

O/547/19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3256906 BY
KSACO LTD
TO REGISTER:**

GRANDEUR

AS A TRADE MARK IN CLASS 25

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 411736 BY
GARDEUR GMBH (NOW GARDEUR NEDERLAND BV)**

Background and pleadings

1. KSACO Ltd (“the applicant”) applied to register the following trade mark in the United Kingdom on 14 September 2017:

GRANDEUR

2. It was accepted and published in the Trade Marks Journal on 24 November 2017 in respect of the following goods:

Class 25

Clothing

3. The application was opposed by Gardeur GmbH. The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and concerns all the goods of the application.
4. The opponent is relying upon the following EU (formerly Community) Trade Marks:

Mark	Goods on which the opponent is relying
EUTM 6002158 (“the 158 mark”) GARDEUR Filing date: 14 June 2007 Registration date: 23 April 2008	<u>Class 18</u> <i>Leather and imitations of leather, and goods made of these materials (included in Class 18); animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.</i> <u>Class 25</u> <i>Clothing, footwear, headgear, included in class 25; trousers of all</i>

Mark	Goods on which the opponent is relying
	<i>kinds for men, in particular high-waisted trousers, trousers with turn-ups, plus-fours.</i>
<p data-bbox="300 528 770 562">EUTM 2587962 (“the 962 mark”)</p> <p data-bbox="304 636 576 719">gardeur</p> <p data-bbox="300 801 724 835">Filing date: 21 February 2002</p> <p data-bbox="300 857 751 891">Registration date: 26 May 2003</p>	<p data-bbox="866 528 999 562"><u>Class 18</u></p> <p data-bbox="866 584 1390 891"><i>Leather and imitations of leather, and goods made of these materials (included in class 18); animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.</i></p> <p data-bbox="866 969 999 1003"><u>Class 25</u></p> <p data-bbox="866 1025 1294 1059"><i>Clothing, footwear, headgear.</i></p>
<p data-bbox="300 1135 751 1169">EUTM 287789 (“the 789 mark”)</p> <p data-bbox="312 1256 770 1346">gardeur</p> <p data-bbox="300 1440 643 1473">Filing date: 1 April 1996</p> <p data-bbox="300 1496 839 1529">Registration date: 13 December 2004</p>	<p data-bbox="866 1135 999 1169"><u>Class 18</u></p> <p data-bbox="866 1191 1390 1498"><i>Leather and imitations of leather, and goods made of these materials included in class 18; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks.</i></p> <p data-bbox="866 1576 999 1610"><u>Class 25</u></p> <p data-bbox="866 1632 1294 1666"><i>Clothing, footwear, headgear.</i></p>

5. These rights were assigned to Gardeur Nederland BV, and the Registry was informed on 4 September 2018 that the assignee wished to continue with the proceedings. I will refer to Gardeur Nederland BV as “the opponent”.

6. The opponent claims that the marks are highly similar and that the goods covered by the applicant's specification are the same as, or highly similar to, goods covered by the earlier marks, leading to a likelihood of confusion on the part of the public. Therefore, registration of the contested mark should be refused under section 5(2)(b) of the Act.
7. The applicant filed a defence and counterstatement, denying all the grounds. It also requested that the opponent provide evidence of proof of use of the 962 and 789 marks for all the goods relied upon.
8. Both the opponent and the applicant filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.
9. The opponent also filed written submissions on 4 February 2019. These will not be summarised but will be referred to as and where appropriate during this decision.
10. A hearing took place on 23 August 2019. The applicant was represented by Mr Basharat Ditta of Assist Marketing Solutions. The opponent was not present at the hearing, but made written submissions in lieu of attendance. Throughout these proceedings the opponent has been represented by Bailey Walsh & Co LLP.

Evidence

Opponent's evidence-in-chief

11. The opponent's evidence-in-chief comes from Philip Stephenson, partner and registered trade mark attorney at Bailey Walsh & Co LLP. It is dated 4 September 2018.
12. Gardeur is a clothing company founded in 1969. It originally sold men's trousers, but expanded into the sale of women's trousers in 1981 and other items of clothing since 1993. The opponent's clothing is available in the UK from high-street and

online retailers, including John Lewis and Stylight.co.uk,¹ and Mr Stephenson states that business turnover is consistently more than €80 million. He does not specify the geographical extent of these sales. However, Exhibit PS1 is an article from the *Fashion United* website, dated 22 August 2016, that shows that the opponent's goods are sold in Germany.

Applicant's evidence

13. The applicant's evidence comes from Shahriya Miah, director of KSACO Limited. It is dated 20 November 2018. His evidence is directed towards challenging the evidence adduced by the opponent. In particular, he states that the parties produce different types of clothing, for different age ranges, and with different supply networks.

