

O-527-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3080422 BY
JOHN VARVATOS APPAREL CORP.**

TO REGISTER:



**AS A TRADE MARK
IN CLASSES 3, 9, 14, 25 & 35**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 60000244 BY
AHMET EROL**

BACKGROUND

1. On 6 November 2014, John Varvatos Apparel Corp. Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision. The application was published for opposition purposes on 20 March 2015 for a range of goods and services in classes 3, 9, 14, 25 and 35.

2. The application is opposed by Ahmet Erol under the fast track opposition procedure. The opposition is only directed against the goods in class 25 of the application i.e.

Clothing; footwear; headgear; clothing, namely, tailored suits, suits, tuxedos, jackets, leather jackets, shearling coats, shearling jackets, shearling vests, blouses, coats, overcoats, raincoats, trousers, pants, shorts, sweaters, shirts, bathing suits, undershirts, undershorts, ties, belts, suspenders, scarves, gloves, hosiery, boot shoes, moccasins, sneakers, slippers, footwear, head wear.

The opposition is based upon sections 5(1) and 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The trade mark and goods relied upon by Mr Erol are shown below:

UK no. 2617973 for the trade mark:



applied for on 18 April 2012 and for which the registration procedure was completed on 3 August 2012:

Class 25 – Clothing, footwear, headgear.

3. The applicant filed a counterstatement in which the basis of the opposition is denied.

4. Rule 6 of the Trade Marks (Fast Track Opposition)(Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2008, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

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

5. The net effect of these changes is to require parties to seek leave in order to file evidence in fast track oppositions. In a letter to the Tribunal dated 4 August 2015, the applicant sought leave to file evidence; the request was provisionally refused and the applicant did not ask to be heard in relation to that decision.

6. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings 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. A hearing was neither requested nor considered necessary; both parties filed written submissions which I will refer to, as necessary, below.

DECISION

7. The opposition is based upon sections 5(1) and 5(2)(b) of the Act, which read as follows:

“5 (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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,

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

8. 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.”

9. The trade mark upon which Mr Erol relies qualifies as an earlier trade mark under the above provisions. As this earlier trade mark is not subject to proof of use, Mr Erol is entitled to rely upon all of the goods he has identified.

The opposition based upon section 5(1) of the Act

10. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“CJEU”) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

11. Applying the above principle to the comparison at hand, I have no doubt that the presence of the Union flag in Mr Erol’s trade mark will be noticed by the average consumer. The opposition based upon section 5(1) of the Act fails and is dismissed accordingly.

The opposition based upon section 5(2)(b) of the Act

Section 5(2)(b) – case law

12. 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.

Comparison of goods

13. The competing goods are as follows:

Mr Erol's goods	Applicant's goods
Clothing, footwear, headgear.	Clothing; footwear; headgear; clothing, namely, tailored suits, suits, tuxedos, jackets, leather jackets, shearling coats, shearling jackets, shearling vests, blouses, coats, overcoats, raincoats, trousers, pants, shorts, sweaters, shirts, bathing suits, undershirts, undershorts, ties, belts, suspenders, scarves, gloves, hosiery, boot shoes, moccasins, sneakers, slippers, footwear, head wear.

14. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court ("GC") 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 fur 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".

15. As both parties' specifications include the phrase "Clothing, footwear and headgear", and as, in my view, all of the goods which follow the word "namely" in the applicant's specification would be encompassed by the three general categories mentioned, the competing goods are either literally identical or identical on the *Meric* principle. In its submissions, the applicant suggests that scarves, suspenders and belts for example "would not normally be considered to fall under these general categories and so there is arguably some difference" between the goods; I disagree. However, even if the applicant is correct, if one considers, inter alia, the similarity in the users, nature, intended purpose, method of use and trade channels of the goods it has identified with the goods of Mr Erol, if these goods are not identical to Mr Erol's goods they are, in my view, similar to the highest degree.

The average consumer and the nature of the purchasing act

16. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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."

17. The average consumer for the goods at issue is a member of the general public. As to the manner in which such an average consumer will select these 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 GC considered the level of attention paid to and the manner in which clothing is selected. 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.

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 items of clothing, footwear and headgear are, 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, though not to the extent that aural considerations can be ignored. The cost of the goods at issue can vary considerably. Nevertheless, as factors such as material, size, colour, cost and compatibility with other items may all come into play, the average consumer will, in my experience, pay an average degree of attention when making their selection. This level of attention is, in my experience, likely to increase as the cost and importance of the item increases.

Comparison of trade marks

19. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU 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.”

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

Mr Erol’s trade mark	Applicant’s trade mark
	

21. The competing trade marks contain or consist of what both parties agree is a “peace sign”. This accords with my own view of the matter and, more importantly, how, in my view, the average consumer will construe the trade marks. As this is the only element of the applicant’s trade mark, this is the overall impression it will convey. Although the flag device is an important element of Mr Erol’s trade mark, it blends with the device of a peace sign to form a unified whole, resulting, in my view, in the overall impression of his trade mark being dominated by the peace sign. Although as the applicant suggests the trade marks have differences in, for example, “shading”, “design of the hand shapes” and the manner in which “the thumb in each design joins to a different finger...”, these differences would only be revealed by a forensic analysis of the competing trade marks. In my view, the only difference of any consequence is the presence in Mr Erol’s trade mark of the device of a Union flag. Although the flag device creates a clear point of visual and arguably conceptual difference, there remains, in my view, a reasonably high degree of both visual and conceptual similarity between them. Insofar as the aural aspect of the comparison is concerned, I agree with the applicant that “it is not appropriate to conduct a comparison between the marks on this basis.” The correctness of this view can be found in the approach adopted by the GC in *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, Case T- 424/10 in which it stated:

“46. A figurative mark without word elements cannot, by definition, be pronounced. At the very most, its visual or conceptual content can be described orally. Such a description, however, necessarily coincides with either the visual perception or the conceptual perception of the mark in question. Consequently, it is not necessary to examine separately the phonetic perception of a figurative mark lacking word elements and to compare it with the phonetic perception of other marks.” (my emphasis).

