

O-056-14

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 2640988  
BY PACIFIC BRANDS CLOTHING PTY LTD  
TO REGISTER THE TRADE MARK:**

**FLEXITS**

**IN CLASS 25**

**AND:**

**OPPOSITION THERETO UNDER NO. 104389  
BY GRUPO FLEXI DE LEON S.A.P.I. DE C.V.**

## BACKGROUND

1. On 25 October 2012, Pacific Brands Clothing Pty Ltd (“the applicant”) applied to register the mark shown on the cover page of this decision. The application was accepted and published for opposition purposes on 23 November 2012 for the following goods in class 25:

Clothing; underwear; footwear; headgear.

2. The application is opposed by Grupo Flexi de Leon S.A.P.I. de C.V. (“the opponent”). The opposition, which is directed against all of the goods in the application, is based upon grounds under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). For its opposition under both grounds, the opponent relies upon all of the goods in the following Community trade mark registrations:

No. 8952848 for the mark:



which was applied for on 15 March 2010 and which completed its registration procedure on 18 April 2011. The colours “red, grey blue” are claimed. The mark is registered for the following goods:

**Class 18** - Handbags, bags, rucksacks, purses and pocket wallets; leather and imitations of leather, and goods made of these materials and not included in other classes except dog leashes.

**Class 25** - Footwear (except orthopaedic footwear), boots, trainers (included in this class); clothing, belts and headgear.

No. 3277704 for the mark:



which was applied for on 18 July 2003 and which completed its registration procedure on 10 December 2009. The colour "Red" is claimed. The mark is registered for the following goods in class 18:

Bags; wallets and purses; belts.

Insofar as its objection based upon section 5(2)(b) of the Act in relation to these two marks is concerned, in its notice of opposition, the opponent states:

"The word Flexi forms [sic] appears in its entirety within the applicant's mark, and the opponent therefore considers that the respective trade marks are confusingly similar. Moreover, the applicant seeks protection in respect of goods that are identical and/or confusingly similar to those for which the opponent's earlier mark is protected. The opponent's earlier mark enjoys a substantial goodwill and reputation in the UK, and the opponent therefore considers that there is an increased likelihood of confusion arising on the part of the average consumer."

The opponent also relies upon CTM No. 7174832 for the mark:



which was applied for on 21 August 2008 and which completed its registration procedure on 23 March 2009. The colours “Red, grey blue” are claimed. The mark is registered for the following goods in class 25:

Footwear (except orthopaedic footwear).

Other than to submit that:

“The word Flexi forms the dominant and distinctive element of the earlier mark...”,  
the basis of the opposition under section 5(2)(b) of the Act is identical to that mentioned above.

3. In relation to its objection based upon section 5(3) of the Act, the opponent claims that its earlier marks have a reputation for all the goods for which they are registered. It states that:

“The opponent has traded in the UK for a number of years and has made substantial use of its earlier trade mark in relation to the goods for which it is registered. The applicant’s goods are identical and confusingly similar to those of the opponent, and the latter considers that use and registration of the mark applied for would result in the average consumer believing that the two parties are related and/or economically linked, such that the goods of the applicant are provided by or with the permission of the opponent.”

In relation to unfair advantage the opponent states:

“The applicant will benefit from the opponent’s investment in its advertising and promotion of its brand, leading to advantage to the applicant without the applicant having made any investment.”

In relation to detriment to the reputation of the earlier mark:

“The applicant’s use of the mark will be out of the control of the opponent. Any poor quality goods sold under the mark by the applicant will reflect upon the opponent’s business, leading to damage to the reputation and business of the opponent.”

In relation to detriment to the distinctive character of the earlier mark:

“The distinctive character of the opponent’s mark will be diminished because the opponent’s mark will no longer signify origin. Further, the relevant public will purchase goods from the applicant believing them to originate from the opponent. There will be a diversion of trade. If the quality of goods is unsatisfactory, the public may then cease purchasing the opponent’s goods.”

4. The applicant filed a counterstatement. Whilst it admits that: “the goods covered by the application are identical or similar to certain of the goods covered by the registrations”, the grounds of opposition are denied. The applicant states:

“2.1...the registrations are invalid and vulnerable to cancellation and reserves its right to apply to OHIM to cancel the registrations.

2.2. The dominant element of the registrations is the word “flexi”. The figurative colour elements [and the words “Comfort Style”] do not add anything to the distinctiveness of the marks. The registrations will be perceived by the average consumer as the word “flexi”.

