

O-243-13

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2594869

BY

MARIE SAWLE

TO REGISTER THE TRADE MARK:



BILLY + MARGOT

IN CLASSES: 18, 30, 31, 35 AND 44

AND

THE OPPOSITION THERETO

UNDER NO 102943

BY

CAPS VERT (SOCIETE PAR ACTIONS SIMPLIFIEE)

1) On 20 September 2011 Marie Sawle applied to register the trade mark:



BILLY + MARGOT

The trade mark was published on 28 October 2011 with the following specification:

clothing for animals;

edible ices and ice cream based goods;

foodstuffs for animals;

retail services and wholesale services connected with the sale of clothing for animals, edible ices and ice cream based goods, foodstuffs and beverages for animals;

hygienic and beauty care for animals; veterinary services.

The above goods and services are in classes 18, 30, 31, 35 and 44 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 27 January 2012, Caps Vert (Société par Actions Simplifiée) (Caps Vert) filed a notice of opposition to the registration of the trade mark in respect of:

clothing for animals;

foodstuffs for animals;

retail services and wholesale services connected with the sale of clothing for animals, foodstuffs and beverages for animals;

hygienic and beauty care for animals; veterinary services.

3) Caps Vert bases its opposition on section 5(2)(b) of the Trade Marks Act 1994 (the Act), which states:

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

(a)

(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.

It relies upon Community trade mark registration no 4109336 of the trade mark BILLI. The opposition is based on *foodstuffs for animals*, which appears in the class 31 part of the specification. The application for registration was filed on 5 November 2004 and the registration procedure was completed on 2 May 2006. Consequently, the registration is subject to proof of use as per section 6A of the Actⁱ for the period from 29 October 2006 to 28 October 2011 (the material period). Caps Vert claims that it has made genuine use of the trade mark during the material period for *foodstuffs for animals*.

4) Caps Vert claims that the respective goods and services are identical or similar and that the respective trade marks are similar. Consequently, there is a likelihood of confusion.

5) Ms Sawle filed a counterstatement in which she denies the ground of opposition and puts Caps Vert to proof of use of its earlier trade mark.

6) Both parties filed evidence and written submissions. Neither requested a hearing.

Evidence for Ms Sawle

7) In a witness statement Ms Sawle gives the history of the trade mark. This is not a matter that has a bearing upon the issues to be considered. She also gives details of use from after the date of application, mainly in relation to ice creams for dogs. All the use has been in the United Kingdom; as there is no evidence of use by Caps Vert of its trade mark in the United Kingdom, the use is not indicative that there would not be confusion in the market place. Ms Sawle comments upon contacting Caps Vert, another matter that is not pertinent. The evidence of Ms Sawle has no bearing upon the proceedings.

8) Mr Jeremy Pennant, a trade mark attorney acting for Ms Sawle, has made a witness statement. Mr Pennant exhibits details of trade mark registrations that contain Bill in them and are registered in class 31. This is state of the register evidence and does not indicate what is happening in the market placeⁱⁱ. Mr Pennant also exhibits pages from the Internet relating to Bill Oddie's bird food recipe. Owing to the nature of the trade mark used and the nature of the goods, this use is without pertinence to the proceedings. The evidence of Mr Pennant has no bearing upon the proceedings.

9) Amanda Sizer Barrett filed a witness statement. Ms Sizer Barrett is the Director General of Petquip, the United Kingdom trade association that helps and supports British firms in the pet production and equipment trade. Ms Sizer Barrett gives her opinion as to whether there is a likelihood of confusion. It is for this tribunal to decide if there is a likelihood of confusionⁱⁱⁱ. The evidence of Ms Sizer Barrett has no bearing upon the proceedings.

Evidence for Caps Vert

10) This consists of a witness statement made by Luc Maudet. Mr Maudet is sales manager at Caps Vert.

11) Mr Maudet states that turnover for the trade mark in relation to foodstuffs for animals within the European Union has been as follows:

1 July 2006 – 30 June 2007	€30,125
1 July 2007 – 30 June 2008	€78,131
1 July 2008 – 30 June 2009	€88,861
1 July 2009 – 30 June 2010	€81,566
1 July 2010 – 30 June 2011	€75,481
1 July 2011 – 30 June 2012	€68,206

12) Exhibited at LM1 are statistics of sales of goods by reference, inter alia, to the shops to which they have been sold. The statistics show that one range of goods has been sold: BILLI Chasseur in 20 kilogram units. The product has been sold to eight undertakings.

13) Exhibited at LM2 are 22 invoices for sales of the product between 31 July 2007 and 15 August 2011. The invoices have been sent to shops in Beton Bazoches, Le Moulin Sur Solin (it would appear that Le Moulinet Sur Solin is meant), Vareilles, Urzy, Noeux Les Mines, La Chapelle Sur Aveyron, Laventie, Mondreville, Vouzeron, La Chapelle St Suplice, Griselles, Acheres La Foret, Verlinghem and Nesploy. (The invoice at page 5 includes sales of BILLI Crok Premium in 15 kilo units and BILLI Lam & Rijst Premium in 15 kilo units.)

