

O/309/12

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK REGISTRATION No. 2448653  
IN THE NAME OF CHIOMA EBILAH**

**AND IN THE MATTER OF AN APPLICATION FOR INVALIDITY No. 83770  
BY TAMASU BUTTERFLY EUROPA GMBH**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON  
BY THE PROPRIETOR  
AGAINST A DECISION OF MR. OLIVER MORRIS  
DATED 10 FEBRUARY 2012**

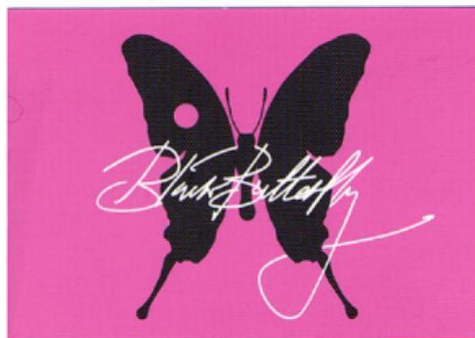
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**DECISION**

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**Introduction**

1. This is an appeal against a decision of Mr. Oliver Morris (BL O/057/12), the Hearing Officer acting for the Registrar, dated 10 February 2012, in which he partially declared invalid pursuant to the provisions of Section 47(2)(a) and 47(5) of the Trade Marks Act 1994, Trade Mark Registration No. 2448653 standing in the name of Chioma Ebilah (the "Proprietor").
2. Registration number 2448653 has a filing date of 6 March 2007 and concerns the figurative trade mark BLACKBUTTERFLY as represented below:



3. The registered goods were as follows:

Class 18

Leather goods including travel bags, luggage, hand bags for fashion, school and leisure, purses, wallets and related accessories namely, umbrellas and animal coverings, also includes the aforesaid items in non leather materials

Class 25

Clothing, footwear, headgear, belts.

4. On 3 June 2010, Tamasu Butterfly Europa GmbH (“Tamasu”) applied for a declaration of invalidity of Registration number 2448653 in respect of all the registered goods. The application was made under Section 47(2)(a) of the Act which provides:

“47(2) The registration of a trade mark may be declared invalid on the ground-

- (a) that there is an earlier in relation to which the conditions set out in section 5(1), (2) or (3) obtain”.

5. Tamasu alleged that the conditions of Section 5(2)(b) obtained. Section 5(2)(b) states that the registration of a trade mark must be refused where because it is similar to an earlier trade mark and is to be registered for identical or similar goods there exists a likelihood of confusion on the part of the public including a likelihood of association with the earlier trade mark.
6. For the purposes of Section 47(2)(a)/Section 5(2)(b) Tamasu relied upon their earlier International Registration (UK) number 921807 consisting of the word “Butterfly” protected in the United Kingdom in respect of, amongst other goods:

Class 18

Sports bags

Class 25

Clothing, in particular outer clothing, winter jackets, wind-resistant jackets, fleece jackets, briefs, T-shirts, sportswear, casual wear, sports shirts, sports trousers, tracksuits, jogging suits, leotards, sweatbands, headbands; knitwear, in particular, sweaters, jerseys, jumpers, jersey clothing; hosiery goods (clothing), in particular, stockings, socks, sports socks; terry cloth clothing, namely bath robes; shoes, in particular sports shoes for tennis and table tennis; headgear, in particular caps.

7. Since that earlier trade mark was not more than five years old (i.e., had not been protected in the UK for more than five years) at the date of the application for a declaration of invalidity, there was no requirement on Tamasu to prove that the earlier trade mark had been genuinely used in the UK in connection with the registered goods (Section 47(2A)).
8. The Proprietor took issue with the ground of objection in a Notice of defence and counterstatement filed on 10 August 2010 and evidence/argument submitted in a witness statement of Chioma Ebilah, dated 3 February 2011.
9. A hearing was appointed by the Registry on 2 December 2011. The Proprietor informed the Registry in writing on 25 October 2010 that she was unable to attend on that date. In response to her enquiry whether she had to be present, the Registry wrote in a letter to her, dated 3 November 2011:

“... Although the Registry has directed that a Hearing be appointed, the Hearing Officer has advised that there will be no sanction if you do not attend the Hearing.”

The Registry added that it would be advisable for the Proprietor to file written submissions in lieu of attendance and those should be submitted to the Registry on or before 30 November 2011.

10. In the event, the Proprietor did not take up the invitation to file further written submissions. Tamasu filed a skeleton argument and was represented at the hearing before the Hearing Officer by Mr. Alan Fiddes of Urquhart-Dykes & Lord LLP.