2.5. The relevant average consumer is the English speaking public. “Flexi” will be understood by the average consumer as an abbreviation of the word “flexible” which means “capable of being bent or flexed; pliable.” When used in relation to the goods covered by the registrations, “flexi” will therefore be recognised by the average consumer as a description of a characteristic of the goods, namely that they are capable of being bent or flexed and are pliable. Indeed, there are numerous examples of “flexi” being used in this descriptive sense by traders in the UK in relation to the goods covered by the registrations...

2.7 The applicant concludes that the opponent was only able to obtain the registrations because they included figurative colour elements. However, the opponent is seeking to enforce the registrations against marks which do not include the figurative colour elements. The English High Court recently cautioned against trade mark registries permitting the registration of “*descriptive marks under the cover of a figurative figleaf of distinctiveness*” - [2012] EWHC 3074 (Ch).

2.8 The above is confirmed by OHIM’s refusal of the opponent’s Community trade mark...for the word FLEXI in respect of goods in classes 18 and 25 which are identical to those covered by its Community trade mark no. 8952848 which it relies upon in this opposition. OHIM refused the application on the basis that the word mark FLEXI lacks any distinctive character in relation to the goods applied for.

2.9 Therefore, without prejudice to the above, if the registrations are valid, this is only because of the figurative colour elements. The mark applied for by the applicant does not include any figurative elements at all. The only common element is “flexi” which forms part of the applicant’s mark. There is therefore no likelihood of confusion.”

5. Both parties filed evidence and submissions during the evidence rounds. Although neither party asked to be heard, the opponent filed written submissions in lieu of attendance at a hearing; I will bear all of these submissions in mind and refer to them as necessary below.

## **EVIDENCE**

### **The Opponent's evidence**

6. This consists of a witness statement from Robert Hawley, a trade mark attorney at Mathys & Squire LLP, the opponent's professional representatives. Mr Hawley's statement contains the following:

"2. The information contained in this witness statement...comes from my personal knowledge or has been provided to me by the opponent (from the personal knowledge of its employees and/or the records of its business, to which the aforesaid employees have full access)..."

7. A good deal of Mr Hawley's statement consists of submissions rather than evidence. Although it is neither necessary nor appropriate for me to summarise these submissions here, I will, of course, keep them in mind when reaching a conclusion. In his statement, Mr Hawley states:

"15. The opponent first used the trade mark FLEXI in 1935 and since such date has sold, through its "Flexi Shoes Stores" and international network of distributors, a broad range of footwear products for men and women... Accordingly, the opponent contends that its earlier trade marks enjoys a high degree of international recognition in relation to high quality footwear products and the retail sale of the same."

8. Exhibit RJH-02 consists of four pages downloaded on 24 June 2013 (i.e. after the material date in these proceedings) from [www.shopflexi.com](http://www.shopflexi.com). The word FLEXI/Flexi can be seen on the first two pages. As far as I can tell, none of the pages are dated and none of the pages bear the marks relied upon in these proceedings. The goods shown are a range of footwear for men and women; all of the prices shown are in what I assume to be US\$.

### **The applicant's evidence**

9. This consists of a witness statement from David Parrish, a solicitor at Nabarro LLP, the applicant's professional representatives; Mr Parrish's statement is accompanied by thirty six exhibits. The exhibits have been filed to provide:

"examples of flexi being used in a descriptive sense by traders in the UK in relation to the goods covered by the registrations."

10. The exhibits provided show use of the word “flexi” in relation to: clothing, footwear, boots, trainers, belts, headgear, bags and rucksacks and leather and imitations of leather, purses and wallets. With the exception of exhibits DP30, DP32 and DP36 (the origin of which is uncertain), all of the exhibits contain pages downloaded from a range of UK websites. Whilst all of these pages were downloaded after the material date in these proceedings (i.e. in March, April or August 2013), it is clear from the dates on a number of these exhibits that the items mentioned were available in the UK prior to the material date. In its submissions in reply, the opponent comments on this evidence in the following terms:

“4. The opponent does not dispute that the term “flexi” can have a descriptive meaning in relation to certain goods in class 25...”

11. In view of, inter alia, the above submission, I do not intend to summarise this evidence here in any more detail. I will, however, comment upon it later in this decision.

