

O-065-15

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 3013648  
BY**

**GUANGZHOU DIKENI INVESTMENT AND DEVELOPMENT CO., LTD.**

**TO REGISTER THE TRADE MARK**

**ÇARSYDA**

**IN CLASS 25**

**AND**

**AND OPPOSITION THERETO  
UNDER NO 401469  
BY CALIDA HOLDING AG**

## **Background and pleadings**

1. On July 2013, GUANGZHOU DIKENI INVESTMENT AND DEVELOPMENT CO., LTD. ("the applicant") applied to register:

**ÇARSYDA**

2. Following examination, the application was accepted and published for opposition purposes on 4 October 2013 for the following goods:

Class 3: Make-up; cosmetic preparations for skin care; cleansing milk for toilet purposes; hair lotions; washing preparations; sunscreen preparations; perfumes; essential oils; mouth washes, not for medical purposes; potpourris [fragrances].

Class 18: Handbags; pocket wallets; travelling trunks; pocket wallets; backpacks; fur; umbrellas; walking sticks; shopping bags; coverings of skins (furs).

Class 25: Clothing; leather belts [clothing]; bathing suits; scarfs; shawls; shoes; hats; hosiery; gloves [clothing]; neckties.

3. CALIDA HOLDING AG ("the opponent") opposes class 25 of the application under Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). This is on the basis of its earlier European Community Trade Mark Registration no. 177956 for the mark CALIDA. The opponent relies upon the following goods:

Class 25: Underwear and loungewear for women, men and children; swimwear; hosiery; slippers.

4. The opponent argues that the respective goods/services are identical or similar and that the marks are similar. The opponent states that following a global comparison, a likelihood of confusion exists.

5. The applicant filed a counterstatement denying the claims made but did not request that the opponent proves use of their earlier mark.

6. Neither side filed evidence in these proceedings.

7. The opponent filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

## **Decision**

### **Section 5(2)(b)**

8. Sections 5(2)(b) of the Act is 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”.

9. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### **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 be dominated by one or more of its components;

(f) however, it is also 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 creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Average consumer and the purchasing act**

10. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

11. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

12. The conflict relates to various articles of clothing. The average consumer of clothing is a member of the general public. The goods may be tried on and are likely to be inspected for colour, size, style, fitness for purpose, etc. All of this increases the potential exposure to the trade mark. That being said, the purchase is unlikely to be a highly considered process since clothing is purchased relatively frequently and, although cost can vary, they are not generally a highly expensive purchase. I consider the purchasing process to be a normal, reasonably considered one, no higher or lower than the norm.

13. As to how such an average consumer selects such goods, 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”) stated in paragraph 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.”

14. Since the goods at issue are most likely to be purchased following a process of self selection via a retail outlet on the high street, catalogues or websites, I agree that visual considerations dominate the selection process. In accordance with the guidance set out *New Look*, greater weight should be given to the visual aspect. Whilst taking this view, I do not rule out aural use completely.

#### **Comparison of goods and services**

15. In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

16. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) 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;

- e) 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.

<b>Opponent's Class 25 goods</b>	<b>Applicant's Class 25 goods</b>
Underwear and loungewear for women, men and children; swimwear; hosiery; slippers.	Clothing; leather belts [clothing]; bathing suits; scarfs; shawls; shoes; hats; hosiery; gloves [clothing]; neckties.

17. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court stated that:

“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 trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

18. The applicant's goods cover the broad term “clothing”, plus specific articles of clothing and “shoes”. On the principles outlined in *Gérard Meric*, the competing goods must be considered to be identical.

19. Some of the contested goods, i.e. clothing, hosiery, bathing suits are identical to the goods on which the opposition is based. For reasons of procedural economy, the Tribunal will not undertake a full comparison of the goods listed above. The examination of the opposition will proceed on the basis that the contested goods are identical to those covered by the earlier trade mark. If the opposition fails, even where the goods/services are identical, it follows that the opposition will also fail where the goods/services are only similar.”

