

O-412-15

TRADE MARKS ACT 1994

IN THE MATTER OF UK APPLICATION NO 3070327
IN THE NAME OF ANDREW R PILLING
IN RESPECT OF THE TRADE MARK:



H A L C Y O N
— E F F E C T —

AND

OPPOSITION THERETO
UNDER NOS 600000192
BY HALCYON LONDON INTERNATIONAL SCHOOL

BACKGROUND

1. On 28 August 2014, Andrew R Pilling (the applicant) applied to register the trade mark shown on the cover page of this decision. The application was made in respect of goods in class 25 of the Nice Classification system.¹ The specification stands as follows:

Clothing; footwear; headgear; t-shirts; polo shirts; hoodies; sweatshirts; trousers; jeans; not including school uniforms.

2. The application was published on 3 October 2014, following which, Halcyon London School (the opponent) filed a notice of opposition against the application under the fast track opposition procedure. Following a change of details the opponent changed its name to Halcyon London International School on 26 May 2015.

3. The opposition was brought under section 5(2)(b) of the Trade Marks Act 1994 (the Act). The opponent relies upon UK trade mark 2655622, in respect of the goods shown below:

Mark details and relevant dates	Goods relied on
<p>Mark:</p> <p>HALCYON</p> <p>Filing date: 11 March 2013</p> <p>Date of entry in the Register: 16 August 2013</p>	<p>Class 25 School uniforms, namely, shirts, blouses, jackets, blazers, trousers, shorts, skirts, socks, tights, shoes, neck ties, caps, hats, sports clothing, sports footwear and sports headwear.</p>

4. The applicant filed a counterstatement, denying the ground of opposition.

5. Rules 20(1)-(3) of the Trade Mark Rules 2008 (the provisions which provide for the filing of evidence) do not apply to fast track oppositions, but Rule 20(4) does. It reads:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”

6. The net effect of the above is to require parties to seek leave in order to file evidence (other than the proof of use evidence which is filed with the notice of opposition) in fast track oppositions.

7. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if 1) the Office requests it or 2) either party to the proceedings

¹ *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost. Otherwise written arguments will be taken.

8. A hearing was neither requested nor considered necessary. Both parties filed written submissions, which I will refer to as necessary, below.

Limitation to the applicant's specification

9. All of the goods in Class 25 of the applicant's specification include the limitation '*not including school uniforms*'.

10. I am mindful of *Omega SA (Omega AG) (Omega Ltd) v Omega Engineering Incorporated* [2012] EWHC 3440 (Ch), in which Arnold J. provided the following guidance on the application of the *POSTKANTOOR*² principle to limitations to specifications.

"43. *The POSTKANTOOR principle.* In *POSTKANTOOR* the applicant applied to register the word *POSTKANTOOR* (Dutch for *POST OFFICE*) in respect of goods and services in Classes 16, 35–39, 41 and 42. The Benelux Trade Mark Office refused registration on the grounds that the sign was descriptive. On appeal, the *Gerechtshof te s'-Gravenhage* (District Court of The Hague) referred nine questions of interpretation of the Directive to the Court of Justice, of which the eighth was as follows:

"Is it consistent with the scheme of the Directive and the Paris Convention for a sign to be registered for specific goods or services subject to the limitation that the registration applies only to those goods and services in so far as they do not possess a specific quality or specific qualities (for example, registration of the sign '*Postkantoor*' for the services of direct-mail campaigns and the issue of postage stamps, provided they are not connected with a post office)?"

44. The Court of Justice answered this question as follows:

"113. ... when registration of a mark is sought in respect of an entire class within the Nice Agreement, the competent authority may, pursuant to Article 13 of the Directive, register the mark only in respect of some of the goods or services belonging to that class, if, for example, the mark is devoid of any distinctive character in relation to other goods or services mentioned in the application.

114. By contrast, where registration is applied for in respect of particular goods or services, it cannot be permitted that the competent authority registers the mark only in so far as the goods or services concerned do not possess a particular characteristic.