12. That concludes my summary of the evidence filed to the extent I consider it necessary.

## **DECISION**

13. Sections 5(2)(b) and 5(3) of the Act read as follows:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

14. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

15. In these proceedings, the opponent is relying upon the marks shown in paragraph 2 above, all of which constitute earlier trade marks under the above provisions. Given the interplay between the date on which the application was published and the date on which the earlier trade marks completed their registration procedure, the earlier marks are not subject to proof of use as per section 6A of the Act.

### **The opposition based upon section 5(2)(b)**

#### **Section 5(2)(b) – case law**

16. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* -BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the Court of Justice of the European Union (CJEU) cases mentioned) on the basis indicated below:

#### **The CJEU cases**

Sabel BV v Puma AG [1998] RPC 199; Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc [1999] RPC 117; Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. [2000] F.S.R. 77; Marca Mode CV v Adidas AG & Adidas Benelux BV [2000] E.T.M.R. 723; Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case T-6/01; Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH C-120/04; Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P.

#### **The principles**

“(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the



imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

### **The average consumer and the nature of the purchasing process**

17. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and then to determine the manner in which these goods will be selected by the average consumer in the course of trade. The goods at issue in these proceedings are, broadly speaking, leather goods such as bags, purses, wallets and belts in class 18 and clothing, underwear, footwear

and headgear in class 25. The average consumer of all of these goods will be a member of the general public. As to how clothing will be selected, 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 General Court (GC) said this:

“50. The applicant has not mentioned any particular conditions under which the goods are marketed. Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion.”

18. As all of the goods at issue, are, in my experience, most likely to be the subject of self selection from traditional retail outlets on the high street, catalogues and websites, visual considerations are likely to dominate the selection process, but not to the extent that aural considerations can be ignored. The cost of the goods in both classes can vary considerably. In *New Look* the GC also considered the level of attention taken purchasing goods in the clothing sector. It stated:

“43 It should be noted in this regard that the average consumer’s level of attention may vary according to the category of goods or services in question (see, by analogy, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected.”

19. When selecting the goods at issue factors such as material, size, colour, cost and compatibility with other items of luggage, clothing etc. may all come into play. This suggests that the average consumer will pay a reasonable level of attention when making their selection, a level of attention which is likely to increase as the cost and importance of the item increases.

### **Comparison of marks**

20. In these proceedings, the opponent is relying on the three marks shown in paragraph 2 above. Bearing in mind the representation of the mark and the goods for which it is registered, it is CTM no. 8952848 which, in my view, offers the opponent the best prospect of success. If the opponent does not succeed on the basis of this mark it will be in no better position in relation to CTM no. 3277704 which is only registered in

class 18 or CTM no. 7174832 which contains the additional non-distinctive element “Comfort Style” and which is registered for a limited range of goods in class 25.

21. The competing marks are as follows:

The opponent’s mark (best case)	The applicant’s mark
	FLEXITS

22. It is well established that the average consumer is considered to be reasonably well informed, circumspect and observant but perceives marks as a whole and does not pause to analyse their various details. In addition, he rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind. In reaching a conclusion on similarity I must compare the respective marks from the visual, aural and conceptual perspectives identifying, where appropriate, what I consider to be the distinctive and dominant elements of the respective marks.

23. The applicant’s mark consists of the word FLEXITS presented in upper case. As no part of this word is highlighted in any way, there are, in my view, no dominant or distinctive elements; the distinctiveness lies in the mark as a whole.

24. Although the opponent’s mark consists of the word flexi presented in grey blue in a slightly stylised lower case font and is accompanied by a device element presented in red (which, in my view, acts as an underlining), the parties agree, as do I, that it is the word flexi which is the dominant element of the mark. As to distinctiveness, the red device element is unremarkable; given the subordinate role it plays in the mark it is not, in my view, a distinctive element of the opponent’s mark. That leaves the word flexi presented in grey blue, which the opponent argues is both a dominant and a distinctive element. For the reasons mentioned earlier, the applicant disagrees. The word flexi will be very well known to the average consumer as meaning flexible i.e. “adaptable or variable” (Collins English Dictionary). Considered in relation to the goods for which the opponent’s mark is registered, I would have concluded (absent evidence) that the word would indicate to the average consumer that the goods were in one or more respects flexible. Although some of the applicant’s evidence comes from after the material date in these proceedings (i.e. October 2012), its proximity to this date (i.e. March, April and August 2013) does no more than confirm my own understanding of how the word flexi would have been understood by the average consumer not only at the material date but for many years prior to that date. The word flexi is not, in my view, a distinctive element of the opponent’s mark. In those circumstances, the distinctiveness of the opponent’s

mark can only lie in the combination of the elements present in the mark and the colours and manner in which they are configured.

