, began to be used.

18 If the likelihood of confusion were assessed at a time after the sign in question began to be used, the user of that sign might take undue advantage of his own unlawful behaviour by alleging that the product had become less renowned, a matter for which he himself was responsible or to which he himself contributed.

19 Article 12(2)(a) of Directive 89/104 provides that a trade mark is liable to revocation if, after the date on which it was registered, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered. Thus, by balancing the interests of the proprietor against those of his competitors in the availability of signs, the legislator considered, in adopting this provision, that the loss of that mark’s distinctive character can be relied on against the proprietor thereof only where that loss is due to his action or inaction. Therefore, as long as this is not the case, and particularly when the loss of the distinctive character is linked to the activity of a third party using a sign which infringes the mark, the proprietor must continue to enjoy protection.

20 In the light of all the foregoing, the answer to the first and second questions must be that Article 5(1) of Directive 89/104 must be interpreted as meaning that, in order to determine the scope of protection of a trade mark which has been lawfully acquired on the basis of its distinctive character, the national court must take into account the perception of the public concerned at the time when the sign, the use of which infringes that trade mark, began to be used.

36 Accordingly, after revocation in the particular case has been established, the competent national court cannot order cessation of the use of the sign in question, even if, at the time when that sign began to be used, there was a likelihood of confusion between the sign and the mark concerned.

37 Consequently, the answer to the fourth question must be that it is not appropriate to order cessation of the use of the sign in question if it has been established that the trade mark has lost its distinctive character, in consequence of acts or inactivity of the proprietor, so that it has become a common name within the meaning of Article 12(2) of Directive 89/104 and the trade mark has therefore been revoked.”

Subsequently, counsel produced supplementary skeleton arguments and addressed this matter.

10) Under Article 4.4 (b) the rights must have been acquired prior to the date of application for registration. That right is also qualified as being a right that would confer upon the proprietor the right to prohibit the use of a subsequent trade mark. So one material date is clearly set out in the Directive. UK has to establish that by the date of application for registration, 18 December 1992, it could prevent the use of the trade mark under the law of passing-off. If it cannot do this its case is lost. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Owing to Article 4.4 (b) the date for establishing the preventive right cannot be later than the date of application, but passing-off is about the behaviour complained of. So one could look to a date earlier than the date of application if the behaviour complained of arose before the date of application. In this case the behaviour complained of is the use of the trade mark in relation to the goods of the registration. There is no evidence of any such use prior to 18 December 1992. So the first material date is the date of application.

11) Article 4.4 (b) of the Directive and section 47(2)(b) of the Act use the present tense. Too much can be easily read into the use of the present tense, it is the natural tense to use in legislative texts; which are not drafted by committees of philologists. The comments of Professor Annand and the judgment of the ECJ in *Levi Strauss & Co v Casucci SpA* suggest that a later date may also need to be considered; so that an applicant will not only have to succeed in its claim at the date of application but also at a later date. This is clearly the position in relation to grounds relating to the distinctiveness of a trade mark. The proviso to section 47(1) of the Act, derived from Article 3.3 of the Directive, states that a trade mark registered in breach of subsection (3)(1)(b), (c) or (d) of the Act shall not be declared invalid if, in consequence of the

use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered. So the Act recognises, at least in relation to certain grounds, that where the grounds no longer exist a trade mark shall not be declared invalid.

12) One can consider certain situations in relation to applications for invalidation on relative grounds. A registration is attacked on the basis of the law of passing-off. The registration was filed twenty years earlier. At the time that attacker could succeed, however, its goodwill has dissipated and the registered proprietor has built up its own goodwill. So the attacker would not have been able to succeed in a passing-off case for fifteen years. It would seem odd that such an attacker could succeed. A trade mark registration may have lapsed after the date of application for a registration and after it was registered. The attacker could prove use within the relevant period although it no longer had a trade mark registration. Again it would seem odd that a registration should be invalidated because of a trade mark registration that no longer existed. In *Levi Strauss & Co v Casucci SpA* the ECJ clearly considered that matters after registration of a trade mark had to be taken into account in an infringement action and will have a bearing on the remedies of the action.

13) It is difficult to see the purpose of invalidating a trade mark when the basis for the invalidation no longer exists. In these circumstances, I consider that the use of the present tense does have weight and effect; it is intrinsic to the purpose of the Directive and the Act. It is a position that is, in my view, recognised by the ECJ in *Levi Strauss & Co v Casucci SpA*. Consequently, there is a second later date that has to be considered in an invalidation action. What is that date? Ms Clark submitted:

"I think the same must apply here because otherwise you have an open-ended enquiry and it is difficult to see how you could ever complete the rounds of evidence. As a purely practical matter, I would tend towards saying that you are looking at the date of the application for a declaration of invalidity because I cannot see otherwise how you conclude your rounds of evidence or end up at a decision. Supposing you go up on appeal. Fresh evidence as to what has happened since the hearing below. Is it the case that when the rounds of evidence finish as in some cases happen in 2003 and then the parties talk for four years you get to 2007 and they say, "Oh, hang on a minute, things have moved on, Registry.""