² *Established in C-363/99*

115. Such a practice would lead to legal uncertainty as to the extent of the protection afforded by the mark. Third parties — particularly competitors — would not, as a general rule, be aware that for given goods or services the protection conferred by the mark did not extend to those products or services having a particular characteristic, and they might thus be led to refrain from using the signs or indications of which the mark consists and which are descriptive of that characteristic for the purpose of describing their own goods.”

45. The guidance given by the Court of Justice must be seen in the context of the question to which it was addressed, namely whether it was acceptable to restrict the goods or services by reference to the absence of “a specific quality”. What the District Court of The Hague meant by this can be seen from the example it gave, viz. “the services of direct mail campaigns and the issue of postage stamps provided that they are not connected with a post office”. When the Court of Justice referred in its answer to “a particular characteristic”, it must have meant the same thing as the District Court meant by “a specific quality”.

46. The application of this guidance has caused some difficulty in subsequent cases. In *Croom’s Trade Mark Application [2005] R.P.C. 2* at [28]–[29] Geoffrey Hobbs QC sitting as the Appointed Person held that the *POSTKANTOOR* principle precluded the applicant from limiting a specification of goods in Classes 18 and 25 by adding the words “none being items of haute couture” or “not including items of haute couture”. He went on at [30] to refer to “characteristics that may be present or absent without changing the nature, function or purpose of the specified goods”. Mr Hobbs QC made the same distinction in *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22* at [16].

47. In *Oska’s Ltd’s Trade Mark Application [2005] R.P.C. 20* at [56] I observed *en passant* when sitting as the Appointed Person that I did not consider that it would be permissible to limit the specification by reference to the applicant’s intended target market.

48. In *MERLIN Trade Mark (BL O/043/05) [1997] R.P.C. 871* at [27]–[28] I held when sitting as the Appointed Person held that the disclaimer “but not including the provision of venture capital” was acceptable, because it was not framed by reference to the absence of particular characteristics of the services, but rather it was a restriction on the scope of the services embraced by the specification. Accordingly, “the effect of [the disclaimer] is simply to excise a particular service from the specification. The mere fact that it is more convenient to express it in negative than positive terms does not make it objectionable.”

49. I also allowed a second disclaimer “and not including the provision of any such services to the pharmaceutical biotechnological [or] bioscientific sectors” for reasons which I expressed at [29] as follows:

“The position with regard to the second disclaimer is more debatable, but in my judgment the disclaimer does not relate to a characteristic of the services. I consider that there is a distinction between goods and services here. An article of clothing is an article of clothing regardless of whether it is of a particular style or quality and regardless of the identity and proclivities of the intended purchaser. By contrast, services can be defined in part by the recipient of the service. The opponent’s registration is an example of this, since both the Class 35 and the Class 36 specification are limited to services provided to the pharmaceutical biotechnological and bioscientific sectors. In my view *POSTKANTOOR* does not make it impermissible to define services in this way. That being so, I consider that it makes no difference if the definition is expressed negatively rather than positively.”

50. In *Patak (Spices) Ltd’s Community Trade Mark Application (R746/2005-4) [2007] E.T.M.R. 3* at [28] the Fourth Board of Appeal at OHIM refused to allow a proposed limitation “*none of the aforesaid being dart games or darts*” to a class 28 specification as offending the *POSTKANTOOR* principle. I find this decision difficult to follow, since the exclusion related to categories of goods, rather than the characteristics of goods. It appears that the objection may have been down to the fact that the exclusion was negatively worded, but as I explained in *MERLIN [1997] R.P.C. 871* that is a matter of form, not substance, and so should not have been determinative.”

And

“56. Against this background, counsel for Swiss submitted that the limitation “intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)” contravened the *POSTKANTOOR* principle because it purported to restrict the specification of goods by reference to whether the goods possessed particular characteristics.