25. Although the applicant's mark is presented as one word in upper case and contains the additional letters TS, as the letters FLEXI appear at the beginning of the mark and as the average consumer will be very familiar with the word FLEXI, the fact that the applicant's mark contains this word will not, in my view, go unnoticed. Although the opponent's mark contains the word flexi presented in colour in lower case and contains a device element also in colour, as the applicant's mark is presented in black and white, the colour element of the opponent's mark does not, for the reasons given by Mann J in *Specsavers International Healthcare Ltd v Asda Stores Ltd* (No. 2) [2011] FSR 1, assist in distinguishing the competing marks. The presence in both marks of the letters FLEXI in the same order creates a reasonably high degree of visual similarity between them. As the device element of the opponent's mark will not be articulated by the average consumer and as both marks consist of two syllables (the first syllable of which is the same), the competing marks are also, in my view, aurally similar to a reasonably high degree. Finally, insofar as conceptual similarity is concerned, the presence in both marks of the well known word FLEXI will create in the average consumer's mind the concept of flexibility resulting, once again, in the competing marks being conceptually similar to a reasonably high degree.

### Comparison of goods

26. The goods to be compared are as follows:

<b>The opponent's goods (best case)</b>	<b>The applicant's goods</b>
<b>Class 18</b> - Handbags, bags, rucksacks, purses and pocket wallets; leather and imitations of leather, and goods made of these materials and not included in other classes except dog leashes.  <b>Class 25</b> - Footwear (except orthopaedic footwear), boots, trainers (included in this class); clothing, belts and headgear.	<b>Class 25</b> - Clothing; underwear; footwear; headgear.

27. In reaching a conclusion, I will also keep in mind the decision of the GC in *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) case T-133/05 i.e.

“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).”

28. The terms “clothing”, “footwear”, “headgear” appear in both parties’ specification in class 25 and are identical. As “underwear” in class 25 of the application are also articles of clothing (albeit underclothing), it would be encompassed by the term “clothing” in the opponent’s specification in class 25 and is identical on the principle outlined in *Meric*.

### **Distinctive character of the opponent’s earlier mark**

29. I must now assess the distinctive character of the earlier mark. The distinctive character of a mark can be appraised only, first, by reference to the goods for which it is registered and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

30. I have already concluded that the flexi element of the opponent’s mark lacks distinctive character and that the distinctiveness lies in the mark as a whole. However, the opponent has filed evidence seeking to show its mark has acquired an enhanced reputation. In its submission, the applicant comments on this evidence in the following terms:

“4.2. However, in any event, the only evidence submitted by [the opponent] of the purported reputation of the registrations is a printout from the opponent’s website dated 24 June 2013 which asserts that the opponent was founded in 1935 and is present in 10 countries in three continents. There is no information in the printout about (i) which trade marks(s) the opponent has used in connection with its business; (ii) what goods those trade marks(s) have been applied to; (iii) in which countries those trade marks(s) have been used; or (iv) when use of the those trade marks(s) commenced. [The opponent] contends...that [it] first used the FLEXI trade mark in 1935 and has since that date sold a broad range of footwear products through its “Flexi Shoe Stores”. This is not corroborated by the evidence.

4.3 [The opponent] also contends...that the registrations enjoy a high degree of recognition in relation to high quality footwear products and the retail of such products. The applicant submits that there is no evidence to suggest that this is the case.

4.4...the opponent has in any event not proved the existence of a relevant reputation for the purposes of section 5(3).”

31. In its submissions in reply, the opponent stated:

“8. Moreover, the opponent hereby confirms that all the earlier marks it relies upon in these proceedings have been used in the UK in relation to the goods for which they are registered.

9. The earlier marks have been used in a wide range of countries, including the UK. The marks were first used in this country in 1995 in relation to a range of footwear products, and have since been used in the UK in respect of a broad range of goods in classes 18 and 25.”

32. I have commented upon the opponent’s evidence in paragraph 8 above. Although the opponent’s claims above are noted, as no evidence has been filed in support of them, they are, just that, claims. In short, I agree with all of the applicant’s comments. As no relevant evidence has been filed which shows any use of the opponent’s mark in the UK, I have only the inherent characteristics of its mark to consider. The fact that the word flexi is both a dominant but non-distinctive element of the opponent’s mark, results, in my view, in the mark as a whole having a very low degree of inherent distinctive character.