14) The locations to which the invoices were sent are all in France; they are in four regions: Centre, Bourgogne, Nord-Pas-de-Calais and Île-de-France. The geographical spread of the regions can be seen in the map below:



15) Mr Maudet states that Caps Vert also undertakes press advertising for products sold under the BILLI trade mark. Exhibited at LM3 are copies of advertising. Page 3 shows an advertisement in the magazine *Sens* (a magazine relating to Sens in Bourgogne) for November to December 2006. In an eighth of a page advertisement for Caps Vert Farm Stores, Billi can be seen. The products are described as being premium, complete and balanced foodstuffs for dogs and hunting dogs (in French). Page 4 consists of a leaflet about BILLI, of which 200 copies were made. The leaflet was distributed to persons visiting the shops of Caps Vert in the French towns of Sens, Villeneuve, Cerisiers, Egriselles, Champlost, Pont sur Yonne, Saint Valerian and Saint Martin sur Oreuse. BILLI is described as being a complete food for adult dogs, sold in 20 kilo bags. Page 5 is a picture of an advertising board which was displayed in Cap Vert's main store in the city of Sens in 2009. Mr Maudet advises that Sens has a population of approximately 26,500. The board shows a number of trade marks including one for BILLI. At page 6 is a copy of a newspaper advertisement placed by Caps Vert in *Paravendu* of 26 September 2011. Mr Maudet states that the newspaper has a circulation of approximately 20,000. The advertisement bears a number of trade marks, including BILLI. At pages 7 and 8 are copies of advertising material distributed in the stores of Caps Vert. 200 copies of the material were distributed. The material advises that the prices shown are valid until 15 April

2011. Amongst a number of trade marks, one for BILLI premium dog food can be seen. The trade mark is, for the most part, used in the form shown below:



Proof of use

16) Neither party in their written submissions made any reference to the proof of use. Consequently, on 2 May 2013, they were invited to make submissions in relation to the proof of use. The parties were specifically directed to the judgment of the Court of Justice of the European Union (CJEU) in *Leno Merken BV v Hagelkruis Beheer BV* Case C-149/11. Caps Vert responded that it did not consider it appropriate to request submissions on this matter as the parties had already made their submissions. It requested that the parties should not be allowed to file submissions on this topic.

17) It is within the inherent jurisdiction of the tribunal to request submissions on particular matters. It is not unusual for the tribunal to seek such submissions. As *Leno Merken BV* is key to the decision as to genuine use, in the interests of natural justice the parties were given an opportunity to make submissions in relation to the judgment. The representative for Ms Sawle made submissions on the matter. The response of the representatives of Caps Vert was a de facto decision declining to make submissions in relation to the proof of use and the application of *Leno Merken BV*. *Leno Merken BV* has to be considered in relation to the proof of use and Caps Vert has decided that it does not want to address the tribunal on the application of it to the facts of this case; that is its choice.

18) Caps Vert has used the trade mark BILLI in relation to dog food in part of France. The area of use within France is very limited. The product is advertised both for hunting dogs and ordinary dogs. Consequently, the evidence of use must be considered in relation to dog food at large. Caps Vert gives no indication of its market share of dog food in Europe. Taking into account the number of

dogs in Europe, the scale of use by Caps Vert must be very small. The publicity has been local and very limited.

19) In *Leno Merken BV*, the CJEU stated:

“29. It follows from that line of authority that there is ‘genuine use’ of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether there is real commercial exploitation of the mark in the course of trade, particularly the usages regarded as warranted in the economic sector concerned as a means of maintaining or creating market share for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see *Ansul*, paragraph 43, *Sunrider v OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27).

30 The Court has also stated that the territorial scope of the use is only one of several factors to be taken into account in the determination of whether that use is genuine or not (see *Sunrider v OHIM*, paragraph 76).

31 That interpretation may be applied by analogy to Community trade marks since, in requiring that the trade mark be put to genuine use, Directive 2008/95 and Regulation No 207/2009 pursue the same objective.

32 Indeed, it follows both from recital 9 to the directive and from recital 10 to the regulation that the European Union legislature intended to make the preservation of the rights connected to the trade mark conditional upon it actually being used. As the Advocate General has pointed out in points 30 and 32 of her Opinion, a Community trade mark which is not used could obstruct competition by limiting the range of signs which can be registered as trade marks by others and by denying competitors the opportunity to use that trade mark or a similar one when putting onto the internal market goods or services which are identical or similar to those covered by the mark in question. Consequently, non-use of a Community trade mark also risks restricting the free movement of goods and services.

33 Account must none the less be taken, when applying by analogy to Community trade marks the case-law cited in paragraph 29 of this judgment, of the difference between the territorial extent of the protection conferred on national trade marks and that of the protection afforded Community marks, a difference which is in any event apparent from the

wording of the provisions relating to the requirement for genuine use which apply to those two types of marks respectively.

34 Thus, on the one hand, Article 15(1) of Regulation No 207/2009 provides that, '[i]f, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use'. On the other, Article 10 of Directive 2008/95 lays down in essence the same rule in respect of national trade marks, whilst providing that they must have been put to genuine use 'in the Member State'.

35 That difference between the two sets of trade mark rules as regards the territorial scope of 'genuine use' is also emphasised by Article 42(3) of Regulation No 207/2009. That provides that the rule set out in paragraph 2 of Article 42 – namely that where notice of opposition has been given, the applicant for a Community trade mark may require proof that the earlier Community trade mark has been put to genuine use in the Community – is also applicable to earlier national trade marks 'by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community'.

36 It should, however, be observed that, as is apparent from the case-law referred to in paragraph 30 of this judgment, the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.....

