

O/277/12

IN THE MATTER OF THE TRADE MARKS ACT 1994

-and-

**IN THE MATTER OF APPLICATION NO. 2505808 ELLA in the name of ELLA
SHOES LIMITED**

-and-

**IN THE MATTER OF OPPOSITION NO. 98970 THERETO BY HACHETTE
FILIPACCHI PRESSE S.A.**

**APPEAL TO THE APPOINTED PERSON FROM THE DECISION OF MR. DAVID
LANDAU ACTING ON BEHALF OF THE REGISTRAR OF TRADE MARKS DATED
27 APRIL 2011**

DECISION

1. This appeal concerns trade mark application 2505808 for the word ELLA in class 25 for footwear, made by Ella Shoes Limited ('the Applicant').
2. The application was opposed by Hachette Filipacchi Presse S.A. ('the Opponent'). Opposition was originally made under s5(2)(b), s5(3) and s5(4)(a) of the Trade Marks Act 1994. All three grounds were rejected by the Hearing Officer, but only the s5(2)(b) ground is pursued by way of appeal.

3. The relevant facts are, as the Opponent submitted, relatively straightforward. The Opponent is the company responsible for the well-known women's magazine ELLE. It engages in licensing activities under which the name ELLE is used by third parties across a range of products including footwear. The Opponent has a registration of the mark ELLE for shoes in class 25, number 1576959, the registration procedure for which was completed on 12 April 1996. Under s6A of the Act, the Opponent had to prove use of this mark in relation to shoes in the 5 year period immediately preceding the date of application (namely 21 February 2004 to 20 February 2009). Although nearly all the evidence seems to me to predate this period, the Applicant accepted at the hearing before the Hearing Officer that the Opponent had proved use and indeed had demonstrated a reputation in the field of shoes.
4. The Applicant has also used the mark in the United Kingdom since 2001. The turnover of shoes sold under the ELLA mark in the UK in that period averaged about £2M per annum, but had increased to nearly £3M per annum by 2010. Total sales in the UK were something in the region of 3 million pairs of shoes.
5. The hearing officer accepted that the goods in question were identical and that the marks were similar, but held that there was no likelihood of confusion between the marks. He therefore rejected the opposition.
6. Before me the opponent was represented by Mr Christopher Morcom QC. The applicant was represented by Mr Guy Tritton.
7. The approach which should be taken by an Appointed Person hearing an appeal on the issue of likelihood of confusion is that set out by Robert Walker LJ in REEF Trade Mark [2003] RPC 101 at 109-110, namely that he or she should '*show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle*'. As Mr Morcom pointed out, this does not preclude me from

overturning the decision even where no distinct and material error of principle can be found, provided it is clear to me that the decision was simply wrong. However, if the decision is one which a tribunal could reasonably have reached on the evidence, and there has been no distinct and material error of principle, then I should not simply substitute my view for that of the Hearing Officer.

8. In the present case, Mr Morcom accepts that the Hearing Officer set out the basic principles to be applied in assessing likelihood of confusion correctly in paragraph 70 of the Decision. Citing a number of the familiar decisions of the CJEU in this area, the Hearing Officer noted that he should assess *'the visual, aural and conceptual similarities of the marks'* by reference to *'the overall impressions created by the marks, bearing in mind their distinctive and dominant components.'*
9. The Hearing Officer dealt with conceptual similarity first. In paragraph 71 of his decision he noted that the mark ELLA was a common female forename in the United Kingdom. That is not in dispute on this appeal. He went on to deal with a submission made by counsel for the Opponent at the hearing before him (not Mr Morcom) that in Castellano and Italian, ELLA means 'she' and that this was therefore the concept of the mark. That submission was not pursued before me, so I need not consider it further, save to note that the Hearing Officer was plainly correct that the primary conceptual significance of ELLA in English is not displaced by its meaning in Castellano or Italian.
10. The Hearing Officer then pointed out that he had no evidence before him that ELLE was a female forename and that the Opponent had not argued that it was. Although Mr Morcom's skeleton argument did seem to rely on the fact that ELLE is used as a forename (referring to the supermodel Elle MacPherson), he did not seek to rely on that suggestion at the hearing.¹

¹ My own research reveals that ELLA is around 14th to 16th in the list of most popular girl's names in the UK, whereas ELLE does not feature in the top 100.

