

O-016-17

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3124169

BY

SEASALT LIMITED

TO REGISTER A SERIES OF TWO TRADE MARKS

PEOPLE'S REPUBLIC

AND

People's Republic

IN CLASS 25

AND

THE OPPOSITION THERETO

UNDER NO 405651

BY

REPUBLIC IP LIMITED

BACKGROUND

1. On 26 August 2015, Seasalt Limited (the applicant) applied to register the above series of two trade marks in class 25 of the Nice Classification system,¹ as follows:

Class 25

Clothing; footwear; headgear

2. The application was published on 11 September 2015, following which Republic IP Limited (the opponent) filed notice of opposition against all of the goods in the application.

3. The opponent bases its case on section 5(2)(b) of the Trade Marks Act 1994 (the Act) and relies upon two European trade mark registrations, the details of which are as follows:

| Mark details and relevant dates | Goods relied upon |
|---|--|
| Mark: EU9789835 PEOPLES CHOICE FOR REPUBLIC Filed: 7 March 2011 Registered: 19 July 2011 | Class 9 Sunglasses; sunglasses frames; spectacles; spectacle frames; parts and fittings for all the aforesaid goods. Class 18 Bags; baggage; luggage; purses; wallets; articles made from leather and/or imitations of leather; umbrellas. Class 25 Articles of clothing; footwear; headgear; belts. |

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).*

Mark: EU10895761

REPUBLIC
OF

Filed: 18 May 2012

Registered: 26 September 2012

Class 3

Cosmetics; toiletries; fragrances; deodorants, anti-perspirants and body sprays; soaps; hair preparations; shampoos; skin-care preparations.

Class 9

Sunglasses; sunglasses frames; spectacles; spectacle frames; parts and fittings for all the aforesaid goods.

Class 14

Watches; jewellery; key rings; articles made from precious metal and/or imitations thereof included in this class; parts and fittings for all the aforesaid goods.

Class 18

Bags; baggage; luggage; purses; wallets; articles made from leather and/or imitations of leather; umbrellas.

Class 25

Articles of clothing; footwear; headgear; belts.

Class 35

Retail services, mail order services, e-tailing services, all relating to toiletries, cosmetics and personal care products, eye wear, watches and jewellery, bags, luggage, purses, wallets, personal accessories, clothing, footwear and headgear; advisory and consultancy services relating to the aforesaid.

4. The opponent states that the parties' marks are similar and the applicant's goods are either identical or highly similar to its own goods. It concludes that there is a likelihood of confusion.

5. The applicant filed a counterstatement in which it denies the grounds on which the opposition is based.

6. The applicant filed evidence and submissions, the opponent filed submissions. Both sides filed skeleton arguments. A hearing took place on 16 November 2016. The applicant was represented by Mr Michael Brown of Alpha & Omega who attended the

UKIPO's Newport office. The opponent was represented by Mr Philip Harris of Counsel, instructed by Lane IP Limited, who attended by video conference.

EVIDENCE

Applicant's evidence

Witness statement of Leigh Chadwick, dated 14 June 2016 and exhibit LC1

7. Leigh Chadwick is the Director of Seasalt Limited. His witness statement introduces a single exhibit which consists of sales figures for goods bearing the trade mark 'PEOPLE'S REPUBLIC OF CORNWALL' which is not the mark that is the subject of these proceedings. Consequently, I will say no more about this evidence.

8. Both parties have filed submissions, the opponent electing to do so during the evidence rounds. I will refer to both parties' submissions when necessary later in this decision.

Preliminary issues

9. The opponent relies on two earlier marks for the purposes of this opposition. Given the nature of the marks and the goods and services at issue, I will deal first with the opponent's mark PEOPLES CHOICE FOR REPUBLIC.

10. As the application is made for a series of two marks which differ only in the case in which they are presented, throughout the rest of this decision I will refer to the applicant's mark as 'PEOPLE'S REPUBLIC, by which I mean to refer to both versions of the mark.

DECISION

11. Section 5(2)(b) of the Act states:

“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.”

12. 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.”

13. The opponent's earlier mark is not subject to proof of use because, at the date of publication of the application, it had not been registered for five years.²

² 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 5th May 2004.

Section 5(2)(b) case law

14. 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.”

Comparison of goods

15. The applicant's goods are clothing footwear and headgear in class 25. The opponent's specification includes goods in classes 9, 18 and 25. Its class 25 goods include the term 'articles of clothing, footwear and headgear' which are clearly identical to the full extent of the applicant's goods. The parties' goods are clearly identical.

16. Having reached such a conclusion I will not go on to consider the opponent's remaining goods since they cannot put it in any better position.

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*³, 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. When considering the level of attention that will be paid to the purchase of goods in class 25 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)*⁴ in which it commented:

³ [2014] EWHC 439 (Ch)

⁴ *Joined cases T-117/03 to T-119/03 and T-171/03*

"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...