So she adopted a pragmatic approach, which gave the second date as that of the date of application for invalidation. It is certainly a pragmatic approach that would be to the administrative convenience of the Registry. However, such an approach could be to the distinct inconvenience of a registered proprietor. The fundamental principle has to be, in my view, should the trade mark be declared invalid with all the evidence in and considered. In *Scandecor Development AB v Scandecor Marketing AB* [2002] FSR 7 Lord Nicholls stated:

"49 The claim in these proceedings is that, in consequence of the use made of the marks by Scandecor Marketing and Scandecor Ltd with the consent of Scandecor International, the marks are "liable to mislead the public". That is essentially a question of fact. That question of fact must be answered having regard to matters as they now are, not as they were at some time in the past. In deciding this issue of fact the court must have due regard, as I have been at pains to emphasise, to the message which a trade mark conveys. But since the question is whether the marks are currently liable to mislead, the message which is relevant is the message which use of the marks conveys today, not the message it would have conveyed to the public in the past."

So he was looking at the date of trial as the date at which the question had to be considered. This was a case dealing with section 46(1)(d) of the Act, revoking a trade mark registration on the basis that in the consequence of the use made of it, it is liable to mislead the public. The principle seems good for an invalidation action on relative grounds. If at the date of the trial/hearing there is no longer a basis to invalidate a trade mark, should it be invalidated for administrative convenience. If one is attaching one self to the date of application for invalidation, does one ignore evidence filed in the evidence rounds dealing with matters after the date of application? The latter course of action would seem to be untenable. Taking the date of hearing as the second material date may give rise to administrative problems at times but administrative convenience should not override the purpose of the law. If late evidence is filed, there can

always be compensation in costs for the other side. I consider that the second material date has to be the date of the hearing.

14) So the first material date is the date of application for registration and there is a second material date, the date of the hearing. So for UK to succeed it has to establish that it could have prevented use of the trade mark as of 18 December 1992 and that it could also have prevented use of the trade mark on 6 June 2006. It has to succeed on both dates; if it fails in relation to the first material date, its case fails.”

ⁱⁱⁱ See *Société provençale d'achat and de gestion (SPAG) SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-57/03 and React Trade Mark* [2000] RPC 285.

^{iv} The earlier incorrect translation of ‘Verwendungszweck’ in the English version of the judgment has now been corrected.

^v *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

^{vi} *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

^{vii} *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

^{viii} *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

^{ix} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use”

^x In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-133/05* the Court of First Instance (CFI) 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).”

This was also the position of Professor Annand, sitting as the appointed person in *Galileo International Technology LLC v Galileo Brand Architecture Limited* BL 0/269/04 Professor Annand.

^{xi} “On behalf of TEL, Mr Bloch argued that it follows from this observation that Premier could not rely upon the way in which it actually uses the TY.PHOO mark, and that, therefore, Premier could not claim a reputation in so far as it is based on its colour scheme (and in particular on the fact that the mark TY.PHOO was frequently used written white on red): Premier's trade mark registration is not limited to that, or any other particular colour scheme. I do not accept that submission. Premier's registrations are for the word mark TY.PHOO and, as Jacob J. said, the allegedly infringing sign has to be compared with that mark

"used in a normal and fair manner in relation to goods for which it is registered". In my judgment, in the absence of argument or evidence to the contrary, the way in which the proprietor actually uses the mark can be said, at the very least prima facie, to be the paradigm case of its use in a normal and fair manner. It seems to me that Mr Arnold was also correct in submitting that this conclusion was consistent with the proposition, established in the three decisions of ECJ to which I have referred, that acquired reputation can broaden the protection afforded to a mark, even one which was initially wholly undistinguished. In the present case, Premier's most frequent depicted use of the TY.PHOO mark (white capitals on a red background with the T in somewhat larger format than the rest) appears to me to be a normal and fair manner of the use of the mark."

^{xii} *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 147/03*. "107 It follows that by taking into consideration in the assessment of the likelihood of confusion between the marks the particular circumstances in which the goods covered by the earlier mark are marketed, the temporal effect of which is bound to be limited and necessarily dependent solely on the business strategy of the proprietor of the mark, the Board of Appeal erred in law."

^{xiii} "CICA is on course to continue taking advantage of the growing sports market and, with your support and help, work towards our goal of being the Number One kids' sports shoe brand."

^{xiv} *El Corte Inglés SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 443/05*. "37 In assessing the similarity of the goods, all the relevant factors relating to those goods should be taken into account, including, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary (*Canon*, paragraph 35 above, paragraph 23). Other factors may also be taken into account such as, for example the distribution channels of the goods concerned (*Case T-164/03 Ampafrance v OHIM – Johnson & Johnson (monBeBé)* [2005] ECR II-1401, paragraph 53)."

^{xv} *El Corte Inglés SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 443/05*.

^{xvi} *Les Editions Albert René v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-336/03*: "The mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature, intended purpose and the customers for those goods may be completely different."