Opponent's evidence-in-reply

14. The opponent's evidence-in-reply also comes from Mr Stephenson and is dated 4 February 2019. Attached to his witness statement are translated extracts from the German Companies Register for Gardeur GmbH's annual financial statements. Turnover was €84.688m from October 2012 to September 2013, €88.035m from October 2013 to September 2014, and €83.064m from October 2014 to September 2015. Mr Stephenson states that around 45% of these sales took place in Germany, with most of the remaining 55% coming from other European countries, including the Netherlands, UK, Belgium, Austria and Ireland.²

Preliminary issue

15. In its skeleton and at the hearing, the applicant submitted that the opponent's TM7 (Notice of opposition) contained a procedural irregularity and that the opposition

¹ See Exhibit PS2, which contains screenshots from the John Lewis website showing that women's trousers were on sale on 15 January 2016 and 26 January 2017. The screenshots were retrieved via the Internet Archive Wayback Machine. Exhibit PS3 contains screenshots from the Stylight.co.uk website dated 28 October 2014 showing the following items for sale in sterling: skirts, jeans and trousers.

² See Exhibit PS4, page 10; Exhibit PS5, page 9; Exhibit PS6, pages 6-7.

should therefore fail. The identified “irregularity” was the inclusion of three marks on the form. I explained to the applicant that it was permissible to rely on more than one mark, and that only one TM7 needed to be filed. The opposition was admissible. I then proceeded to hear the applicant’s submissions on the substantive issues.

Decision

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

“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.”

17. An “earlier trade mark is defined in section 6(1) of the Act:

“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.”

18. The opponent’s earlier marks had been registered for more than five years on the date on which the contested application was published. They are, therefore, subject to proof of use provisions under section 6A of the Act, and the applicant

has requested such proof for two of the three marks, namely the 962 and the 789 marks. The opponent is therefore able to rely on the 158 mark in respect of all the goods listed in the table in paragraph 3. I shall begin by considering this mark, and return to the others later in this decision, if necessary.

19. In considering this opposition, I am guided by the following principles, gleaned from the decisions of the courts of the European Union 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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

- (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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone 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 greater 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

20. The goods to be compared are shown in the table below:

Opponent's goods	Applicant's goods
<p data-bbox="263 253 818 611"><u>Class 18</u> <i>Leather and imitations of leather, and goods made of these materials (included in Class 18); animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.</i></p> <p data-bbox="263 689 818 1001"><u>Class 25</u> <i>Clothing, footwear, headgear, included in class 25; trousers of all kinds for men, in particular high-waisted trousers, trousers with turn-ups, plus-fours.</i></p>	<p data-bbox="837 253 970 342"><u>Class 25</u> <i>Clothing</i></p>

21. The applicant's *clothing* is self-evidently identical to the opponent's *clothing*. At the hearing, Mr Ditta drew my attention to the differences between the styles of clothing marketed by each of the parties in support of his submission that the goods were different. However, I am required to consider the fair and notional use of the marks. Each specification contains the general term *clothing*, and so the marks could be used for any goods that fall within this category.

Average consumer and the purchasing act

22. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, I must bear in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: see *Lloyd Schuhfabrik Meyer*.

23. 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:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”³

24. The average consumer of clothing is a member of the general public. They will buy the goods from a specialist retailer or a general clothing or department store, either visiting a physical shop or ordering from the internet or a printed catalogue. This means that the mark will be seen and so the visual element will be the most significant. In *New Look Limited v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03, the General Court stated that it was appropriate to consider the conditions in which the marks would be seen by the average consumer. It went on:

“... 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.”⁴

Where the goods are purchased online, the visual aspect will necessarily play a greater role.

³ Paragraph 60.

⁴ Paragraph 50.

25. However, I do not discount the aural element, as the consumer may in some cases be assisted by a member of staff. The price varies, but in many cases these goods will be everyday purchases. The consumer will pay attention to the size, the materials, the style and colours to ensure they buy a garment that fits them and achieves the effect they desire. In my view, the average consumer of these goods will be paying an average level of attention.

Comparison of marks

26. 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 CJEU stated in *Bimbo SA v OHIM*, C-591/12 P, that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”⁵

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

28. The respective marks are shown below:

⁵ Paragraph 34.

Earlier mark	Applied-for mark
GARDEUR	GRANDEUR

29. The applicant's mark consists of the word "GRANDEUR" presented in bold capital letters in a standard, serif font. The overall impression of the mark lies in that word.

30. The opponent's mark consists of the word "GARDEUR" presented in capital letters in a standard font, with no stylisation. The overall impression of the mark lies in that word.