57. I do not accept that submission for the following reasons. First, if and insofar as the *POSTKANTOOR* principle depends on the limitation being expressed in negative terms, the limitation in the present case is expressed in positive terms. Secondly, and more importantly, I do not consider that the limitation refers to whether the goods possess particular characteristics in the sense in which the Court of Justice used that term in *POSTKANTOOR*. Rather, the limitation refers to the functions of the goods. To revert to the analogy discussed above, it is comparable to a limitation of “clocks” to “clocks incorporating radios”. Accordingly, in my judgment it falls on the right side of the line drawn by Mr Hobbs QC in *Croom’s Trade Mark Application [2005] R.P.C. 2* and *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22.*”

11. With regard to the applicant's limitation, 'not including school uniforms', it lacks clarity. As Arnold J stated in *Merlin*, 'an article of clothing is an article of clothing regardless of whether it is of a particular style or quality and regardless of the identity and proclivities of the intended purchaser'. The limitation does not seek to limit a category of the goods, but seeks instead to limit the nature of use of the goods.

12. Consequently, the limitation applied to the applicant's specification cannot be considered to be valid.

DECISION

13. Section 5(2)(b) of the Act reads as follows:

"5. - (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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with 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. The opponent's mark is an earlier mark but is not subject to proof of use because, at the date of publication of the application, it had not been registered for five years.³

³ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5 May 2004

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 act

17. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

18. 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.”

19. In respect of goods in class 25, in considering the level of attention that will be paid to such a purchase and the nature of the purchasing act, I am mindful of the decision of the General Court (GC) 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, in which it commented:

"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 trademarks 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."

...
 53. 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."

20. In its counterstatement, the applicant submits:

"The average consumer of the goods of the Earlier mark are the parents of children who attend the London Halcyon [International] School. The average consumer of the Applicant's mark is a member of the public, who is likely to select the goods by visual means."

21. Since the opponent's mark is not subject to proof of use, I must consider the average consumer of the goods registered and not the actual use being made currently. In respect of the goods in class 25 the purchase is likely to be made by a member of the general public. The purchase is likely to be primarily visual as it is likely to be made from a store, website or directly from a shelf. The level of attention paid is likely to be reasonable to the extent that the purchaser will wish to select, inter alia, the correct colour, size, material, style.

Comparison of goods

22. The goods to be compared are as follows:

The opponent's goods	The applicant's goods
Class 25 School uniforms, namely, shirts, blouses, jackets, blazers, trousers, shorts, skirts, socks, tights, shoes, neck ties, caps, hats, sports clothing, sports footwear and sports headwear.	Class 25: Clothing; footwear; headgear; t-shirts; polo shirts; hoodies; sweatshirts; trousers; jeans; not including school uniforms.

23. With regard to the similarity of goods, the applicant states, in its submissions dated 13 July 2015:

"3. The degree of services [sic] for which the Opponent's mark is respectively registered is for school uniforms only and the goods for which the Applicant's mark are now proposed to be registered does not include

school uniforms. Therefore the goods are sufficiently different and the Applicant's mark should be allowed to registration."

24. It also brings to my attention *Giorgio Armani SpA v Sunrich Clothing Ltd*⁴, which the applicant submits is similar to its own case. It continues:

"5...In fact, it is submitted that the Applicant has a far stronger case. Casual clothing is significantly different to school uniforms and the buying process is different."

25. The opponent states:

"10. ...whilst [the opponent's] protected goods are limited to specified items of school uniform, it is undeniable that school uniform (and the specified items covered by the opposition mark) falls within (and is therefore identical to) 'clothing; footwear; headgear'. Furthermore, as the Applicant's 't-shirts; polo shirts; hoodies; sweatshirts; trousers; jeans' could be in the nature of school uniforms or casual clothing, they too are identical to the Opponent's protected goods. Even if the goods covered by the Application Mark were to be limited so as to exclude school uniforms, the Opponent submits that such goods would still be, at least, similar to school uniforms as school uniforms remain a subset of clothing; footwear; headgear and are therefore identical or similar to such larger category."

26. With regard to the case referred to by the applicant, it concerned the scope of the opposition and the resulting findings by the Hearing Officer and is not on all fours with this case. I must make the comparison based on the specifications before me.

27. I note that the term 'namely' is included in the opponent's specification. The Addendum to the Manual of Trade Marks Practice deals with this construction as follows:

"Note that specifications including 'namely' should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above 'dairy products namely cheese and butter' would only be interpreted as meaning 'cheese and butter' and not 'dairy products' at large. This is consistent with the definitions provided in Collins English Dictionary which states 'namely' to mean 'that is to say' and the Cambridge International Dictionary of English which states 'which is or are'."