.....44 It follows from the foregoing considerations that the territorial borders of the Member States should be disregarded in the assessment of 'genuine use in the Community' within the meaning of Article 15(1) of Regulation No 207/2009.

45 That interpretation is not undermined by either the Joint Statement referred to in paragraph 23 of this judgment, according to which 'use which is genuine within the meaning of Article 15 in one country constitutes genuine use in the Community', or the Opposition Guidelines of OHIM which contain in essence the same rule.

46 First, regarding the Joint Statement, it is settled case-law that, where a statement recorded in Council minutes is not referred to in the wording of

a provision of secondary legislation, it cannot be used for the purpose of interpreting that provision (Case C-292/89 *Antonissen* [1991] ECR I-745, paragraph 18; Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 25; Case C-402/03 *Skov and Bilka* [2006] ECR I-199, paragraph 42, and Case C-356/05 *Farrell* [2007] ECR I-3067, paragraph 31).

47 Moreover, the Council and the Commission expressly acknowledged that limitation in the preamble to that Statement, according to which ‘since [t]he following statements of the Council and the Commission are not part of the legal text, they are without prejudice to the interpretation of that text by the Court.’

48 Second, it is to be noted that the OHIM Guidelines are not binding legal acts for the purpose of interpreting provisions of European Union law.

49 Nor can the Court accept the submission, made by some of the interested persons to have lodged observations in these proceedings, that the territorial scope of the use of a Community trade mark cannot under any circumstances be limited to the territory of a single Member State. That submission is based on Article 112(2)(a) of Regulation No 207/2009 pursuant to which it is possible, where the rights of the proprietor have been revoked on grounds of non-use, to convert a Community trade mark into a national trade mark application if, ‘in the Member State for which conversion is requested, the Community trade mark has been put to use which would be considered to be genuine use under the laws of that Member State’.....

50 Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.

51 As the Advocate General has observed in point 63 of her Opinion, it is only where a national court finds that, when account is taken of all the facts of the case, use in a Member State was insufficient to constitute genuine use in the Community, that it may still be possible to convert the Community trade mark into a national trade mark, applying the exception in Article 112(2)(a) of Regulation No 207/2009.

52 Some of the interested persons to have submitted observations to the Court also maintain that, even if the borders of the Member States within the internal market are disregarded, the condition of genuine use of a Community trade mark requires that the trade mark should be used in a substantial part of the Community, which may correspond to the territory of a Member State. They argue that such a condition follows, by analogy, from Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 28, Case C-328/06 *Nieto Nuño* [2007] ECR I-10093, paragraph 17, and Case C-301/07 *PAGO International* [2009] ECR I-9429, paragraph 27).

53 That argument cannot be accepted. First, the cases in question concern the interpretation of provisions relating to the extended protection conferred on trade marks that have a reputation or are well known in the Community or in the Member State in which they have been registered. However, the requirement for genuine use, which could result in an opposition being rejected or even in the trade mark being revoked, as provided for in particular in Article 51 of Regulation No 207/2009, pursues a different objective from those provisions.

54 Second, whilst it is reasonable to expect that a Community trade mark should be used in a larger area than a national mark, it is not necessary that the mark should be used in an extensive geographic area for the use to be deemed genuine, since such a qualification will depend on the characteristics of the product or service concerned on the corresponding market (see, by analogy, with regard to the scale of the use, *Ansul*, paragraph 39).

55 Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).

56 With regard to the use of the Community trade mark at issue in the main proceedings, the Court does not have the factual information necessary to enable it to provide the referring court with more specific guidance as to whether or not there is genuine use of that trade mark. As can be seen from the foregoing considerations, it is for the referring court to assess whether the mark in question is used in accordance with its essential function and for the purpose of creating or maintaining market

share for the goods or services protected. That assessment must have regard to all the facts and circumstances relevant to the main proceedings, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.

57 The answer to the questions referred is therefore that Article 15(1) of Regulation No 207/2009 must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to 'genuine use in the Community' within the meaning of that provision.

58 A Community trade mark is put to 'genuine use' within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity."

20) Paragraph 50 specifically refers to use within one state being sufficient to establish genuine use not being ruled out where the goods or services for which a Community trade mark are registered are restricted to a single member state. The CJEU in this paragraph stated:

"Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use'"

This paragraph indicates that use in one member state is normally unlikely to be sufficient to establish genuine use of a Community trade mark. There is nothing in the nature of dog food that restricts the use of a trade mark to one member state. In this case, Caps Vert's sales have not even been to the whole of the member state. The sales have been small, although it is accepted that there is no de minimis rule, and sales have been for a continuous period. Taking into account the nature of the goods in relation to which the trade mark has been used, the geographical spread of the sales, the size of the sales, the extent of publicity and the size of the European Union, Caps Vert has not established that use of its trade mark is warranted in the economic sector concerned as a means of maintaining a market for the goods for which it is protected. **Caps Vert has not shown genuine use of its trade mark in the material period and so cannot rely upon it for the purposes of this opposition. Consequently, the opposition must fail.**

Section 5(2)(b) – likelihood of confusion

21) In the event that the finding re genuine use is incorrect, the position in relation to likelihood of confusion will be considered. In order to consider that matter it is necessary to decide upon a notional fair specification in relation to the use shown. Caps Vert has claimed use in relation to *foodstuffs for animals*. The use is in relation to dog food only. Dog food is a recognisable category of *foodstuffs for animals*. Dog food is specific to one species. In shops, dog food has its own section. The description of the use shown must not be pernickety^{iv}. It is necessary to consider how the relevant public would describe the goods and services^v. The General Court (GC) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03* held:

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has

succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

The average consumer would perceive the use as being for *dog food*, which is also a recognisable category, consequently, the likelihood of confusion will be considered on the basis of *dog food*.