### **The Hearing Officer's decision**

11. The Hearing Officer decided as follows, in summary:

#### *Prospective rather than actual use*

- (i) The assessment of likelihood of confusion needed to be carried out on the basis of the respective marks as registered, that is, in respect of all the goods for which they were registered/protected. This was important because the Proprietor had addressed in her evidence, amongst other things, the parties' actual uses that lay in the fields of table tennis (Tamasu) and bespoke fashion goods (the Proprietor). The actual uses of the parties were for present purposes largely irrelevant. In particular, Tamasu's earlier trade mark, being less than five years old in the UK, was not subject to the proof of use requirements in Section 47(2A) of the Act, which otherwise might have resulted in a limitation to Tamasu's specification of goods. (The Hearing Officer referred to this as "The notional assessment".)

#### *Definition of average consumer*

- (ii) The average consumer for the respective goods was the public at large who would devote a reasonable level of attention to the purchase act, which was primarily visual.

#### *Interpretation of specifications*

- (iii) Both parties had employed the terms "namely" and "in particular" (Tamasu) or "including" (the Proprietor) in their respective specifications of goods. "Namely" was exclusive of other goods within the general term that preceded it; "in particular" or "including" was not.

#### *Comparison of goods*

- (iv) The parties' Class 25 specifications of goods were identical.
- (v) As regards Class 18, there was a high degree of similarity between the Proprietor's travel bags and luggage on the one hand and Tamasu's sports bags on the other hand. Handbags (the Proprietor) and sports bags (Tamasu) were also similar to a reasonable degree. Further, handbags and clothing were complementary, so that there was similarity between the Proprietor's handbags in Class 18 and Tamasu's clothing in Class 25.
- (vi) There was a low degree of similarity between purses and wallets (the Proprietor) and sports bags (Tamasu). Umbrellas and animal coverings (the Proprietor) were dissimilar to either sports bags or clothing (Tamasu).

- (vii) Leather goods (the Proprietor) could include sports bags (Tamasu) so that there was identity (in the sense that the narrower fell within the wider category of goods).

*Comparison of marks*

- (viii) There was a moderate degree of visual similarity in the marks due to the common element BUTTERFLY. Although the word BUTTERFLY was the dominant element in the Proprietor's mark, the public would not fail to notice the visual differences created by the word BLACK, the device of a butterfly and the stylised script in the Proprietor's mark.
- (ix) Aurally, the Proprietor's mark would be articulated as BLACK BUTTERFLY so that the only difference aurally between it and the earlier mark was the word BLACK. There was a reasonable degree of aural similarity.
- (x) Although conceptually the marks were not identical – BLACK BUTTERFLY/BUTTERFLY – there was a strong conceptual similarity between them because both related to a butterfly which was the dominant element of both marks.

*Likelihood of confusion*

- (xi) The earlier trade mark had at least a reasonable degree of distinctive character in relation to the goods for which it was protected. The Proprietor had stated in her evidence that Butterfly was generic but she had presented no evidence to that effect.
- (xii) Since the Proprietor's umbrellas and animal coverings were dissimilar goods, one of the cumulative conditions for Section 5(2)(b) was absent and the objection therefore failed in respect of those goods.
- (xiii) Further, when all the relevant factors were taken into account there was no likelihood of confusion between the marks in respect of the Proprietor's purses and wallets in Class 18 bearing in mind the low degree of similarity between purses and wallets and Tamasu's goods.
- (xiv) However in relation to the Proprietor's clothing, footwear, headgear and belts in Class 25 and leather goods, travel bags and luggage in Class 18, there existed a likelihood of confusion. This was because of the identity/high similarity of the goods and the fact that it was common especially in the clothing trade for marks to be configured in different ways to indicate different lines.
- (xv) Those findings would be extended to the Proprietor's various handbags, where despite a lesser degree of similarity with Tamasu's goods, the public would believe that the undertakings responsible for the respective goods were the same or linked.

- (xvi) The Proprietor's trade mark would remain valid on the Register for: Purses, wallets; umbrellas; animal coverings, but be cancelled in respect of the remaining goods as having been invalidly registered contrary to Section 5(2)(b) of the Act.
- (xvii) As Tamasu had largely been successful, the Hearing Officer would order the Proprietor to pay to Tamasu the sum of £950 as a contribution towards Tamasu's costs of the application. A discount had been applied by the Hearing Officer to reflect the fact that the Proprietor had successfully defended her registration in part.