28. In comparing the goods, I bear in mind the following guidance provided by the GC in *Gérard Meric v OHIM*, Case T-133/05:

"29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade

⁴ [2011] RPC 15

mark application are included in a more general category designated by the earlier mark.”

29. Where appropriate I will, for the purposes of comparison, group related goods together in accordance with the decision in *Separode Trade Mark*⁵:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”

30. The opponent’s registration contains a number of named items of clothing, footwear and headgear. The applicant’s specification includes clothing, footwear and headgear at large. For reasons I have already identified, these goods are not limited. In accordance with *Meric*, these are identical goods.

31. In the event that the applicant’s limitation was considered valid, the parties’ goods are still identical. A white shirt provided as part of a school uniform and a white shirt not sold as school uniform still results in a finding that these are identical goods.

Comparison of the marks


32. It is clear from *Sabel BV v. Puma AG* (particularly at 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.”

33. It would be wrong, therefore, to dissect the trade marks artificially, 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.

⁵ *BL O-399-10*

34. The competing marks are as follows:

The opponent's mark	The applicant's mark
<p>HALCYON</p>	

35. The opponent's mark consists of a single element, the word HALCYON, in block capitals with no form of stylisation. The overall impression of the mark is based solely on that word.

36. The applicant's mark consists of the word 'HALCYON' in a slightly stylised font. Directly above the word is a large stylised, upper case letter 'H'. Below the letters 'LCY' of the word 'HALCYON' is the word 'EFFECT' which is also in upper case, but is considerably smaller, with hyphens presented either side of it. The overall impression of the mark is made up of both the large stylised 'H' and the word 'HALCYON'. The word 'EFFECT' is considerably smaller and whilst not unnoticeable, does not play a significant role in the overall impression of the mark.

Visual similarity

37. The opponent states:

"Whilst the Opponent accepts that the Application Mark contains an 'H' device, the degree of stylization of the words 'HALCYON EFFECT' is very low. The Opponent submits that whilst the Application Mark is clearly not identical to the Opposition Mark, it is visually similar as it contains the Opposition Mark in its entirety together with a letter 'H' which will be regarded as a reference to the initial letter of the word 'Halcyon' and the word 'EFFECT' which, the Opponent submits, has no trade mark significance."

38. The applicant submits, in its counterstatement:

"Visually, there is a difference, since the Applicant's mark is longer and consists of a dominant 'H' device followed by two stylised words. The marks only share one word in common, and the way each mark begins is different. They do not have identical structure with the Applicant's mark being composed of three elements and the Earlier mark being one word. The Applicant's mark is a device mark which, includes a stylised letter 'H' which is large and draws the eye to focus on the 'H'. This adds a good deal of distinctiveness to the device. Underneath the design it includes the

art deco stylised word 'HALCYON' and 'EFFECT' in a smaller font. It is a rule of thumb that the beginnings of trade marks are usually more important than the ends. Owing to the size and positioning of the 'H' this will be important on the perception of the average consumer and is the dominant part of the device mark."

39. Visual similarity rests in inclusion of the English word 'HALCYON' in both marks. It is the whole of the opponent's mark and the first and largest word of the applicant's mark. The applied for mark also includes a large letter H above the word 'HALCYON' and the smaller word, 'EFFECT' below it. Taking all of these factors into account, there is a medium degree of visual similarity between the marks.

Aural similarity

40. The opponent submits:

"6. Comparing the Application Mark and the Opposition Mark aurally, the Opponent submits that the Application Mark is highly similar to the Opposition Mark. The consumer is unlikely to say the full Application Mark ('H-HALCYON-EFFECT') when referring to it in speech and is likely to drop the leading 'H'. On an aural comparison, the Opponent submits that 'HALCYON EFFECT' and 'HALCYON' are highly similar."

41. With regard to the aural similarity between the marks, the applicant concludes:

"Owing to the common phonetic elements of the trade marks there is a degree of aural similarity. However, owing to the addition of the word 'EFFECT', the degree of aural similarity is limited. In reality with the addition of the device and additional words, the two signs are aurally quite different."