### **Distinctive character of earlier mark**

20. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that in paragraphs 22 and 23:

“In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in *Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not

contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

21. The opponent has not provided evidence showing that the distinctiveness of its mark has been enhanced through use. Therefore, I only have the marks inherent nature to consider.

22. From an inherent perspective, the opponent’s mark is “CALIDA”. This is an invented word that has no meaning. It does not allude to or describe the goods that they may rely upon. Therefore, the inherent distinctive character of the opponent’s mark is considered to be high.

**Comparison of marks**

23. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

24. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks are:

<b>Opponent’s mark</b>	<b>Applicant’s mark</b>
CALIDA	CARSYDA

### *Visual*

25. The applicant refutes that the marks are visually similar given that the application begins with “C̣” and “because the first letter is generally rendered more important and would be given more attention”. The opponent states that “the presence of the cedilla in the initial letter is so minimal that goes unnoticed”. They go on to say “the letter C̣ does not exist in the English language and, even if pronounced as such by consumers, the average British consumer would read it and pronounce it as the letter C”. I agree. Even if the element which projects downwards from the “C” was a cedilla (which I believe it is not), I am of the opinion that this is likely to go largely unnoticed by the average consumer.

26. A visual comparison between the two trade marks shows some identical features, namely the first two letters (“CA”) and the last two letters (“DA”) are the same. However, the middle letters, namely “RSYD” in the application and “LID” from the earlier mark, gives them a different overall visual impression.

### *Aural*

27. Aurally, the opponent states in paragraph 7 of their submissions that:

“Aurally, the respective Trade Marks will be pronounced or read in three syllables, namely, CA-LI-DA and CAR-SY-DA. The pronunciation of the marks coincides in the sound of the first two letters CA and in the last three letters IDA. The letters “Y” and “I” as placed in the respective marks in conflict sound identical, namely as the vowel “I”. The marks have the same vowel sequence and structure, namely A-I-A. As a result of these similarities, the respective trade marks will sound similar and one may be mistaken for the other having, once again, particular regard to the concept of imperfect recollection.”

28. Whereas the applicant states in paragraph 2.5:

“The Applicant refutes that the subject mark is phonetically similar to the Opponent’s mark “CALIDA”. The consonants in the word “CALIDA” are “C” (pronounced as “K”), “L” and “D” from the left to the right and therefore the word “CALIDA” is pronounced as “Ka-li-da”. By contrast the consonants in the word “CARSYDA” are “C” (pronounced as “K”), “S” and “D” from the left to the right and therefore the word “CARSYDA” is pronounced “Kar-si-da”. Although the words “CARSYDA” and “CALIDA” both share the same beginning “CA” and the same ending “-YDA/-IDA” and vowel sequence “A-I-A”, “Kar-si-da” and “Ka-li-da” as a whole are obviously not the same in pronunciation. As a matter of fact, in the UK register, there are many registered marks which start with “CA” and contain the vowel sequence “A-I-A”, for example, “CASILDA” of number EU007286487 in Classes 18, 25 & 35, “Carisma” of number EU004972733 in Classes 14, 24, 25 & 26 and “CARPISA” of number EU010529659 in Classes 14, 18 & 25. If these marks can co-exist peacefully in the register and no confusion between them has ever occurred among the general consumers in UK, the general consumers in UK, by the same analogy, should not have any difficulties in distinguishing the



word “CARSYDA” of the subject mark and the word “CALIDA” of the Opponent’s mark.”


29. I agree that the respective trade marks consist of three syllables. The application may be pronounced in a few different ways, but most likely either CAR-SID-A, CAR-SEE-DA or CAR-SIDE-DA, whereas the opponent’s mark would be pronounced as CA-LID-DA or CAL-EED-DA. When considered overall the difference between the sound produced by CA in CALIDA and CAR in CARSYDA differ insofar that the latter is a longer sound. Further, LI in the opponent’s mark produces a different sound to the letters SY in the application. In my view, this results in a low level of aural similarity between the competing trade marks.