Average consumer and the purchasing process

22) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”^{vi}. In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* Joined Cases T-117/03 to T-119/03 and T-171/03 the GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural 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 (BUDMEN, paragraph 57). 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 signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer 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 aural similarity between the signs.”

23) The average purchaser (if not consumer) of *dog food* is the dog owning public at large. *Dog food* is an everyday item that is not very expensive; consequently, it will not be purchased as the result of a careful and educated decision. Therefore, the effects of imperfect recollection will be increased. *Foodstuffs for animals* will be purchased both by the public at large for pets and by persons in the farming industry. In relation to the public at large, the same considerations will apply as in relation to *dog food*. In relation to the farming industry, there will be a more careful and educated decision. However, as Cap Vert’s better case lies with the public at large, it is only necessary to consider the public at large. *Clothing for animals* will have the same publics as *foodstuffs for animals* and be purchased in the same manner. Consequently, the effects of imperfect recollection will be increased. All of the goods will primarily be bought from shop shelving, or an online equivalent, and so visual similarity will be of more importance than aural similarity.

24) The *retail services* of the application will have the same public and the same purchasing processes as the goods which are being retailed, which encompass the goods of the application. Consequently, the same considerations will apply.

25) *Wholesale services* are of their nature supplied to businesses. Businesses are likely to purchase goods after a careful decision; taking into account profit margins, potential sales and the nature of the product. The purchase of the goods is likely to be made from viewing catalogues, whether hard copy or electronic, or by viewing the products at a wholesale premises. Consequently, the effects of imperfect recollection will be lessened and visual similarity will be of greater importance than aural similarity.

26) *Hygienic and beauty care for animals; veterinary services* are likely to be purchased with some care and as the result of research. The primary use of a trade mark will be on signage, in directories and in brochures. Consequently, the effects of imperfect recollection will be lessened and visual similarity will be of greater importance than aural similarity.

Comparison of goods and services

27) 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^{vii}”. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning^{viii}. Consideration should be given as to how the average consumer would view the goods and services^{ix}. In *YouView TV Limited v Total Limited* [2012] EWHC 3158 (Ch)^x Floyd J stated:

“12. There are sound policy reasons for this. Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

The class of the goods and services in which they are placed may be relevant in determining the nature of the goods and services^{xi}. In assessing the similarity of goods and services it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary^{xii}. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed^{xiii}.

28) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the General Court (GC) explained when goods are complementary:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

Consideration is also taken into account of the decision of Mr Daniel Alexander QC, sitting as the appointed person, in *Sandra Amalia Mary Elliott v LRC Products Limited* BL O/214/13^{xiv}.

29) 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^{xv}. **Consequently, foodstuffs for animals must be considered to be identical to dog food.**

30) In *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-116/06 the GC considered the similarity between retail services and the goods that are sold by the retailer:

“42 According to settled case-law, in assessing the similarity between goods or services, all the relevant factors which characterise the relationship which may exist between them should be taken into account. Those factors include their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary (*Canon*, paragraph 23; Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237, paragraph 85; Case T-99/01 *Mystery Drinks v OHIM – Karlsberg Brauerei (MYSTERY)* [2003] ECR II-43, paragraph 39, and case-law cited; and Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gómez Frías (euroMASTER)*, not published in the ECR, paragraph 31).

43 With regard, in particular, to the registration of a trade mark covering retail services, the Court held, in paragraph 34 of the judgment in *Praktiker Bau- und Heimwerkermärkte*, that the objective of retail trade is the sale of goods to consumers, which includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction, and that that activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the abovementioned transaction with the trader in question rather than with a competitor. The Court stated, in paragraph 35 of that judgment, that no overriding reason based on First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) or on general principles of Community law precludes those services from being covered by the concept of ‘services’ within the meaning of the directive or, therefore, the trader from having the right to obtain, through the registration of his trade mark, protection of that mark as an indication of the origin of the services provided by him.

44 The Court stated furthermore in *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above (paragraphs 49 and 50), that, for the purposes of registration of a trade mark covering services provided in connection with retail trade, it is not necessary to specify in detail the service(s) for which that registration is sought. However, the applicant must be required to specify the goods or types of goods to which those services relate.

45 In the first place, with regard to the assessment of the similarity of services consisting of ‘retail and wholesale of clothing, headwear, footwear, athletic bags, backpacks and knapsacks and wallets’ covered by the contested Community trade mark, on the one hand, and goods

covered by the earlier trade mark, that is 'clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags, wallets', on the other, the Board of Appeal found, in paragraphs 18 to 23 of the contested decision, that there was a strong similarity between those services and goods on account of their nature, their purpose, their method of use, their distribution channels and their complementary nature.

46 With regard, first, to the nature, purpose and method of use of the services and products in question, it cannot be held that those services and products are similar.