42. As the opponent submits, the average consumer is unlikely to articulate the 'H' at the beginning of the applicant's mark. The mark will most likely be pronounced as the two English words HALCYON EFFECT. The opponent's mark comprises the single word, 'HALCYON', identical to the first word of the application. In making such a finding, I do not discount the fact that some average consumers may not know exactly how to pronounce the word 'HALCYON'. However, whichever way it is pronounced, it will be the same in respect of both parties' marks. Taking into account the additional word 'EFFECT' in the application, the degree of aural similarity overall is medium.

Conceptual similarity

43. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁶ The assessment must be made from the point of view of the average consumer.

⁶ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

44. The applicant submits:

“From Oxford English dictionary halcyon is an adjective ‘Denoting a period of time in the past that was idyllically happy and peaceful: for example the halcyon days of the mid 1980s, when profits were soaring.’

The definition of effect as a noun meaning ‘change which is a result or consequence of an action or other cause’ Effect has several meanings, something which ‘comes into effect’ something which is done ‘for effect’ something which is in force, ‘in effect’, to put something into place or cause it to be such as ‘bringing strategies into effect’.

The word Halcyon evokes a nostalgia and a feeling of thinking back to the good old happy days. Perhaps trying to evoke a happy memory for parents of when they attended school.

There is no dictionary definition of a Halcyon effect. Therefore it is a fanciful reference to perhaps trying to cause a happy feeling in ones mind when something delightful takes place. The combination with ‘H’ and ‘EFFECT’ changes this into a different concept. It could be a feeling of delight when purchasing clothing and the satisfaction that a consumer has with a new outfit.”

45. The opponent submits:

“7. Comparing the Application Mark and the Opposition Mark conceptually the Opponent disagrees with the Applicant’s submissions that they are different. The Opponent acknowledges the dictionary definition attributed to the Opposition Mark by the Applicant and submits that the consumer is likely to associate the Opposition Mark with the ordinary meaning of the word halcyon. However, conceptually, the consumer will understand the Application Mark to mean an effect which is halcyon i.e. having an idyllically happy and peaceful nostalgic effect. This concept is similar (if not identical) to the concept of the Opposition Mark.”

8. For the reasons set out above, the Opponent submits that the Application Mark is similar to the Opposition Mark.”

46. To some average consumers the presence of the word ‘HALCYON’ in both parties’ marks gives an impression of a happy/idyllic time in the past. The addition of the word ‘EFFECT’ simply reinforces this impression, denoting something which evokes or creates a ‘HALCYON’ feeling. For these consumers the conceptual similarity is high.

47. In my view, there will also be a section of the average consumer group who will recognize the word ‘HALCYON’ but may not know its exact meaning, and there may also be others who do not recognize the word at all and consider it to be an invented word. For these average consumers the parties’ marks are conceptually neutral.

48. Accordingly, I find the conceptual similarity between the opponent's mark and the applicant's mark to be at a high level for those familiar with the meaning of 'HALCYON' and neutral for those who do not.

Distinctive character of the earlier mark

49. In determining the distinctive character of a trade 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 used 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.

50. The meaning of the opponent's mark which I have described above is neither descriptive nor elusive of the goods at issue and consequently the mark enjoys an average degree of inherent distinctive character.

Likelihood of confusion

51. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.⁷ I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

52. I have made the following findings:

- The applicant's mark is visually and aurally similar to the opponent's mark to a medium degree.
- The applicant's mark and the opponent's mark are conceptually similar to a high degree to those average consumers who know the meaning of 'HALCYON' and conceptually neutral to those who do not.
- The parties' goods are identical.
- The average consumer is a member of the general public. The purchase is primarily visual and the level of attention paid is reasonable.
- The earlier mark enjoys an average degree of inherent distinctive character.