### *Conceptual*

30. Since neither word has a meaning, the competing trade marks are unlikely to create any conceptual imagery in the mind of the average consumer. Therefore, there is no conceptual consideration.

### **Likelihood of confusion**

31. In paragraph 2.6 of the applicant’s counterstatement they state:

“As a matter of fact, XU CAIJUN, the legal representative of the Applicant, has successfully registered the trade mark “” in UK under trade mark number UK00002556777 in respect of goods in Classes 3, 14, 18 & 25. The prominent part of the aforementioned mark is the same as the subject mark. If the aforementioned mark and the Opponent’s mark can co-exist peacefully in the register and no confusion between them has ever occurred among the general consumers in UK, the general consumers in UK, by the same analogy, should not have any difficulties in distinguishing the subject mark and the Opponent’s mark.”

32. In paragraph 16 of the opponent’s submissions it states that the referred to registration “does not form a part of these proceedings and, furthermore, the existence of this right dose [sic] not support the claim or supposition that no confusion has ever occurred among the general consumers in the UK”. I refer to TPN 4/2009 which states:

### **“Reliance on the Absence of Confusion in the Marketplace**

6. Parties are also reminded that claims as to a lack of confusion in the market place will seldom have an effect on the outcome of a case under section 5(2) of the Act.

7. In *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 Laddie J held:

“22. It is frequently said by trade mark lawyers that when the proprietor's mark and the defendant's sign have been used in the

market place but no confusion has been caused, then there cannot exist a likelihood of confusion under Article 9.1(b) or the equivalent provision in the Trade Marks Act 1994 ("the 1994 Act"), that is to say s. 10(2). So, no confusion in the market place means no infringement of the registered trade mark. This is, however, no more than a rule of thumb. It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place."

8. In *Rousselon Freres et Cie v Horwood Homewares Limited* [2008] EWHC 881 (Ch) Warren J commented:

"99. There is a dispute between Mr Arnold and Mr Vanhegan whether the question of a likelihood of confusion is an abstract question rather than whether anyone has been confused in practice. Mr Vanhegan relies on what was said by Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at paragraphs 22 to 26, especially paragraph 23. Mr Arnold says that that cannot any longer be regarded as a correct statement of the law in the light of *O2 Holdings Ltd v Hutchison 3G Ltd* [2007] RPC 16. For my part, I do not see any reason to doubt what Laddie J says..."

9. In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 Millett L.J. stated that:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

33. In view of the above, I agree with the opponent that the existence of the earlier registration or any use thereof has no bearing on these proceedings.

34. In determining whether there is a likelihood of confusion, I must adopt the global approach advocated by case law. This includes a number of factors including the interdependency principle, i.e. whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa<sup>1</sup>. I

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<sup>1</sup> Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc

must also consider the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion<sup>2</sup>, and imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind<sup>3</sup>. Nevertheless, consumers are deemed to be reasonably well informed and reasonably circumspect and observant<sup>4</sup>.

35. Earlier in this decision I found:

- There is a low level of aural similarity, no conceptual consideration and, although there are some visual similarities, there are also significant visual differences.
- The average consumer will be the general public who are likely to pay a reasonable level of attention during the purchase of the goods in question.
- The purchasing act will be mainly visual but aural considerations must also be considered since they may also play a part in the purchasing act.
- The earlier mark has a high level of inherent distinctive character.

36. These factors, together with the overall impression of the respective marks, results in there being no likelihood of confusion, even for identical goods.

## **Outcome**

**37. The opposition fails. The application may proceed for the applied for goods.**

## **COSTS**

38. The applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the applicant the sum of £300 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the other side's statement - £300

39. I therefore order Calida Holding AG to pay GUANGZHOU DIKENI INVESTMENT AND DEVELOPMENT CO., LTD the sum of £300. The above sum should 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 10th day of February 2015**

**Mark King  
For the Registrar,  
The Comptroller General**

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<sup>2</sup> Sabel BV v Puma AG

<sup>3</sup> Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V

<sup>4</sup> Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. Case C-342/97