47 Indeed – as also pointed out by the Cancellation Division in paragraphs 21 and 22 of the decision of 18 June 2004 – the nature of the goods and services in question is different, because the former are fungible and the latter are not. Their purpose is also different, since the retail service precedes the purpose served by the product and concerns the activity carried out by the trader for the purpose of encouraging the conclusion of the sales transaction for the product in question. So, for example, an item of clothing is intended in particular to clothe the person who purchases it, whereas a service linked to the sale of clothes is intended, *inter alia*, to offer assistance to the person interested in the purchase of that clothing. The same applies to their method of use, which for clothes means the fact of wearing them, whereas the use of a service linked to the sale of the clothes consists, *inter alia*, in obtaining information about the clothes before proceeding to buy them.

48 With regard, second, to the distribution channels of the services and the goods in question, it is correct, as rightly pointed out by the Board of Appeal in paragraph 22 of the contested decision, that retail services can be offered in the same places as those in which the goods in question are sold, as the applicant has also recognised. The Board of Appeal's finding that retail services are rarely offered in places other than those where the goods are retailed and that consumers need not go to different places to obtain the retail service and the product they buy, must therefore be upheld.

49 Contrary to what is claimed by the applicant, the fact that the retail services are provided at the same sales points as the goods is a relevant criterion for the purposes of the examination of the similarity between the services and goods concerned. In that regard, it should be pointed out that the Court has held, in paragraph 23 of *Canon*, paragraph 16 above, that, in assessing the similarity of the goods and services in question, all the relevant factors characterising the relationship between the goods or services should be taken into account. It stated that those factors include their nature, purpose, method of use, and whether they are in competition with each other or are complementary, meaning that it did not in any way

regard those factors are the only ones which may be taken into account, their enumeration being merely illustrative. The Court of First Instance therefore concluded from this that other factors relevant to the characterisation of the relationship which may exist between the goods or services in question may also be taken into account, such as the channels of distribution of the goods concerned (Case T-443/05 *El Corte Inglés v OHIM– Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR II-0000, paragraph 37; see also, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 65, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; and Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 95).

50 Furthermore, contrary to the applicant's assertion, which is moreover unsubstantiated, that, as the majority of the goods are sold in supermarkets, consumers do not attach too much importance to the point of sale when making up their mind whether goods share a common origin, it must be held that, as contended by OHIM, the manufacturers of the goods in question often have their own sales outlets for their goods or resort to distribution agreements which authorise the provider of the retail services to use the same mark as that affixed to the goods sold.

51 It was therefore correct, in paragraph 22 of the contested decision, to take into account, when comparing the goods and the services covered by the trade marks in dispute, the fact that those goods and services are generally sold in the same sales outlets (see, in that regard, *SISSI ROSSI*, paragraph 49 above, paragraph 68, and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 37).

52 Regarding, third, the complementary nature of the services and goods in question, found to exist by the Board of Appeal in paragraph 23 of the contested decision, it should be pointed out that, according to settled case-law, complementary goods are those which are closely connected in the sense that one is indispensable or important for the use of the other, so that consumers may think that the same undertaking is responsible for both (see, to that effect, *SISSI ROSSI*, paragraph 49 above, paragraph 60; *PAM PLUVIAL*, paragraph 49 above, paragraph 94; and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 48).

53 In that regard, it must be pointed out that the goods covered by the earlier mark, that is, clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags and wallets, are identical to those to which the applicant's services relate.

54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that

the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.

55 Furthermore, the relationship between the goods covered by the earlier trade mark and the services provided in connection with retail trade in respect of goods identical to those covered by the earlier trade mark is also characterised by the fact that those services play, from the point of view of the relevant consumer, an important role when he comes to buy the goods offered for sale.

56 It follows that, because the services provided in connection with retail trade, which concern, as in the present case, goods identical to those covered by the earlier mark, are closely connected to those goods, the relationship between those services and those goods is complementary within the meaning of paragraphs 54 and 55 above. Those services cannot therefore be regarded, as the applicant claims, as being auxiliary or ancillary to the goods in question.

57 Thus, notwithstanding the incorrect finding of the Board of Appeal to the effect that the services and goods in question have the same nature, purpose and method of use, it is indisputable that those services and goods display similarities, having regard to the fact that they are complementary and that those services are generally offered in the same places as those where the goods are offered for sale.

58 It therefore follows from all of the foregoing that the goods and services in question resemble each other to a certain degree, with the result that the finding in paragraph 24 of the contested decision that such a similarity exists must be upheld.

31) On the basis of the finding of the GC, it must be held that the *retail services connected with the sale of foodstuffs and beverages for animals* are similar to *dog food*. The same logic applies to the wholesale services in relation to the same goods. Owing to the absence of *clothing for animals* in the specification of the earlier trade mark, the application of the principles of *Oakley, Inc* means that the goods and services do not coincide within the parameters of the case law and the respective goods and services are not similar.

