

O-207-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2498061
BY
VIRGIN MEDIA TELEVISION LIMITED
TO REGISTER THE TRADE MARK**



IN CLASS 25

AND

**THE OPPOSITION THERETO
UNDER NO 99105
BY
LINING SPORTS (SHANGHAI) COMPANY LIMITED**

Trade Marks Act 1994

**In the matter of application 2498061
by Virgin Media Television Limited
to register the trade mark:**



**in class 25
and the opposition thereto
under no 99105
by Lining Sports (Shanghai) Company Limited**

1. On 18 September 2008, Virgin Media Television Ltd (which I will refer to as Virgin) applied to register the above trade mark. Following examination, the application proceeded to publication in the *Trade Marks Journal* on 13 February 2009.

2. Lining Sports (Shanghai) Company Limited (which I will refer to as LS) filed notice of opposition to the trade mark application. A post-publication amendment to the application was made which does not affect this opposition. LS attacks only class 25 of the application, which is for *clothing, headgear, footwear*. LS claims that registration of the trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act) which states:

“(2) A trade mark shall not be registered if because –

....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

To support this ground, LS relies upon the class 25 goods of its earlier registered mark:

2423534



Clothing, footwear and headgear; coats; wind coats; woollen sweaters; leather dresses; outerwear; padded feather coats; suits; jackets; shirts; T-shirts; vests; skirts; trousers; informal dress; sportswear; pants; jogsuits; activewear; gym suits; clothing used for judo; swimming suits; bathing drawers; caps; hats; berets; headbands; capes; shawls; felt hats; ties; dress shields; footwear; boots; sandals; slippers; sneakers; gymnastic shoes; football shoes; football boots; track shoes; mountain climbing shoes; ski boots; walking shoes; training shoes; pingpong shoes; tennis shoes; badminton shoes; basketball shoes; leather shoes; casual shoes; socks; sports socks; stockings; felt hose; gloves; mittens.

3. Virgin filed a counterstatement denying that the marks are similar so as to cause confusion. It states that the earlier mark consists of the dictionary word LINING presented in a stylised format with a hyphen between the 'l' and the 'N'. In contrast, the application consists of the dictionary word LIVING. I have borne in mind the remainder of the counterstatement which consists of submission. The first two rounds of evidence resulted in witness statements without exhibits from both parties. The statements contained no facts so I will not summarise them but I have considered the submissions therein in making this decision. I will summarise the third-filed evidence (LS's 'evidence-in-reply') below. Neither side requested a hearing, both being content for a decision to be made from the papers on file, including submissions by Virgin in lieu of a hearing.

Evidence

4. The earlier trade mark completed its registration process on 5 January 2007. As this is less than five years before the application was published, the earlier mark is not subject to the proof of use regulations¹. The evidence which LS has filed is in the form of internet prints and a witness statement by Emma Christina Anne Hodson, LS's trade mark attorney in these proceedings, dated 2 February 2010. She states that the earlier mark is the full name of the president of LS, namely Mr Li Ning who is a famous Chinese gymnast, having some 106 gold medals to his name and the accolade of igniting the cauldron during the opening ceremony of the 2008 Olympic Games in Beijing. When he retired from competition gymnastics, Mr Li Ning founded the opponent which has used the trade mark in China since 1989 and which has traded in the UK since 2005. Ms Hodson exhibits at ECAH1 the first 100 hits from an internet search for LI-NING which produced 418,000 hits. All but one of the 100 hits refer to the athletic and business activities of Mr Li Ning. The search was of the whole worldwide web, rather than UK-only. ECAH2 shows extracts from LS's website and Wikipedia. The date of print is 2 February 2010 and the text does not refer to LS prior to the date of application other than a passing reference to its foundation in 1990. Ms Hodson states that in 2008 LI-NING was recognised as a well-known mark by the Chinese Trade Mark Office and has also been recognised as a famous mark of

¹ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

Shanghai by the Shanghai Administration for Industry and Commerce. The mark referred to in exhibit ECAH3 is:



5. Ms Hodson states that the trade mark appears on all of LS's products including in the form shown above. She states that the copies of photographs in exhibit ECAH4 of celebrities and award-winning gymnasts show them wearing LS's clothing bearing the trade mark LI-NING at world famous sports events such as the Olympic games. Ms Hodson states that all of these events would have received worldwide television coverage, and that UK consumers will have seen the earlier trade mark in use on the television and at events. The quality of the exhibits in ECAH4 is exceptionally poor; it is impossible to discern even the faces of the people let alone trade mark detail. ECAH5 is a list of LS's trade mark registrations in other countries for LI-NING and marks which include LI-NING.