### **The appeal**

- 12. On 9 March 2012, the Proprietor filed Notice of Appeal to the Appointed Person under Section 76 of the Act.
- 13. The appeal was listed for hearing before me on 20 July 2012. On 10 July 2012, I was informed by the Treasury Solicitor that she had received a telephone call from the Proprietor in which the Proprietor had stated that she would be unable to attend the hearing on 20 July 2012 as she was out of the country. The Proprietor had enquired whether the appeal could go ahead without her attendance. However, the Proprietor did not want to be penalised as a result.
- 14. I issued a direction to the parties through the Treasury Solicitor by email, dated 11 July 2012, to the effect that: (a) there was no obligation on either party to attend the hearing of the appeal either in person or through a representative; (b) the mere fact of non-attendance would not be prejudicial to the Proprietor's appeal; (c) the Proprietor could send me through the Treasury Solicitor written submissions in lieu of attendance; (d) alternatively, if the Proprietor wished to make oral representations before me concerning the appeal, she should make a request in writing through the Treasury Solicitor for a postponement of the hearing briefly setting out the reason(s) why she was unable to attend at the appointed time and indicating the dates when she would be available so to attend.
- 15. On 12 July 2012, the Proprietor responded by email to my direction stating that she had nothing to add to her statement of grounds of appeal and wished to make no further submissions either verbally or in writing but awaited notification of the outcome of the appeal in due course.
- 16. On the other hand, Tamasu confirmed to the Treasury Solicitor that they would attend on 20 July 2012 and were represented at the hearing by Mr. Alan Fiddes of Urquhart-Dykes & Lord LLP.

### **Grounds of appeal**

- 17. The first ground of appeal is against the Hearing Officer's "notional assessment" – said to show that the Hearing Officer had made up his mind in advance.
- 18. As summarised at paragraph 11(i) above, the Hearing Officer's "notional assessment" concerned the legal requirement that the comparison under Section 47(2)(a)/Section 5(2)(b) of the Act (in the absence of any issue of proof of use) had to be between the

marks as registered (i.e., for the registered specifications of goods) as opposed to the actual uses of the parties in the marketplace for the time being. However, that is the nature of UK trade mark registration, which enables a trade mark to be protected through registration before it is actually used (although a registered trade mark must be put to genuine use for the goods/services in question within 5 years).

19. The second ground of appeal follows on from the first. The Proprietor argues that if that is the law, then her registration should not have been granted in the first place. However, this overlooks the fact that the Registry does not examine *ex officio* an application for registration on relative grounds (i.e., for conflicting earlier trade marks or other earlier rights). Instead, the onus is on prior right owners to defend their rights and UK law enables them to do this through either opposition or invalidity proceedings, before or after a junior mark is registered (*Special Effects Limited v. L'Oréal SA* [2007] EWCA Civ 1, paras. 63, 71, 72 – 73).
20. The third ground of appeal is that the Hearing Officer made an excessive and unfair award of costs against the Proprietor. The general rule in Registry proceedings is that a successful party is entitled to recover a contribution towards their costs of those proceedings. As mentioned at paragraph 11(xvii) above, the Hearing Officer made a deduction in the sum he awarded to reflect the fact that Tamasu's application had failed in small part. (I return to this issue below). The costs awarded in Registry proceedings are normally limited to scale to ensure that the Registry remains a low cost tribunal (IPO Tribunal Practice Notice 4/2007). They rarely reflect the costs actually incurred by the parties.
21. The costs awarded in the present case were (1) scale costs and (2) by no means at the top of the scale. I therefore reject the ground of appeal that the costs order was excessive and unfair (but see below).
22. The fourth ground of appeal also arises out of the costs order. The Proprietor seems to have misunderstood: "*Attending the hearing £250*" to mean that she was being penalised for her non-attendance at the hearing. This is not the case. One aspect of the scale of costs (TPN 4/2007, Annex A) is in respect of preparation for and attendance at the hearing. All the Hearing Officer was doing here was allocating £250 to this item (i.e., *Tamasu's* costs of the hearing).
23. Fifth, to the extent that the Proprietor makes a complaint that she informed the Registry on several occasions that she would be unable to attend the hearing, my review of the file revealed only one such notification by letter dated 25 October 2010 (see, para. 9 above). In any event, as I have said the Proprietor was not penalised in costs for her non-attendance.
24. Mr. Fides said at the appeal hearing, that his side were content to take the grounds of appeal as inviting me to review the Hearing Officer's decision generally. However, he reminded me that according to the legal standard of review, I should not interfere with the decision unless the Hearing Officer had made a material error of principle (*REEF Trade Mark* [2002] EWCA Civ 763, para. 28). Mr. Fiddes argued that there was no such error.
25. I have reviewed the decision of the Hearing Officer carefully.

26. In my judgment the Hearing Officer did err in his treatment of “leather goods” in the Proprietor’s Class 18 specification and this may have been partly due to the Proprietor not being present at the invalidation hearing.

27. In connection with the general term “leather goods” the Hearing Officer said this (para. 22):

“... such goods would include sports bags within its ambit so identical goods are considered to be at play. Leather goods would, of course, include other items beyond sports bags. However, Ms Ebilah has listed particular leather goods she is interested in (which I have assessed above) so I do not consider it necessary to consider the matter any further.”