11. It was therefore common ground before me that the mark ELLA would be perceived by the average consumer as a female forename, and that the mark ELLE would be perceived by the average consumer as the French word for 'she'.
12. On this factual basis, Mr Morcom attacked the Hearing Officer's finding that the respective marks were '*conceptually dissonant*'. He contended that since both marks had strong female connotations, there was in fact a degree of conceptual similarity.
13. I do not regard the word '*dissonant*' as particularly useful in the context of conceptual (as opposed to aural) similarity. However, I do not think that the Hearing Officer was meaning to suggest anything other than that concepts conveyed by the two marks were quite distinct and different. I agree with him. Forenames and pronouns are different concepts. The fact that the particular forename and the particular pronoun in question are both female is in my view of no significance, given that the goods covered by the marks include shoes for women.
14. Turning to aural similarity, counsel for the Opponent contended before the Hearing Officer that ELLE might be pronounced 'ELLIE'. This was rightly rejected by the Hearing Officer and was not pursued before me. The Hearing Officer concluded that because ELLE was one syllable and ELLA two, the aural similarity of the marks was limited. Before me Mr Morcom submitted that the Hearing Officer was wrong '*to discount what was a clear and obvious aural similarity between the marks*'. I do not think that he did discount that similarity. He was merely noting that the identity of the initial syllable was offset by the doubling of the number of syllables, thus limiting the aural similarity between the marks.
15. As to visual similarity, the Hearing Officer noted, correctly, that the first three letters of the marks were the same, the difference lying in the last

vowel. He went on to quote a passage from the decision of the General Court in Inter-Ikea Systems BV v OHIM Case no. T-112/06 as follows:

'54. As regards the visual comparison between the verbal element of the contested mark and the earlier word marks, the applicant claims that the only difference between them is the presence of the letter 'd' in the contested mark and the letter 'k' in the earlier word marks [the words in question being IKEA and IDEA]. However, the Court has already held in Case T-185/02 Ruiz-Picasso and Others v OHIM – DaimlerChrysler (PICARO) [2004] ECR II-1739, paragraph 54) that, in the case of word marks which are relatively short, even if two marks differ by no more than a single consonant, it cannot be found that there is a high degree of visual similarity between them.'

Mr Morcom took me to Ruiz-Picasso and in particular to the paragraph of that case cited by the General Court, namely paragraph (54). This paragraph is certainly not authority for the proposition given in the last four lines of the passage quoted above (nor indeed is any other part of Ruiz-Picasso which I could find).

16. Paragraph 54 of Ruiz-Picasso actually reads as follows:

'As regards visual and phonetic similarity, the applicants rightly point out that the signs at issue each consist of three syllables, contain the same vowels in corresponding positions and in the same order, and, apart from the letters 'ss' and 'r' respectively, also contain the same consonants, which moreover occur in corresponding positions.² Finally, the fact that the first two syllables and the final letters are identical are of particular importance. On the other hand, the pronunciation of the double consonant 'ss' is quite different from that of the consonant 'r'. It follows that the two signs are visually and phonetically similar, but the degree of similarity in the latter respect is low.'

² the marks in issue were of course PICASSO and PICARO.

17. It will be noted that, contrary to what the General Court suggested in Inter-Ikea, the ECJ in Ruiz-Picasso:

- (a) did not give any direction, or even guidance, on the subject of '*word marks which are relatively short*';
- (b) did not find that in the case of marks (short or not) which differed by no more than a single consonant '*it cannot be found that there is a high degree of visual similarity between them*'
- (c) did not find even in the case of the marks before it (PICASSO and PICARO) that there was not a high degree of visual similarity (as opposed to aural similarity).

18. How the General Court in Inter-Ikea came to make an entirely erroneous characterization of this passage in Ruiz-Picasso is a mystery to me, but it should be noted for future reference that it is erroneous and should not therefore be followed.

19. The Hearing Officer, having cited the erroneous passage in Inter-Ikea, stated as follows:

'Taking into account the shortness of the trade marks, as per the above judgment, although there is visual similarity it cannot be held that there is a high degree of visual similarity'

Mr Morcom contended that this was a clear error of principle (if an understandable one) given that the passage relied on for the proposition was erroneous. I agree that the reasoning is wrong as a matter of principle. Absent the passage from Inter-Ikea, there could be no basis for laying down some arbitrary rule that 'short marks differing in only one letter cannot have a high degree of visual similarity'. The right approach as a matter of principle is to consider each case on its own merits.

