

BLO/096/18

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 3 187 345 TO REGISTER
THE TRADE MARK SEGMENT IN CLASSES 3, 14, 16, 25 AND 26 IN THE NAME
OF SEGMENT INTERNATIONAL LIMITED

AND

IN THE MATTER OF OPPOSITION THERETO BY CASCADIA FASHIONS
RESOURCES INC

Background and pleadings

1. Segment International Limited (the applicant) applied to register the trade mark SEGMENT under No 3 187 345 in the UK on 23rd September 2016. It was accepted and published in the Trade Marks Journal on 16th December 2016 in respect of the following goods:

Class 03:

Perfumery; essential oils; cosmetics; make-up; eye make-up; eyeliners; blushers; lipsticks; hair lotions; soaps.

Class 14:

Precious metals; jewellery; precious stones; chronometric instruments.

Class 16:

Paper; cardboard; printed publications; printed matter; computer printers (Inking ribbons for -); bookbinding materials; books; adhesives for stationery or household purposes; artists' paint brushes; music sheets; music scores; periodical magazines; photographs; stationery and educational supplies; typewriters; Instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printing blocks.

Class 25:

Clothing; footwear; headgear; swimwear; sportswear; leisurewear.

Class 26:

Lace; embroidery; ribbons; braid; buttons; hooks and eyes; pins; needles; artificial flowers.

2. Cascadia Fashions Resources Inc (the opponent) partially oppose the trade mark on the basis of, amongst other grounds, Section 5(2)(b) of the Trade Marks Act 1994 (the Act). The opposition is restricted to the applied for goods in Class 25. This is on the basis of the opponent's earlier UK trade mark No 2 549 089 SEGMENTS. The following goods are relied upon in this opposition:

Class 25:

Articles of clothing including headgear and footwear.

3. The opponent argues that the respective goods are identical or similar and that the marks are similar.
4. The applicant filed a counterstatement denying the claims made (and requesting that the opponent provides proof of use of its earlier trade mark relied upon).
5. Only the opponent filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate.
6. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

Relevant statutory provision: Section 6A:

7. "Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

8. Section 100 of the Act is also relevant and states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

9. In considering whether or not there has been genuine use, I bear in mind the following extract from *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, where Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has

issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaft” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services

from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For

example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

10. The evidence filed is in the form of a witness statement, dated 26th July 2017, from Simpson Ma, a Director of the opponent company. The following relevant points are contained therein:

- The SEGMENTS trade mark was first used in the UK on 16th August 2014 and products bearing the mark have been sold within Costco stores throughout the UK from Autumn 2014. Exhibit 3 are extracts from the Costco website, showing (according to Simpson Ma), its 28 stores across the UK including Aberdeen, Leeds, Cardiff and Watford.
- Details regarding numbers of items sold and the associated value of the sales is provided. In Autumn 2014, the opponent sold 21,546 women’s tops branded SEGMENTS to Costco. This is to the value of 297,335 (US Dollars). In respect of these items, Exhibit 4 is a copy of the order confirmation dated 7th March 2014 and copies of the swing tag and label artwork developed on 17th March 2014 for use in relation to the Autumn collection. It is noted that the mark used is SEG’MENTS. The significance of this alteration in the trade mark will be considered further below.
- The opponent also, according to Simpson Ma, sold 11,025 items of SEG’MENTS LUXE branded pants (trousers) to Costco in Spring 2015. The mark was used as a sub-brand of SEG’MENTS though SEG’MENTS is the primary brand. Exhibit 5 is a copy of the order confirmation dated 11th August 2014, photographs showing the style of

the pants, dated 8th October 2014, artwork for the hangtag dated 17th November 2014 and label artwork dated 9th October 2014.

- The SEGMENTS trade mark has been promoted throughout the UK via Costco stores. The opponent sponsored a SEGMENTS advertisement in the Costco UK Logo book in 2015 and the SEGMENTS LUXE jogger pants were featured in the January 2015 Costco Connection magazine. Exhibit 6 is a copy of the Logo book contract dated 19th December 2014 and an extract from the Logo book showing the use of the mark.

11. Before assessing the cogency of the evidence filed, I must first consider whether the opponent is able to rely upon the differing form of the earlier trade mark as shown in use as an acceptable variant of the earlier registered trade mark. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

12. The use shown is SEGMENTS. The mark as registered is SEGMENTS. There is no obvious different meaning attributable to the addition of the punctuation. Nor is the distinctive character of the trade mark affected. It is

considered that the version of the trade mark in use is an acceptable variant and can be relied upon for the purposes of assessing genuine use. In assessing the evidence filed, it is noted that the scale of use is minimal, relative to the size of the relevant market, namely clothing, which is sizeable to say the least. However, the opponent has included copies of orders placed, promotional material, examples of the products upon which the trade mark was used. It is clear that the use is small and limited in scope. Having said that, it is considered to be genuine. The evidence does not show use across the full range of goods for which the earlier trade mark is registered. In this regard, the following guidance is taken into account:

13. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

14. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

15. Bearing in mind the aforesaid, the following is considered to represent a fair specification:

Articles of clothing, namely tops and trousers.