Visual comparison

31. Both marks consist of a single word with the same first and last three letters. The remaining letters in the earlier mark are all reproduced in the applied-for mark, in a different order and supplemented with an N. The applied-for mark is presented in a particular font, but, as I have already noted, this is a standard one. As Professor Ruth Annand, sitting as the Appointed Person, noted in *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, registration of a word protects that word written "in any normal font and irrespective of capitalisation and/or highlighting in bold".⁶ I find that the marks are visually highly similar.

Aural comparison

32. The earlier mark will be pronounced "GAR-DUR", while the applied-for mark will be pronounced "GRAN-DYUR". The number of syllables is the same, and there are shared consonants. I find that the marks are at aurally similar to at least a medium degree.

⁶ Paragraph 16.

Conceptual comparison

33. The applicant submits in its counterstatement that:

“The meaning of both words are totally different. Our brand ‘Grandeur’ has the definition of ‘high rank or social importance’ whereas on the other hand the opposed trade mark ‘Gardeur’ has a totally different meaning which is ‘a person in charge of animals’.”

34. The word “GRANDEUR” is commonly used in the English language, while “GARDEUR” will be seen by average consumer as either a foreign (possibly French) word or one that has been invented. It seems to me that the average consumer will not know that it means “a person in charge of animals” and so it is likely that the opponent’s mark will have no conceptual content. In that case, there is no conceptual comparison to make.

Distinctiveness of the earlier mark

35. There is, as has already been noted, a greater likelihood of confusion if the earlier mark is highly distinctive. The CJEU provided guidance on assessing a mark’s distinctive character in *Lloyd Schuhfabrik Meyer*:

“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 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).”

36. The opponent makes no submission on whether the distinctiveness of its mark has been enhanced through use. As I must assess the likelihood of confusion through the eyes of the average consumer in the UK, it is use within the UK that is relevant here. In his first witness statement, Mr Stephenson states that the brand has been available in the UK from high street retailers from the late 1990s and that turnover was consistently exceeding €80 million a year. However, his second witness statement clarifies that this turnover relates to the EU as a whole, and is only broken down by domestic and export sales. It is therefore not clear what proportion relates to the UK, nor how much has been invested in promoting the mark here. I can therefore only consider the inherent distinctiveness of the mark.
37. I found that the average consumer would think that “GARDEUR” was either an invented word or a foreign word with an unknown meaning. Invented words generally have a high level of inherent distinctiveness and, in my view, that is the case with this mark.

Conclusions on likelihood of confusion

38. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred in paragraph 19. I must also have regard to the interdependency principle, that a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and

vice versa.⁷ The distinctiveness of the earlier mark must also be taken into account.

39. Such a global assessment does not imply an arithmetical exercise, where the factors are given a score and the result of a calculation reveals whether or not there is a likelihood of confusion. I must keep in mind the average consumer of the goods and the nature of the purchasing process. I note that it is generally accepted that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture he has kept in his mind.⁸
40. In its counterstatement, dated 20 November 2018, the applicant submits that in 12 months of trading there have been no instances of confusion. At the hearing, it confirmed that this remained the case. However, the absence of actual confusion is not in itself evidence that confusion is unlikely: see *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220 at [80].
41. There are two types of confusion: direct and indirect. These were explained by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10:

“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 recognised 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

⁷ *Canon Kabushiki Kaisha*, paragraph 17.

⁸ *Lloyd Schuhfabrik Meyer*, paragraph 27.

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.”⁹

42. The goods are identical and the earlier mark has a high degree of inherent distinctiveness. Given the high level of visual similarity between the marks, it seems to me that it is likely that the average consumer will be directly confused. It may well be the case that the two parties are currently serving different markets within the clothing sector, but I cannot take this into account. As I have already said, it is fair and notional use of the marks that I must consider here.

43. As this earlier trade mark leads to the opposition being successful, there is no need to consider the remaining trade marks upon which the opposition is based.

Conclusion

44. The opposition has been successful. The application by KSACO Ltd is refused registration.

Costs

45. The opponent has been successful and is entitled to a contribution towards its costs. In the circumstances, I award the opponent the sum of £1200 as a contribution towards its costs. The sum is calculated as follows:

Official fee for filing the notice of opposition: £100

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

Preparing evidence: £600

Preparation of written submissions in lieu of attendance at the hearing: £300

Total: £1200

⁹ Paragraph 16.

46. I therefore order KSACO Ltd to pay Gardeur Nederland B.V. the sum of £1200.
The above sum should be paid within 21 days of the expiry of the appeal period
or within 21 days of the final determination of this case if any appeal against this
decision is unsuccessful.

Dated this 16th day of September 2019

**Clare Boucher
For the Registrar,
Comptroller-General**