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. The average consumer will be a member of the general public. The selection process for the goods is primarily visual, though I do not discount the fact that there may be an aural element given that some articles may be selected or recommended aurally. The goods may be purchased physically on the high street, online or by mail order. The goods will vary in cost and frequency of purchase with the level of attention paid overall being reasonable, the consumer paying the attention necessary to obtain, inter alia, the correct size, colour and fit.

Comparison of marks

21. The marks to be compared are as follows:

| The opponent's marks | The applicant's series mark |
|-----------------------------|--|
| PEOPLES CHOICE FOR REPUBLIC | PEOPLE'S REPUBLIC People's Republic |

22. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components⁵, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

22. The applicant states:⁶

"...the first comparison must be made between the mark 'PEOPLE'S REPUBLIC' and 'PEOPLES CHOICE FOR REPUBLIC', in which 'PEOPLES CHOICE' will be seen as the dominant element..."

23. The opponent's mark comprises the four words PEOPLES CHOICE FOR REPUBLIC. They are presented in capital letters with no stylisation. Consequently, the overall impression rests in the mark as a whole.

⁵ *Sabel v Puma AG, para.23*

⁶ *Submissions taken from the applicant's written submissions dated 14 June 2016, the paragraphs of which are not numbered.*

24. The applicant's mark is a series of two for the words 'PEOPLE'S REPUBLIC'. The first of the series is in capital letters whilst the second mark has only the initial letters of each word capitalised. In both cases the overall impression rests in the totality of the mark.

25. With regard to visual and aural similarity, the opponent submits that the marks are identical in their first and final words and that the CHOICE FOR element does not detract from the coincidence of those identical elements, either visually or when articulated. It concludes that the respective marks are visually and aurally 'highly similar, verging on overall identity'. The applicant submits that full account should be taken of 'the significant differences between the lengths of the marks'.

26. The opponent's mark consists of four words, the first and last of which make up the applicant's mark. The difference between the respective marks rests in the inclusion in the opponent's mark of the words "CHOICE FOR" which have no equivalent in the applicant's mark. Visually and aurally, I find the respective marks to be similar to a medium degree.

27. Conceptually, the opponent states in its skeleton argument:

"20...both marks are clearly references to a country or state governed as a republic. PEOPLES CHOICE FOR REPUBLIC indicates a population's choice to form such a state, or their desire for one; PEOPLE'S REPUBLIC indicates the existence of such a popular state. If not identical the marks are at the very least highly similar conceptually."

28. The applicant submits:

"...full account should be taken of the significant differences between the length of the marks and the meaning conveyed by the marks. It is submitted that the use of the words 'PEOPLES CHOICE' infer the use of a popular choice or voting system or award scheme or even public ownership."

29. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁷ The assessment must be made from the point of view of the average consumer who cannot be assumed to know the meaning of everything. Anna Carboni stated in *Chorkee*:⁸

“36...By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one’s own personal experience, knowledge and assumptions are more widespread than they are.”

30. In my view the term PEOPLE’S REPUBLIC is a term of which the average consumer is likely to be aware. They may not be able to provide a detailed definition but would be aware that the term relates to a form of constitution of a country or its governance. Consequently, the application has a particular meaning which will be understood.

31. The opponent’s earlier mark is a little less distinct since it makes no grammatical sense. The opponent states it means a ‘population’s choice to form a republic’. I think reaching such a conclusion would be to import too detailed an analysis into the mind of the average consumer. I do not find that the totality of the mark conveys a single, clear message but the mark does bring to mind a republic of or for the people and to this extent there is a clear overlap with the concept conveyed by the applicant’s mark.

32. I find the marks to be conceptually similar to a fairly high degree.

Distinctive character of the earlier mark

33. 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

⁷ 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.

⁸ BL O-048-08

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*.⁹

34. I have only the inherent distinctiveness of the mark to consider since no evidence has been filed to show use of the mark. The opponent's earlier mark is PEOPLES CHOICE FOR REPUBLIC. In terms of its inherent distinctiveness it makes no descriptive nor allusive reference to the goods in class 25. It is a fanciful phrase which is fairly high in distinctive character.

35. I note that in its submissions, the applicant states:

"In the present case, it is our opinion that the word REPUBLIC on its own is not particularly distinctive, a view which is supported by the co-existence on the UK and EU trade mark registers of a substantial number of trade mark registrations for goods in class 25 which contain the word REPUBLIC."

36. Attached to the opponent's submissions is a list of trade marks registered in class 25 which contain the word REPUBLIC.

37. In *Zero Industry Srl v OHIM*,¹⁰ the GC stated:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that

⁹ *Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.*

¹⁰ *Case T-400/06*

the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71).”