DECISION

Section 5(2)(b)

16. Sections 5(2)(b) of the Act is as follows:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

Comparison of goods and services

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

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

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

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services

- c) The respective trade channels through which the goods or services reach the market
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

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

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

20. The earlier goods are:

Articles of clothing, namely tops and trousers.

21. The later goods are:

Clothing; footwear; headgear; swimwear; sportswear; leisurewear.

22. The term clothing appears in the later specification. This clearly encompasses the earlier terms and so the goods are identical on the principle outlined in

Meric. The contested terms *sportswear*; *leisurewear* are items of clothing for a particular purpose or activity. Nevertheless they are still items of clothing and will include tops and trousers. They are identical on the *Meric* principle. The remaining contested items are *swimwear*, *footwear* and *headgear*. These have a similar purpose to the earlier terms in that they are used to cover parts of the body. They can share channels of trade and can be produced by the same manufacturers. They are similar, to a medium degree.

Comparison of marks

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

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

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

25. The respective trade marks are shown below:

SEGMENTS	SEGMENT
Earlier trade mark	Contested trade mark

26. Each trade mark is made up of a single element. The sole difference between the marks is the additional letter S which appears at the end of the earlier trade mark. In any case, the marks are clearly highly similar both visually and aurally. Indeed they are almost identical. Conceptually, according to Collins online dictionary, a segment of something is one part of it, considered separately from the rest. For example “the poorer segments of society”; “the third segment of his journey”. In terms of meaning, the earlier trade mark is merely a plural form of the term applied for. They are conceptually so highly similar so as to be almost identical.

Average consumer and the purchasing act

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

28. 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.”

29. The average consumer is the public at large, displaying a medium degree of attention. The case law informs me ¹that in respect of goods such as clothing, this is a primarily visual purchase, though aural and conceptual considerations are not ignored.

Distinctive character of the earlier trade mark

30. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically

¹ *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03

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

31. There is nothing in the evidence to suggest the earlier trade mark enjoys a greater degree of protection as a result of the use made of it. Prima facie, SEGMENTS is an ordinary dictionary word though is meaningless in respect of items of clothing. It is distinctive to an average degree.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

32. 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

33. The respective goods are either identical or similar. An average degree of attention will be displayed during the purchasing process, in which visual comparisons are crucial. In respect of visual similarity, the marks are so highly similar so as to be almost identical. The same is true aurally and conceptually. Further, the average consumer is rarely able to compare trade marks side by side and instead must rely upon an imperfect picture of them. Bearing this in mind, it is clear that the plurality of the earlier trade mark is likely to be overlooked or misremembered. It is considered that direct confusion is highly likely.

34. Further, even if the differences between the trade marks was noticed and acknowledged, the following guidance is borne in mind:

In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

35. It is considered that in the event that the difference between the respective trade marks is noticed, the average consumer, while noting what is only a difference as to singular and plural is likely to conclude that the later trade mark is another brand of the owner of the earlier trade mark. In such a circumstance, there is also a likelihood of indirect confusion. The opposition therefore succeeds in its entirety.

36. It is noted that these proceedings are only a partial opposition. The remaining goods can therefore proceed to registration namely:

Class 03:

Perfumery; essential oils; cosmetics; make-up; eye make-up; eyeliners; blushers; lipsticks; hair lotions; soaps.

Class 14:

Precious metals; jewellery; precious stones; chronometric instruments.

Class 16:

Paper; cardboard; printed publications; printed matter; computer printers (Inking ribbons for -); bookbinding materials; books; adhesives for stationery or household purposes; artists' paint brushes; music sheets; music scores; periodical magazines; photographs; stationery and educational supplies; typewriters; Instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printing blocks.

Class 26:

Lace; embroidery; ribbons; braid; buttons; hooks and eyes; pins; needles; artificial flowers.

Final Remarks

37. As the opposition is successful in its entirety based upon this ground, there is no need to consider the remaining grounds as they do not materially improve the opponent's position.

COSTS

38. The opponent has been successful and is entitled to a contribution towards its costs. In the circumstances I award the opponent the sum of £1000 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Notice of opposition and accompanying statement plus statutory fee - £500

Preparing and filing evidence - £500

TOTAL - £1000

39. I therefore order Segment International Limited to pay Cascadia Fashions Resources Inc the sum of £1000. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 13th day of February 2018

Louise White

For the Registrar