28. The Proprietor’s specification in Class 18 read:

“Leather goods including travel bags, luggage, hand bags for fashion, school and leisure, purses, wallets ...”.

Earlier in his decision, the Hearing Officer noted that where “including” follows a general term like “leather goods” no goods falling within the general term are excluded.

29. It seems to me, therefore, that faced with partial invalidation, the Proprietor should have been afforded the opportunity to put forward a revised or limited specification of “leather goods”, which (along with purses and wallets) would have fallen outside the Hearing Officer’s finding of likelihood of confusion in relation to leather goods in Class 18. Although the Proprietor may have listed the particular leather goods of interest to her at the time of filing, as the Hearing Officer himself recognised, the manner in which she did so (use of “including”) meant that those goods could change and, or expand along with the Proprietor’s business.

30. The fairness of such an approach is now reflected in the Registry’s Tribunal Practice Notice 1/2012 on Partial Refusal. Even though TPN 1/2012 was issued after the present decision, the Hearing Officer will have been aware of the case that prompted it – *Giorgio Armani SpA v. Sunrich Clothing Limited* [2010] EWHC 2939 (Ch) – where Mann J. held as follows:

“53. What the present situation involves is the proper identification and resolution of the dispute arising out of the opposition, and the following points apply:

(i) Since this case was one of partial opposition (in terms of the goods covered), Article 13 requires that there be registration of the mark in relation to goods in relation to which the mark was not opposed. The available procedures should enable that to be done fairly and efficiently.

(ii) What the Hearing Officer was effectively resolving was a dispute between the parties. There were certainly one, and potentially two, areas of dispute. The first, obviously, was whether there was any substance in the opposition itself - the section 5(2)(b) point. The second was the proper scope of

registration once that point was determined against Armani. This is the potential area of dispute. In some cases it will not be a real area of dispute because the answer is obvious - it might be possible to isolate the permissible part by blue pencilling that which is not admissible, or it might be obvious that a plain express qualification ("save for [the goods in respect of which opposition succeeded]") will do the trick, in which case there is no real area of dispute there either. On the other hand, it might be that the answer to that part of the case is more disputed - particular formulations might be objected to as falling on one side of the line or the other. Procedures ought to allow for all these possibilities.

(iii) The object of the exercise is to find a mechanism which enables the dispute to be decided and which gives effect to the decision in a fair way. I emphasise fairness. The object is not to give effect to technicalities which give rise to absurd results. Thus it would be absurd to require an applicant faced with limited opposition to propose an unconditional amendment application at an early stage to reflect the lesser position (which seemed at one stage to be Miss Clark's case) if his case is (as it is likely to be) that the limited opposition should fail. Otherwise he will have given his case away. What must not be lost sight of is that what is sought is the fair determination of the extent of the coverage to which the applicant is entitled to in his registration in the event of a successful partial opposition.

54. The sort of procedures that can be adopted to achieve this are referred to in the decision of Mr Geoffrey Hobbs as the Appointed Person in *Citybond Trade Mark* [2007] RPC 13. At paragraphs 17 to 20 he set out a range of possibilities in which a dispute as to residual wording could be determined. They ranged from the applicant deciding to limit its application to some different specified wording in an unconditional amendment application (paragraph 19) to a deferment of the question of alternative wording to the stage after consideration of the formulated objection (paragraph 20), with other possibilities in between. In that last context he refers to the delivery of an interim decision. I respectfully agree with and adopt what he says about the various procedural possibilities. I do not set them out again here because it is unnecessary to do so. It will be noted that, contrary to one of the positions adopted by Miss Clark, they do not rule out a fallback position which has not yet been articulated in an unconditional amendment application. The unarticulated thesis underlying all of Mr Hobbs' case management possibilities is the need to adopt the procedure appropriate for the case. His proposals, correctly in my view, do not involve tying the applicant down to a form of words at a stage which is unfairly premature, and they do involve enabling the Hearing Officer to decide the issues that need deciding and to adopt, and require, case management decisions which achieve that."

## **Conclusion**

31. The application is remitted to the Registry for the Hearing Officer to devise with the parties an appropriate width of specification within the general term "leather goods" that is free from objection within his ruling.



32. Since the Proprietor defended rather more of her registration than credited, the Hearing Officer's costs order is reduced to £885.
33. For the avoidance of any doubt the Proprietor's Registration number 2448653 will in any event remain on the Register in respect of: "purses, wallets; umbrellas; animal coverings".
34. Since both parties enjoyed some success on appeal, I will make no order as to the costs of this appeal.

Professor Ruth Annand, 8 August 2012

The Proprietor/Appellant did not appear and was not represented

Mr. Alan Fiddes, Urquhart-Dykes & Lord LLP appeared on behalf of the Applicant for Invalidity/Respondent