38. There is no evidence which indicates that any of the 'REPUBLIC' marks on the list are actually in use, nor anything which indicates that the average consumer has actually encountered them. Furthermore, the earlier mark relied upon by the opponent does not comprise the word REPUBLIC solus.¹¹ The mark I must assess in terms of its distinctive character is 'PEOPLES CHOICE FOR REPUBLIC'. In view of the above, I have not taken account of these submissions.

39. I find the opponent's earlier mark to be possessed of a fairly high degree of inherent distinctive character.

Likelihood of confusion

40. 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.¹² 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.

41. I note that in its submissions dated June 2016, the applicant relies on the fact that it is not aware of any instances of confusion between its mark and those of the

¹¹ I note that in the opponent's initial opposition it relied on the plain word REPUBLIC this was later removed from the proceedings.

¹² *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

opponent and that the opponent has not claimed that any confusion has occurred. In *The European Limited v The Economist Newspaper Ltd*¹³ 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."

42. In *Roger Maier and Another v ASOS*,¹⁴ Kitchen L.J. stated that:

"80.The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur."

43. Absent evidence, this is clearly not a matter I can determine and I will say no more about it.

44. I have identified the average consumer, namely a member of the general public and have concluded that the level of attention paid to the purchase will be reasonable, the consumer paying the attention necessary to obtain, inter alia, the correct size, colour and fit. . The purchasing process is primarily a visual one, though I do not rule out an aural element, especially where advice is sought from a salesperson prior to the purchase.

45. I have found the respective goods (in class 25) to be identical and the respective marks to be visually and aurally similar to a medium degree and conceptually similar to a fairly high degree.

46. The opponent draws my attention to the general rule that the average consumer pays more attention to the beginnings of marks. This has been established in a number

¹³ [1998] FSR 283

¹⁴ [2015] EWCA Civ 220

of cases, including, *El Corte Inglés, SA v OHIM*.¹⁵ It is also worth noting that the General Court (GC) have found similarity at the end of a mark to be sufficient to establish a likelihood of confusion. In *Bristol Global Co Ltd v EUIPO*¹⁶, it held that there was a likelihood of confusion between AEROSTONE (slightly stylised) and STONE if both marks were used by different undertakings in relation to identical goods (land vehicles and automobile tyres). This was despite the fact that the beginnings of the marks were different. The common element – STONE – was sufficient to create the necessary degree of similarity between the marks as wholes for the opposition before the EUIPO to succeed.

47. What is evident is that each case must be decided on its merits. In this case the fact that both parties' marks begin with the word PEOPLES is one of a number of significant factors, as is the fact that the second word of the application is identical to the last word of the earlier mark, namely, REPUBLIC. The purchase is primarily a visual one and the goods are identical. The distinctive character of the earlier mark is towards the higher end of the scale. I bear in mind the comments of Mr Iain Purvis Q.C. as the Appointed Person in *Kurt Geiger v A-List Corporate Limited*,¹⁷ in which he pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is

¹⁵ *Cases T-183/02 and T-184/02*. See also: *GC cases: Castellani SpA v OHIM, Spa Monopole, compagnie fermière de Spa SA/NV v OHIM*,¹⁵ (similar beginnings important or decisive), *CureVac GmbH v OHIM*,¹⁵ (similar beginnings not necessarily important or decisive) and *Enercon GmbH v OHIM*,¹⁵ (the latter for the application of the principle to a two word mark).

¹⁶ T194/14

¹⁷ BL O-075-13

provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

48. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

49. It is clear here that the words PEOPLES and REPUBLIC in the earlier mark are extremely significant in the overall impression of that mark. Neither can be considered de minimis, descriptive or subservient in the mark as a whole, both being integral to the mark in its totality.

50. Taking all of these factors into account the differences between the marks are not sufficient to avoid confusion where the goods are identical and the earlier mark has a fairly high distinctive character in which the common elements play an obvious part. Bearing in mind the concept of imperfect recollection along with the fact that the average consumer does not normally compare marks side by side, I find that there is a likelihood of confusion.

51. Having reached such a conclusion with regard to PEOPLES CHOICE FOR REPUBLIC there is no need for me to consider the second mark relied on by the opponent as it can put it in no better position.

CONCLUSION

52. The opposition succeeds under section 5(2)(b) of the Act and the application will be refused.

COSTS

53. The opposition having succeeded, the opponent is entitled to a contribution towards its costs. I award costs on the following basis:

| | |
|---|--------------------|
| Official fee: | £100 ¹⁸ |
| Preparing a statement and considering the other side's statement: | £200 |
| Commenting on the other side's evidence and filing submissions: | £300 |
| Preparation for and attending a hearing | £500 |
| Total: | £1100 |

54. I order SeaSalt Limited to pay Republic IP Limited the sum of £1100. 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 18th day of January 2017



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

¹⁸ The initial fee paid was £200 as the opposition included a 5(3) pleading. This was not pursued by the opponent.