20. However, I am far from convinced that the error of principle was 'material' to the decision. The Hearing Officer was engaged in an 'overall assessment' of the question of likelihood of confusion. Visual similarity is simply one element in that assessment. In considering visual similarity, it was clearly right to take into account the shortness of the marks, since a change of one letter in a mark which is only 4 letters long is clearly more significant than such a change in a longer mark. Ultimately whether one describes a 75% coincidence in letters as giving rise to a 'high degree of visual similarity' or simply a 'reasonable degree of visual similarity' seems to me to be a matter of semantics. What matters is that the Hearing Officer recognized the nature of the similarity (3 identical letters in the same order) and placed it in context (only 75% of the total number of letters). He clearly did recognize that there was considerable visual similarity, and simply concluded in paragraph 76 of his Decision that it was *'not of the highest level'*. This seems to me to be a perfectly reasonable view to take, regardless of the reasoning underlying it. I do not therefore consider that the error of principle identified above was material to his decision.

21. The final attack made by Mr Morcom on the decision of the Hearing Officer concerned his reliance on the absence of evidence of confusion. In paragraph 77 of his Decision, the Hearing Officer cited a line of authorities to the effect that a lack of actual confusion in the marketplace is often indicative of very little. In particular he quoted from the judgment of Millett LJ in The European Limited v The Economist Newspaper Limited [1998] FSR 283 at 291 that

'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'.

22. Having duly warned himself against the dangers of taking into account a lack of evidence of confusion, the Hearing Officer proceeded to consider

the relevance of that lack of evidence in the present case. He noted that there had been extensive use by the Applicant of the trade mark ELLA, including selling a good number of shoes and regular promotion at major trade exhibitions. He also noted that ELLE shoes were not sold in any particularly exclusive outlets, and that there was therefore no clear demarcation line between the two brands. He pointed out that the mark ELLA was not used with added matter but on its own as a trade mark on shoes. In my view these were all valid points – there was nothing extraneous to the marks themselves in this case which appeared to explain the absence of evidence of confusion.

23. Mr Morcom contended that the Hearing Officer should have attached no weight to the absence of evidence of confusion because it is notorious that confusion may occur without any instances coming to the Opponent's attention. I do not accept that the fact that confusion may occur invisibly means that the absence of evidence of confusion is always irrelevant. It may be noted that there are plenty of examples of cases where weight has been attached to the absence of evidence of confusion, including Laura Ashley v Coloroll [1987] RPC 1 at 7 and Elvis Presley Trade Marks [1999] RPC 16 at 585. It seems to me that it all depends on the facts. In particular one has to consider how and why instances of confusion might come to the attention of either party.

24. Of course, it is true to say that in the paradigm case where a customer is confused, buys the goods of the applicant/defendant by mistake, is happy with them and is never disabused of the confusion, no-one is ever likely to discover that confusion has occurred. However, even in the case of consumer goods, traders interact with their customers in a large variety of ways other than by way of straightforward purchase. Those interactions will often give a clear indication that confusion has occurred, as all practitioners in this field will recognize. Such interactions include goods being returned, complaints being made, inquiries being made as to

the availability of products or otherwise about the quality or performance of products, and responses to advertising.

25. In litigation or hard-fought trade mark opposition, one would expect the claimant or opponent to take steps to discover whether confusion has occurred through some or all of these routes, since evidence of actual confusion will greatly assist their case. Those steps may include asking their employees who deal with customer complaints, returns etc., requiring them to keep records of any instances which come to their attention, consulting records of communications with customers or asking retailers. In the present case, Mr Morcom fairly accepted in the course of argument that through the Opponent's '*vast scale of operation [they] would have been keeping a watchful eye out for any evidence of confusion*'. He also accepted that if they had found any such confusion they would have produced evidence of it.
26. In the circumstances of this case, it seems to me that it is reasonable to conclude that if confusion had been widespread, it would be surprising if no instance of it had come to the attention of one or other of the parties to this case. In the absence of any very obvious reason, extraneous to the trade marks, which would explain that absence of confusion, it is therefore entirely reasonable to take account of it when considering the s5(2)(b) objection.
27. In fact it is not fair to say, as Mr Morcom did in his skeleton argument, that the Hearing Officer attached '*considerable weight*' to the absence of evidence of confusion. He merely remarked that it was '*not something that can be ignored*' and '*has to be taken into consideration*'. All in all I cannot see any error of principle here.
28. In conclusion, I do not believe that the Hearing Officer made any material error of principle in his approach to this case. The understandable error arising out of paragraph 54 of the Inter-Ikea decision was not in the end

material to his finding. His conclusion on the evidence before him seems to me to have been one that he was perfectly entitled to reach and I therefore reject this appeal.

29. I will award the successful applicant the sum of £1,000 towards the costs of the appeal.

**IAIN PURVIS QC
THE APPOINTED PERSON**

18 July 2012