Decision

6. The leading authorities which guide me in this ground are from the Court of Justice of the European Union (ECJ): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) 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; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*.

Average consumer and the purchasing process

7. The average consumer of clothing, footwear and headgear is the general public. The level of attention will vary according to the particular nature and cost of the item being purchased. Buying clothes is primarily a visual activity rather


than an oral one²; the public is increasingly brand conscious and the visual appearance of the trade mark and where it is placed on the clothing or footwear item is of some importance to many purchasers. In general, clothing is a reasonably considered purchase as items may be tried on, but not highly considered (as with specialist or technical goods).

Comparison of goods

8. Virgin’s written submissions contain an acceptance of identity. The goods are clearly identical owing to the whole of Virgin’s specification appearing at the start of LS’s specification.

Comparison of trade marks

9. The authorities direct that, in making a comparison between the marks, I must have regard to each mark’s visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details. The marks to be compared are:

Earlier mark	Application
	

10. The application consists of a single word at the top edge of a black rectangular block. Of the two elements, the word element is the dominant, particularly so because in trade marks consisting of words superimposed upon plain blocks of colour, it is usually the word element which has dominance. In this mark, the word is also visually striking by virtue of the position of the letters relative to the edge of the rectangle. The earlier mark is comprised of two elements separated by a hyphen. Although the second element is longer than the first, neither can be said to be clearly distinctive or dominant relative to the other. The marks both contain six letters, both begin with ‘L’ and both end with ‘ING’. It is the fourth letter that differs: ‘N’ and ‘V’. LS submits that the ‘V’ is in a slanted typeface in contrast to the remainder of the application and that the slanting ‘V’ shares similarities with the slanting nature of the letters as they are

² See *Société provençale d’achat and de gestion (SPAG) SA v OHIM* Case T-57/03, paragraph 66, and *React Trade Mark* [2000] RPC 285.

shown in earlier mark. Of itself, I do not think this argument is a strong one. I have considered whether the 'V' and subsequent 'I' in the application look like a backward 'N' but to some extent this question is indissoluble from what the eye thinks it sees; in other words it is bound up with conceptual considerations. The hyphen in the earlier mark separates the second and third letters so that there can be no doubt that the 'N' is very clearly an 'N'. The main visual similarities, i.e. the length of the marks and the shared letters must be weighed against the differences, namely, the split element of the earlier mark where the letters are very clear and the particular graphic representation of the application. I conclude that there is a modest degree of visual similarity between the marks.

11. Despite the shared sequential lettering in both marks, their pronunciation in the UK by the average UK consumer will be subject to the following differences. The application is the common word LIVING, the first syllable of which contains a short 'i' as in the word 'giving'. The first syllable in the earlier mark, if run together with the second syllable, will be a long 'i' sound as in the words 'lining' and 'diving'. If spoken with a pause before the second syllable, the LI could still be pronounced as just described. It is unlikely that it would be pronounced as a short 'i' sound as a stand-alone syllable prior to a pause as that is awkward for an anglophone. Ms Hodson has said that the earlier mark is the name of a Chinese individual. In such circumstances, I imagine the LI element would be pronounced as in 'lee' but that would depend upon the mark's recognition in the UK as a Chinese name. My conclusion is that the earlier mark would either be pronounced as the common English word LINING, or with a pause between the syllables but with the same syllabic sounds as in LINING. Allowing for the similarity between the 'L' and 'ING' sounds but factoring in the overall LINING versus LIVING sound, there is a low degree of aural similarity between the marks.