32) *Clothing for animals* has a different purpose and nature to *dog food*. There is no close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking. They are not complementary. The respective goods are not fungible, they are not in competition. The respective goods could be found in pet shops but would be found in different areas. The respective users of the goods will be pet owners. **Taking into account the differences and the limited similarities between the goods, there is a low degree of similarity between *clothing for animals* and *dog food*.**

33) The only coincidence between the class 44 services and *dog food* is that they are both used by pet owners for their pets. In every other way the services are not just not similar, they are clearly dissimilar. That goods and services may have a similarity does not make them similar^{xvi}. The one point of coincidence, in relation to end users, does not counteract all the dissimilarities eg channels of trade, nature of the service, lack of competition, absence of complementarity. ***Dog food* is not similar to the class 44 services of the application.**

Comparison of trade marks

34) The trade marks to be compared are:



BILLI

BILLY + MARGOT

35) 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}; in relation to this the CJEU in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97 stated:

“27. In order to assess the degree of similarity between the marks concerned, the national court must determine the degree of visual, aural or conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements, taking account of the category of goods or services in question and the circumstances in which they are marketed.”

There cannot be an artificial dissection of the trade marks, although it is necessary 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/she has kept in his/her 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}.

36) BILLI does not readily allow itself to be divided into separate components; its distinctiveness lies in its entirety.

37) The trade mark of Ms Sawle divides into three main parts. There is a device of a dog with a butterfly above its nose. The device of a dog in relation to the goods and services is fairly banal. However, the butterfly adds a good deal of distinctiveness to the device, which must be considered as a whole. The device is also prominently positioned. The words BILLY and MARGOT are each inherently distinctive for the goods of the application. The device and the two words all have a distinctive rôle in the trade mark. None of the separate elements dominates the trade mark. The plus sign will be seen as representing “and”. In itself this is not a significant part of the trade mark, however, it has an important perceptual effect as it links the two word elements together. It is a rule of thumb that the beginnings of word trade marks are usually more important than the ends. However, owing to the size and positioning of MARGOT, BILLY and MARGOT will have equal importance in the perception of the average consumer.

38) Caps Vert submits that little significance would be attached to the spelling of BILLI, that it is “common for people to use alternative spellings for their names. The word BILLI hardly looks unusual; it just looks like a slightly modernised version of BILLY”. No evidence has been adduced to support these submissions. It is not explained why or how BILLI is a “modernised version of BILLY”. There is no evidence to show that BILLI has actually been used as a variant of Billy. BILLI is unusual to the eye, owing to its unusual nature the I at the end will certainly be noticed.

39) BILLI and BILLY will be pronounced the same. The plus sign will be enunciated as and. MARGOT is alien to the trade mark of Caps Vert. Owing to the common phonetic elements of the trade marks there is a degree of aural similarity. However, owing to the strong sound of MARGOT, the degree of aural similarity is limited.

40) Visually the only common element is the letters BILL. The strong device element and the word MARGOT bring strong visual differences. Owing to the common presence of BILL, there is a very low degree of visual similarity between the trade marks.

41) The device element of Ms Sawle's trade mark gives rise to the iconic conceptualisation of a butterfly and a dog. The word elements will be seen as two well-known forenames. There is nothing to suggest that BILLI will be seen as an alternative spelling of BILLY. Consequently, it cannot be found that there is conceptual similarity between the trade marks.

42) Overall there is a low degree of similarity between the trade marks.

Conclusion

43) For there to be a likelihood of confusion it is necessary for the goods and services to be identical or similar. Consequently, there can only be a likelihood of confusion in relation to:

clothing for animals;

foodstuffs for animals;

retail and wholesale services connected with the sale of foodstuffs and beverages for animals.

44) 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^{xxi}. *Foodstuffs for animals* are identical to *dog food*. There is a low degree of similarity between *clothing for animals* and *dog food*. There is a reasonable degree of similarity between the *retail and wholesale services connected with the sale of foodstuffs and beverages for animals* and *dog food*.

45) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion^{xxii}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xxiii}. 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 trade mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings^{xxiv}. BILLI is neither allusive nor descriptive of *dog food*. As noted above, visually BILLI is unusual. BILLI enjoys a good degree of inherent distinctiveness. (Having never been used in the United Kingdom, BILLI has no increased distinctiveness through use in relation to a conflict within this jurisdiction.) In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97 the CJEU held that “the distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account

when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion”.

46) In *Aceites del Sur-Coosur SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-498/07 P* the CJEU considered the approach to be taken in relation to composite trade marks:

“61 In particular, the Court has held that in the context of examination of the likelihood of confusion, 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. On the contrary, the comparison must be made by examining each of the marks in question as a whole (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29; and *OHIM v Shaker*, paragraph 41).

62 In that regard, the Court has also held that, according to established case-law, the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (*OHIM v Shaker*, paragraphs 41 and 42, and Case C-193/06 P *Nestlé v OHIM* [2007] ECR I-114, paragraphs 42 and 43 and the case-law cited).”

In *Medion AG v Thomson multimedia Sales Germany & Austria GmbH Case C-120/04* the CJEU stated:

“30 However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

31 In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.

33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.”

In *Aveda Corporation v Dabur India Limited* [2013] EWHC 589 (Ch) Arnold J stated:

“47. In my view the principle which I have attempted to articulate in paragraph 45 above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *BULOVA ACCUTRON* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J held that consumers familiar with the trade mark would be likely to be confused by the composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

48. On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion.”

47) Taking into account the differences between the respective trade marks and the importance of the eye in purchasing the goods and services, even for identical goods, there is not a likelihood of confusion. Applying what Arnold J stated in *Aveda Corporation*, if the average consumer perceived BILLY as having significance independently of the trade mark as whole, owing to the differences between the trade marks, this would not lead to a likelihood of confusion. The effects of imperfect recollection will not have an effect on this finding owing to the differences between the trade marks nor the distinctiveness of the earlier trade mark. The differences are too great.