Distinctive character of Mr Erol’s trade mark

22. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. 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 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.

23. These are fast track opposition proceedings in which it was not necessary for Mr Erol to provide evidence of the use he may have made of his earlier trade mark. Although in his Notice of opposition and submissions Mr Erol refers to the use he has made of his trade mark as well as to “considerable promotional investment”, as no leave was sought by Mr Erol to file evidence in support of such statements, I have only the inherent characteristics of his trade mark to consider.

24. As I mentioned earlier, the applicant sought and was refused leave to file evidence in these proceedings; it did not seek to challenge that decision. However,

attached to its written submissions is an Annex consisting of extracts obtained from various websites. In its submissions, the applicant states that these examples:

“serve as a valid reference point for identifying use of peace sign on clothing in many different forms and stylisations...”

25. The Tribunal’s approach to the filing of evidence in fast track opposition proceedings is outlined in paragraphs 5 to 7 of Tribunal Practice Notice 2 of 2013. By attaching evidence as an Annex to its submissions, the applicant is attempting to circumvent the Tribunal’s refusal of its request for leave to file evidence; this is clearly inappropriate. If the applicant felt evidence was essential to its case, the proper course of action was for it to challenge the Tribunal’s preliminary view and attempt, at a hearing, to convince a hearing officer of the correctness of its view; as I mentioned earlier, the applicant did not adopt that approach. As a consequence, the Annex to the applicant’s submissions will play no part in my considerations.

26. In my experience, the use of what the parties agree is a “peace sign” is prevalent in relation to a range of goods in class 25. In reaching this conclusion, I have reminded myself of the comments of the Appointed Person in *Chorkee* (BL O/048/08) and am satisfied that my own state of knowledge is likely to accord with that of the average consumer of the goods at issue. However, in my experience, and once again I am satisfied also in the experience of the average consumer, the “peace sign” is customarily used as an origin neutral decoration on items of clothing rather as an indication of trade origin. For the purposes of these proceedings however, I must proceed on the assumption that Mr Erol is using his trade mark as a badge of origin and not as a decorative feature.

27. Approaching Mr Erol’s trade mark with the above in mind, and although it consists of what, in my view, is an origin neutral decoration upon which appears a representation of the Union flag (the latter of which Mr Erol accepts is “generic”), when these elements are combined they create, in my view, a distinctive totality, albeit, given the elements of which it is made up, a totality possessed of a fairly low degree of inherent distinctive character.

Likelihood of confusion

28. 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 trade 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 keep in mind the distinctive character of Mr Erol’s trade mark as the more distinctive this trade 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 the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision I concluded that:

- the competing goods are identical or, if that primary conclusion is found to be incorrect in relation to specific items in the applicant's specification, then such items are similar to Mr Erol's goods to the highest degree;
- the average consumer is a member of the general public who will select the goods by predominantly visual means and who will pay, in the main, an average degree of attention during the selection process;
- the overall impression of both parties' trade marks will result from the fact they contain or consist of a "peace sign";
- the competing trade marks are visually and conceptually similar to a reasonably high degree;
- the competing trade marks are not susceptible to an aural comparison;
- Mr Erol's trade mark is, absent use, possessed of a fairly low degree of inherent distinctive character.

29. Even though Mr Erol's trade mark has only a fairly low degree of inherent distinctive character, that does not preclude a likelihood of confusion. In *L'Oréal SA v OHIM*, Case C-235/05 P, the CJEU found that:

"45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders."

30. Notwithstanding the fairly low degree of inherent distinctive character Mr Erol's trade mark possesses, I am satisfied that if both parties trade marks were used as badges of trade origin (rather than as origin neutral decorations), the overall impressions both convey and the reasonably high degree of visual and conceptual similarity between them would, notwithstanding the average degree of care taken during the selection process, lead to a likelihood of confusion. As the presence of the Union flag in Mr Erol's trade mark will not go unnoticed, this confusion will not be direct i.e. the applicant's trade mark will not be mistaken for Mr Erol's trade mark. More likely, in my view, is that the similarities between the competing trade marks would lead the average consumer to assume that the applicant's goods came from an undertaking economically linked to Mr Erol, which may, for example, given the

presence in his trade mark of the Union flag, be based in the United Kingdom i.e. there would be indirect confusion.

Overall conclusion

31. Although the opposition based upon section 5(1) of the Act has failed, the opposition based upon section 5(2)(b) of the Act succeeds in relation to the goods in class 25. The unopposed goods and services in classes 3, 9, 14 and 35 may, in due course, proceed to registration.

Costs

32. As Mr Erol has been successful he is entitled to a contribution towards his costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, but bearing in mind that Mr Erol has not been professionally represented in these proceedings and having reduced the award slightly to reflect the fact that the opposition based upon section 5(1) of the Act has failed and never, in my view, had any realistic prospect of success, I award costs to him on the following basis:

Preparing a statement and considering the applicant's statement:	£100
Filing of written submissions:	£100
Opposition fee:	£100
Total:	£300

33. I order John Varvatos Apparel Corp. to pay to Ahmet Erol the sum of **£300**. 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 11th day of November 2015

C J BOWEN
For the Registrar