^{xvii} *Sabel BV v Puma AG* [1998] RPC 199.

^{xviii} *Sabel BV v Puma AG* [1998] RPC 199.

^{xix} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

^{xx} *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^{xxi} The legal principle of *iudex judicare debet secundum allegata et probata partibus*.

^{xxii} See to that effect *Ontex NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 353/04*: "68 It must be pointed out that although, strictly speaking, the visual impression of a sign consists of the overall impression it produces, the fact that some of its constituents produce a greater or lesser visual impact cannot be ruled out. That is also true in a case such as the present, in which the sign consists of a single word. The sequence 'e-u-r-o' of the earlier mark immediately attracts the visual attention of consumers. That is due to the multiple repetition, in consumers' everyday life, of situations in which they are led to perceive various words constituted by that sequence of letters, including, in particular, the word 'euro', relating to the single currency, or even the words 'Europe' and 'European'.

The visual attraction of the sequence in question is instinctive. It does not, therefore, depend on a conceptual analysis of the earlier mark by consumers or on the fact that they attribute a specific meaning to it.”

^{xxiii} There is a tranche of European case law, from *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-292/01 onwards, that holds that for the conceptual meaning of a trade mark or part of a trade mark to be of significance in relation to a likelihood of confusion the meaning must be clear and obvious.

^{xxiv} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

^{xxv} See for instance *Eurodrive Services and Distribution NV c Office de l'harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI)* Case T- 31/04 and *Alecansan, SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-202/03.

^{xxvi} In *esure Insurance Limited v Direct Line Insurance plc* [2007] EWHC 1557 (Ch) Lindsay J reviews the case law as to whether there is a threshold test.

^{xxvii} *Société provençale d'achat and de gestion (SPAG) SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-57/03. This is also the position of Mr Simon Thorley QC, sitting as the appointed person, in *React Trade Mark* [2000] RPC 285: “There is no evidence to support Ms Clark's submission that, in the absence of any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection of goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely primarily on visual means to identify the trade origin of clothing, although I would not go so far as to say that aural means of identification are not relied upon.”

^{xxviii} *Mülhens GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-206/04 P.

^{xxix} *Quelle AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 88/05: “68 Therefore, in the global assessment of the likelihood of confusion, the visual, phonetic or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (Case T-129/01 *Alejandro v OHIM – Anheuser Busch (BUDMEN)* [2003] ECR II-2251, paragraph 57, and *NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 53 supra, paragraph 49). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing marks are marketed. If the goods covered by the marks in question are usually sold in self-service stores where consumers choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any phonetic similarity between the signs (*NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 53 supra, paragraph 49).

69 Likewise, the degree of phonetic similarity between two marks is of less importance in the case of goods which are marketed in such a way that, when making a purchase, the relevant public usually perceives visually the mark designating those goods (*BASS*, paragraph 56 supra, paragraph 55, and Case T-301/03 *Canali Ireland v OHIM – Canal Jean (CANAL JEAN CO. NEW YORK)* [2005] ECR II-2479, paragraph 55). That is the case with respect to the goods at issue here. Although the applicant states that it is a mail order company, it does not submit that its goods are sold outside normal distribution channels for clothing and shoes (shops) or without a visual assessment of them by the relevant consumer. Moreover, while oral communication in respect of the product and the trade mark is not excluded, the choice of an item of clothing or a pair of shoes is generally made visually. Therefore, the visual perception of the marks in

question will generally take place prior to purchase. Accordingly, the visual aspect plays a greater role in the global assessment of the likelihood of confusion (*NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, paragraph 53 supra, paragraph 50). The same is true of catalogue selling, which involves as much as does shop selling a visual assessment of the item purchased by the consumer, whether clothing or shoes, and does not generally allow him to obtain the help of a sales assistant. Where a sales discussion by telephone is possible, it takes place usually only after the consumer has consulted the catalogue and seen the goods. The fact that those products may, in some circumstances, be the subject of discussion between consumers is therefore irrelevant, since, at the time of purchase, the goods in question and, therefore, the marks which are affixed to them are visually perceived by consumers.”

^{xxx} *Sabel BV v Puma AG*.

^{xxxi} *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

^{xxxii} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

^{xxxiii} *esure Insurance Limited v Direct Line Insurance plc* [2007] EWHC 1557 (Ch) Lindsay J : 56. A "likelihood" is not a probability; the requirement is less stringent than that. Learning from a quite different area of the law suggests that where "likelihood" is unqualified by other words (e.g. "more likely than not") then it requires no more than that there is a real prospect that the material consequence – here confusion – should exist – consider *In re Harris Simons Construction Ltd* [1989] 1 WLR 368 per Hoffmann J. and the cases cited in the 2007 White Book at note 24.2.3. Such a view would seem also to accord with the fact that in its German form the corresponding requirement of the Directive is that there need be only a "risk" of confusion – see the Advocate-General in *Sabel* at p I-6195.

^{xxxiv} First Council Directive 89/104 of December 21, 1988 – To approximate the laws of the Member States relating to trade marks.