48) Consequently, even if Caps Vert had established genuine use of its earlier trade mark, it would have failed in its opposition under section 5(2)(b) of the Act.

49) The opposition is dismissed.

Costs

50) Ms Sawle having been successful is entitled to a contribution towards her costs. The evidence which she filed was without pertinence to the proceedings, so no costs are awarded in relation to it. The nature of the submissions that she made was very limited and it is appropriate to only award a small amount in relation to them.

Preparing a statement and considering the other side's statement:	£400
Considering evidence of Caps Vert:	£100
Written submissions	£100
 Total:	 £600

Caps Vert (Société par Actions Simplifiée) is to pay Marie Sawle the sum of £600. 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 6th day of June 2103

**David Landau
For the Registrar
the Comptroller-General**

ⁱ Section 6A of the Act reads:

“(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

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

(4) 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.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) 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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

ⁱⁱ State of the register evidence does not indicate whether there will not be confusion in the market place in relation to the respective trade marks. Jacob J in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 and the General Court (GC)ⁱⁱ in *Zero Industry Srl v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-400/06* and *GfK AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-135/04* have both rejected arguments based upon state of the register evidence. In the last judgment the General Court (GC) stated:

“68. As regards the search of the Cedex database, the mere fact that a number of trade marks relating to Class 35 contain the word ‘bus’ is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned. Firstly, the search in question does not provide any information on the trade marks actually used in relation to the services concerned. Secondly, it includes a number of trade marks in which the word ‘bus’ is used descriptively by public transport businesses.”

ⁱⁱⁱ Arden LJ in *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842 stated:

“62. Firstly, given that the critical issue of confusion of any kind is to be assessed from the viewpoint of the average consumer, it is difficult to see what is gained from the evidence of an expert as to his own opinion where the tribunal is in a position to form its own view. That is not to say that there may not be a role for an expert where the markets in question are ones with which judges are unfamiliar: see, for example, *Taittinger SA v Allbev Ltd* [1993] FSR 641. However, the evidence of Mr Blackett on confusion was of no weight in this case: he merely gave evidence as to his own opinion about a market which would be familiar to judges. If more cogent evidence of customer perception is needed, the traditional method of consumer surveys must (subject to my

second point) carry more weight and is to be preferred. Mr Mellor went so far as to suggest that expert evidence is inadmissible on the question of consumer perception. I do not consider that it is necessary to go quite that far because there are exceptional situations, but I note that in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at 290-291 Millett LJ, with whom Hobhouse and Otton LJ agreed, considered that the evidence of trade witnesses who gave their opinion of the likelihood of confusion was "almost entirely inadmissible". He added: "It is not legitimate to call such as witnesses merely in order to give their opinions whether the two signs are confusingly similar. They are experts in the market, not on confusing similarity." The cogency of their evidence must in any event, save where expert knowledge of the particular market is required, be in real doubt. Its use may therefore lead to a sanction in costs. (Mr Mellor also made objections to the evidence of Mr Tildesley, but in the circumstances it is unnecessary for me to deal with these separate objections.) If the objection can be dealt with as one going to weight, this is often the course which the court takes: *Re M & R (Minors) (Sexual abuse: expert evidence)* [1996] 4 All ER 239."

^{iv} *Animal Trade Mark* [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a picky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

^v *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services

should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. 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 s.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.”

^{vi} *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

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

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

^{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”

The full judgment can be found at the url:

<http://www.bailii.org/ew/cases/EWCA/Civ/2002/1828.html>

^x The full judgment can be found at the url:

<http://www.bailii.org/ew/cases/EWHC/Ch/2012/3158.html>

^{xi} *Altecnic Ltd's Trade Mark Application* [2002] RPC 34. The full judgment can be found at the url:

<http://www.bailii.org/ew/cases/EWCA/Civ/2001/1928.html>

^{xii} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xiii} He 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.”

^{xiv} “17. First, the starting point for the analysis of similarity is the wording of the Act and the Directive. These require the tribunal to determine whether or not the respective goods are “identical or similar” but they do not specify the criteria by reference to which similarity is to be assessed. In the well-established guidance from the Court of Justice on this issue originating in *Canon*, to which the Hearing Officer referred, the Court has not suggested that every case requires assessment of whether the respective goods or services are complementary. To the contrary, the Court has regularly made it clear that all relevant factors relating to the goods or services themselves should be taken into account, of which complementarity is but one (see e.g. in *Boston*).

18. Second, the concept of complementarity is itself not without difficulty. In a number of cases, reference to it does not make the assessment of similarity easier. If tribunals take the explanation of the concept in *Boston* as akin to a statutory definition, it can lead to unprofitable excursions into matters such as the frequency with which certain goods are used with other goods and whether it is possible for one to be used without the other. That analysis is sometimes of limited value because the purpose of the test, taken as a whole, is to determine similarity of the respective goods in the specific context of trade mark law. It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.

19. Third, the Hearing Officer said at [32]:

As stated above, the legal definition of ‘complementary’, as per *Boston*, is that the goods must be “indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”. It is not sufficient that the goods “can” be used together; nor is it sufficient that they are sold together.

20. In my judgment, the reference to “legal definition” suggests almost that the guidance in *Boston* is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to *Boston*.