53. In making a finding, I bear in mind the comments of the GC with regard to identical goods when considering the likelihood of confusion. In *Aldi GmbH & Co KG v Office for Harmonization in the Internal Market*⁸ the GC stated:

⁷ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

⁸ *(Trade Marks and Designs) (OHIM) Case T-505/11*

“91 In addition, the Opposition Division considered that the goods at issue were identical, as was recalled in the contested decision, without the Board of Appeal’s taking a final decision in that regard (see paragraph 40 et seq. above). That implies, in accordance with the case-law cited at paragraph 23 of the present judgment, that, if there is to be no likelihood of confusion, the degree of difference between the marks at issue must be high (see, to that effect, judgment of 29 January 2013 in Case T-283/11 *Fon Wireless v OHIM – nfon (nfon)*, not published in the ECR, paragraph 69).”

54. In reaching a decision on the likelihood of confusion I am mindful of the guidance on how to approach issues of similarity involving composite signs which can be found in the CJEU’s judgment in *Medion AG v Thomson multimedia Sales Germany & Austria GmbH*, Case C-120/04 where it was held that:

“29. In the context of consideration 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, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see *Matratzen Concord*, paragraph 32).

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.”

55. Further, in *Aveda Corporation v Dabur India Limited*⁹Arnold J held:

“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.”

56. I am also mindful of the recent decision of the CJEU in *Bimbo S.A. v OHIM*¹⁰ in which it was held that:

“25...a component of a composite sign does not retain such an independent distinctive role if, together with the other component or components of the sign, that component forms a unit having a different meaning as compared with the meaning of those components taken separately.

...

33. Next, ...it should be pointed out that the purpose of examining whether any of the components of a composite sign has an independent distinctive role is to determine which of those components will be perceived by the target public.

34. Indeed, ...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.

35...Such an assessment must be based on the overall impression produced by the trade marks at issue, since the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details... Therefore, this does not involve an exception, that must be duly substantiated, to that general rule.

⁹[2013] EWHC 589 (Ch)

¹⁰ Case C-591/12P

36. Moreover, the individual assessment of each sign...must be made in the light of the particular circumstances of the case and cannot therefore be regarded as being subject to general presumptions...it is clear, in particular, from the case-law subsequent to *Medion* (EU:C:2005:594), that the Court of Justice did not introduce, in that judgment, a derogation from the principles governing the assessment of the likelihood of confusion.”

57. The word HALCYON is the totality of the opponent’s mark and the first word of the applicant’s mark, being presented below the stylised H. There is a general rule, clear from decisions such as joined cases T-183/02 and T-184/027¹¹, that the first parts of words (and consequently, first words of marks) catch the attention of consumers. However, it is also clear that each case must be decided on its merits considering the marks as wholes. In this case the word HALCYON in the applicant’s mark has significance independently of the mark as a whole. It is a word at the start of the mark which is used adjectivally to define the following word, ‘effect’. ‘EFFECT’ is separated from it and smaller in its presentation. The core message taken from both marks, by those average consumers who know the meaning of HALCYON, is that of a happy or idyllic time in the past.

58. I am mindful of the decision in *Medion* which makes clear that a finding of a likelihood of confusion should not depend upon the overall impression of the composite mark being dominated by the part which is identical to the earlier mark. *Medion* recognises that the overall impression in a case such as this may lead the public to believe that the goods derive, at the very least, from companies which are economically linked. In my view that is the case here, the nature of the common element HALCYON gives rise to indirect confusion where the average consumer will believe the respective goods originate from the same or a linked undertaking, whether or not the average consumer knows the meaning of ‘HALCYON’.¹²

CONCLUSION

59. The opposition succeeds under section 5(2)(b) of the Act.

¹¹ *El Corte Inglés v OHIM – González Cabello and Iberia Líneas Aéreas de España (MUNDICOR)* [2004] ECR II – 965, paragraph 81

¹² *I have also considered the decision of Mr Iain Purvis Q.C. in L.A. Sugar Limited v By Back Beat Inc. Case BL-O/375/10*

COSTS

60. The opposition having succeeded, the opponent is entitled to a contribution towards its costs. The award stands as follows:

Preparing a statement and considering the other side's statement: £200

Preparing submissions: £300

Official fee: £100

Total: £600

61. I order Andrew R Pilling to pay Halcyon London School the sum of £600. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 1st day of September 2015

**Ms Al Skilton
For the Registrar,
The Comptroller General**