### **Likelihood of confusion**

33. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to factor in the distinctive character of the earlier mark as the more distinctive this mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

34. Earlier in this decision I concluded that: (i) the average consumer of the goods is a member of the general public who will select the goods by primarily visual means and who will pay a reasonable level of attention when doing so, (ii) the competing goods are identical, (iii) the distinctiveness of both parties’ marks mark lay in their totalities, (iv) the competing marks were visually, aurally and conceptually similar to a reasonably high degree, and (v) the opponent’s earlier mark was possessed of a very low degree of inherent distinctive character. The evidence provided by the opponent did not establish that this inherent distinctive character had been enhanced by the use made of the mark.

35. The competing goods are identical and both parties' marks consist of or contain the letters FLEXI as either a free standing element (the opponent's mark) or as an identifiable element within a unified whole (the applicant's mark). These factors result, in my view, in a reasonably high degree of similarity overall. However, the only similarity between the competing marks results from an element which I would have been prepared to conclude absent evidence, but which the applicant's evidence shows, would, in the context of the goods at issue, be well known to the average consumer in a descriptive context. As the word flexi in the opponent's mark has no distinctive character, it follows that the average consumer will not attribute trade origin to that element of the opponent's mark and will not rely upon it when making purchasing decisions. In addition, the applicant's mark also contains the additional letters TS, which will not, in my view, be overlooked. That being the case, there is, in my view, no likelihood of either direct or indirect confusion and the opposition based on section 5(2)(b) of the Act fails.

### **Conclusion under section 5(2)(b)**

**36. The opposition based on section 5(2)(b) of the Act fails.**

### **The objection based upon section 5(3) of the Act**

37. The principles to be applied when determining an objection under this ground were summarised by the Hearing Officer, Allan James, in BL O-179-11 as follows:

“(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors Corp v Yplon SA* [2000] RPC 572 (CJEU), paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26; but the reputation of the earlier mark may extend beyond the consumers for the goods and services for which it is registered; *Intel Corporation Inc v CPM United Kingdom Ltd* - [2009] RPC 15 (CJEU), paragraph 51.

(c) It is necessary, but not sufficient, for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon AG v Fitnessworld Trading Ltd.* [2004] ETMR 10 (CJEU), paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account all relevant factors, including the degree of similarity between the respective marks and between the respective goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Although it is not a necessary factor, a link between the trade marks is necessarily established where the similarity between the marks causes the relevant public to believe that the goods/services marketed under the later mark come from the owner of the earlier mark, or from an economically connected undertaking; Intel, paragraph 57.

(f) Where a link is established, the owner of the earlier mark must also establish that it has resulted in the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; Intel, paragraph 68: whether this is the case must also be assessed globally, taking account of all the relevant factors; Intel, paragraph 79.

(g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; Intel, paragraphs 76 and 77.

(h) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; Intel, paragraph 74.

(i) Detriment to the repute of the earlier mark is caused when the goods or services for which the later mark is used by the third party may be perceived by the public in such a way that the earlier trade mark's power of attraction is reduced; *L'Oreal SA and others v Bellure NV and others* - C-487/07 (CJEU), paragraph 40.

(j) Unfair advantage covers, in particular, cases where a third party seeks to ride on the coat-tails of the senior mark in order to benefit from a transfer of the image of the earlier mark, or of the characteristics it projects to the goods/services identified by the later mark; L'Oreal, paragraph 41."

38. There is no evidence that the opponent has used its mark in the UK. As such, it fails the first part of the test outlined in *General Motors Corp v Yplon SA* which is necessary to get an opposition based upon section 5(3) of the Act off the ground. As a consequence, the opposition based upon section 5(3) of the Act falls at the first hurdle and is dismissed accordingly.

## **Overall conclusion**

**39. The opposition based upon sections 5(2)(b) and 5(3) of the Act fails.**



## Costs

40. As the applicant has been successful it is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to the applicant on the following basis:

Preparing a statement and considering the opponent's statement:	£400
Preparing evidence and considering and commenting on the opponent's evidence:	£800
Written submissions:	£400
<b>Total:</b>	<b>£1600</b>

41. I order Grupo Flexi de Leon S.A.P.I. de C.V. to pay to Pacific Brands Clothing Pty Ltd the sum of **£1600**. 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 3rd day of February 2014**

**C J BOWEN**  
**For the Registrar**  
**The Comptroller-General**