21. Moreover, it is necessary to view the quotation from *Boston* in the context of the facts of that case where the dispute over similarity turned in part on whether the goods were used together for a rather specific medical procedure. The Court of First Instance said at [77]-[87]:

Similarity between the products

77 According to consistent case-law, in order to assess the similarity of the products or services concerned, all the relevant features of the relationship that might exist between those products or services should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary (*Sunrider v OHIM*, paragraph 27 above, paragraph 85; judgment of 15 March

2006 in Case T-31/04 *Eurodrive Services and Distribution v OHIM - Gómez Frías (euroMASTER)*, paragraph 31).

78 As regards the assessment of the similarity of the goods at issue, the Board of Appeal found, in paragraphs 22 to 24 of the contested decision, that, owing to their functional differences, apparatus for placing a suture, on the one hand, and hollow fiber oxygenators with detachable hard-shell reservoir, on the other hand, have a different method of use, are not in competition with each other and are not interchangeable. However, the Board found, in essence, that the goods at issue were closely linked to the goods of the intervener in so far as they had a certain complementary character, since they could be used simultaneously in the field of medicine, for example during surgery. They might also be purchased through the same distribution channels and be found in the same points of sale, so that the relevant public could be led to believe that they came from the same undertaking.

79 Those findings must be upheld.

80 In this respect, it must be noted that the goods bearing the earlier trade mark and those covered by the mark applied for both concern the medical field and are therefore intended to be used in the context of a therapeutic treatment.

81 In addition, as the Board of Appeal rightly pointed out, all the goods covered by the mark applied for have a certain complementary relationship with those bearing the earlier trade mark.

82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM - Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM - Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM - Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).

83 It is also true that, as OHIM moreover acknowledged, apparatus for placing a suture cannot be considered to be indispensable or important for the use of hollow fiber oxygenators with detachable hard-shell reservoir.

84 However, it is clear that apparatus for placing a suture and hollow fiber oxygenators with detachable hard-shell reservoir can be considered to be complementary where, in surgery which has required an incision and during which an oxygenator has been used, the surgeon uses apparatus for placing a suture. Thus, in the course of a single, very specific procedure, namely a surgical operation, two apparatus, namely an oxygenator and apparatus for placing a suture, might be used, one bearing the trade mark CAPIOX and the other the trade mark CAPIO.

85 It follows that, even though the applicant claims that the goods at issue cannot be considered to be similar simply because they are both used in the field of medicine, which, according to the applicant, is the case of nearly all goods of significance, the goods at issue are similar because they are in fact in a certain complementary relationship and specifically target certain professionals in the medical sector. In addition, in the present case, contrary to what the applicant claims, the goods at issue are not similar solely because they are used in the field of medicine, but because they could be used in the same, very specific surgical operation, namely open-heart surgery.

86 Finally, the products at issue can in fact be found in the same distribution channels, such a criterion being relevant for the purposes of the assessment of the similarity of the goods (*PiraÑAM diseño original Juan Bolaños*, paragraph 82 above, paragraph 37; see also, to that

effect, *SISSI ROSSI*, paragraph 82 above, paragraph 65; and *PAM PLUVIAL*, paragraph 82 above, paragraph 95).

87 Accordingly, given the close link between the products in question as regards their end users, the fact that they are to some extent complementary and the fact that they may be distributed via the same distribution channels, the Board of Appeal was right to find that the applicant's goods and those of the intervener were similar (see, to that effect, Case T-388/00 *Institut für Lernsysteme v OHIM - Educational Services (ELS)* [2002] ECR II-4301, paragraph 56).

22. The Court of First Instance was not attributing decisive importance to the question of whether the goods in that case were complementary in determining the overall question of whether they were similar.

23. In the present case, because of the way in which the case was presented to the Hearing Officer, the issue of whether the goods were complementary assumed excessive importance which may have diverted the Hearing Officer's attention from other, no less important, considerations in the evaluation of similarity. That requires me on this appeal to scrutinize the approach taken by the Hearing Officer in considering the evidence by reference to the test of similarity more closely than would ordinarily be warranted by the REEF principles on an appeal of this kind.£

^{xv} See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-133/05 paragraph 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)."

^{xvi} See *Assembled Investments (Proprietary) Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-105/05 (upheld by the CJEU in *Waterford Wedgwood plc v Assembled Investments (Proprietary) Ltd and Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-398/07 P):

"34 Lastly, it should be stated that there is a degree of complementarity between some articles of glassware, in particular wine glasses, carafes and decanters, on the one hand, and wine, on the other, in so far as the first group of products is intended to be used for drinking wine. However, in so far as wine may be drunk from other vessels and the articles of glassware mentioned above can be used for other purposes, that complementarity is not sufficiently pronounced for it to be accepted that, from the consumer's point of view, the goods in question are similar within the terms of Article 8(1)(b) of Regulation No 40/94.

35 Having regard to all of the foregoing, it must be held that articles of glassware and wine are not similar goods. Consequently, there can be no likelihood of confusion between the conflicting marks and the applicant's second plea must therefore be accepted."

^{xvii} *Sabel BV v Puma AG* Case C-251/95.

^{xviii} *Sabel BV v Puma AG* Case C-251/95.

^{xi} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

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

^{xxi} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xxii} *Sabel BV v Puma AG* Case C-251/95.

^{xxiii} *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

^{xxiv} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.