12. Accordingly, conceptual analysis reveals a number of possibilities. The earlier mark is either an invented word comprising two separate elements, LI and NING; or it is a stylised representation of the English word LINING; or it is a Chinese name. Ms Hodson's first witness statement contains the submission that the earlier mark is meaningless for the goods; in her second witness statement she states that the mark is the name of a famous Chinese gymnast who is the founder of LS (the opponent's full name contains LINING without the hyphen). Virgin submits that the earlier mark is the dictionary word LINING, giving garment lining as a definition, and that its own mark is the dictionary word LIVING. If the earlier mark would be seen as LINING, then there is conceptual dissonance between the words LINING and LIVING. This would also be the case if the earlier mark was recognised as a Chinese name. There is no evidence that the UK general public would be aware of Mr Li Ning. To my knowledge, gymnastics does not have the high profile in the UK of other sports, largely dependent upon the success or celebrity status of UK participants, such as in football and latterly track cycling. Historically, the UK has not produced famous gymnasts and media exposure of the sport is limited. The connection

would then have to be made by the UK average consumer between the trade mark on clothing and a Chinese gymnast who was internationally successful twenty or more years ago. This seems unlikely. If the mark were to be recognised as a Chinese name, then this would mean that the meaning of the mark would be entirely different to the word LIVING. Finally, if the earlier mark is seen as an invention containing two separate elements of LI and NING, neither of which are English dictionary words, there is conceptual dissimilarity between the trade marks. In all the scenarios, there is no conceptual similarity.

Likelihood of confusion

13. 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 confusion³. In relation to clothing, if seen as LINING the mark alludes to an aspect of garments (linings) but is still inherently distinctive to a good degree: it is only allusive and is split by a hyphen. If seen as an invented word it is inherently distinctive. If it is seen as a Chinese name, it is unusual in the UK and distinctive to a good degree. The limited nature of LS's evidence cannot support a claim to an enhanced distinctive character.

14. Although the average consumer perceives trade marks as wholes and rarely has the opportunity to compare marks side by side, relying instead upon the imperfect picture he has of them in his mind, conceptual dissimilarity between marks is an important factor reducing the likelihood of imperfect recollection. According to the interdependency principle (*Canon*), a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods and services, and vice versa. The position here is that goods of both marks are identical. However, this is offset by the dissimilarities between the marks. Keeping in mind that clothing is a primarily visual purchasing act, I have found there to be a modest degree of visual similarity, a small degree of aural similarity and either conceptual dissonance or conceptual dissimilarity between the marks. The application has a clear and specific meaning which the public is capable of grasping immediately. The conceptual hooks which the two marks engender are completely different. Whether the earlier mark is seen as an invention of two elements, the word LINING or (unlikely) as a Chinese name, the clear and specific meaning of LIVING separates the marks. Visual and aural similarity can be offset by a lack of conceptual similarity, as found by the General Court in *Phillips-Van Heusen Corp v OHIM* [2004] ETMR 60. However, in this case it is not as though there is a strong visual and/or aural level of similarity against which a lack of conceptual similarity can be offset: the marks are not very similar visually or aurally either. Even with identity of goods, there is insufficient similarity between the marks to cause a likelihood of confusion in the direct sense, that is, confusing one for the other. Although it is common in the clothing sector for undertakings to use variant marks for different ranges of clothing, there

³ *Sabel BV v Puma AG* [1998] RPC 199.

is no common theme, no natural brand extension nor a variation in the marks which would cause the average consumer to expect the undertaking responsible for each mark to be economically connected. Taking all these factors into consideration, there is no likelihood of confusion. The opposition fails.

Costs

15. Virgin has been successful and is entitled to an award of costs on the following basis:

Considering the other side's statement and preparing a counterstatement:	£200
Preparing submissions/evidence and considering the other side's evidence and submissions	£600
Total:	£800

16. I order Lining Sports (Shanghai) Company Limited to pay Virgin Media Television Limited the sum of £800. 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 25 day of June 2010

**Judi Pike
For the Registrar,
the Comptroller-General**