

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2005949
BY VELDHOVEN CLOTHING HOLDING AG
TO REGISTER A TRADE MARK
SO and DEVICE
IN CLASSES 18 & 25

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 45236
BY YARDLEY AND COMPANY LIMITED

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10

DECISION

BACKGROUND

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On 21 December 1994, Veldhoven Clothing Holding AG of Paradiesstrasse 21, CH-8645 Jona, Switzerland applied under the Trade Marks Act 1994 for registration of the trade mark **SO and device** in respect of the following goods in Class 18:

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“Leather and imitations of leather; goods made of leather or imitations of leather; animal skins, hides; trunks and travelling bags; umbrellas; parasols and walking sticks; whips, harness and saddlery”

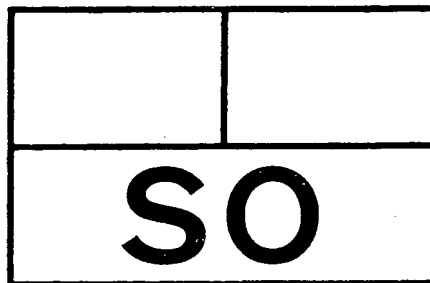
And in Class 25:

25

“Articles of outer clothing, but not including footwear; jackets, trousers, shirts, pullovers, cardigans, shorts, T-Shirts, sweatshirts; pants; ties; scarves; hosiery.”

For ease of reference the mark is reproduced here:

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On the 29 August 1996 Yardley and Company Limited filed notice of opposition to the application. The grounds of opposition are:

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i) The opponent is the registered proprietor of the following United Kingdom trade mark registration:

| Mark | Number | Specification |
|---------------|---------|--|
| SO...? | 1518354 | Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices; non-medicated toilet preparations; preparations for the care of the skin, body and hair; deodorants; talcs; preparations for use in the bath; all included in Class 3. |

ii) The opponent possesses a valuable reputation and goodwill in the said trade mark which has been substantially used in the United Kingdom in relation to perfumery.

5 iii) Use of the trade mark SO and device by the applicant would take unfair advantage of and/or would be detrimental to the distinctive character and repute of the opponent's said earlier trade mark and registration thereof would therefore be contrary to the provisions of Section 5(3) of the Act.

10 iv) Registration of the mark SO and device by the applicant would be contrary to the provisions of section 3(3) of the Act in that the mark is of such a nature as to deceive the public.

15 v) Registration of the mark applied for will inhibit the opponent in the legitimate development of its business.

vi) Use of the applicant's trade mark in the United Kingdom is liable to be prevented by the law of passing off.

20 The applicant subsequently filed a counterstatement denying all of the grounds of opposition, other than agreeing that the opponent is the registered proprietor of the trade mark as claimed. Both sides ask for an award of costs. Both sides filed evidence in these proceedings and the matter came to be heard on 26 October 1999 when the applicant was represented by Mr Fernando of Counsel instructed by Sanderson & Co., trade mark agents. The opponent was not represented.

25 OPPONENT'S EVIDENCE

30 This takes the form of six statutory declarations. The first is by Mr David William John Castle, dated 5 June 1997. Mr Castle is a trade mark attorney and is responsible for the UK trade mark matters of Yardley and Company Ltd. He states that he has been in the trade mark profession for twenty years.

Mr Castle states that:

35 "As a result of my experience in the trade mark field, I am aware that many companies use and protect trade marks in relation to toiletries and clothing and toiletries and goods made from leather and imitation leather."

To illustrate his point Mr Castle then provides a list of trade marks where the same trade mark has a specification covering either:

- 40
- a) toiletries, articles of clothing and articles made form leather and imitation leather, or
 - b) toiletries and clothing, or
 - c) toiletries, clothing and goods made from leather and imitation leather.

45 These lists are at exhibits DWJC1, DWJC2 and DWJC3, and consist simply of the trade mark, specification and registered proprietor. None of the registered proprietors of these marks are party to these proceedings.

Mr Castle states that “I would contend that by virtue of the nature of the fashion industry, the public now expect to see the same trade mark used for toiletries and clothing as well as toiletries and goods made from leather and imitation leather, such as handbags and wallets.”

5 The second statutory declaration is by Jonathan James Osborne, dated 11 June 1997. Mr Osborne is the Group Finance Director of Yardley and Company Limited, a position he has held since October 1991. He states:

10 “In August 1994, my company launched a range of perfume, eau de toilette and a body spray and in December 1996, a body cream, (hereinafter referred to as ‘the products’) by reference to the trade mark **SO...?** (Hereinafter referred to as my company’s trade mark) there is now produced and shown to me marked ‘JJ01’ the material used in the 1994 advertising launch showing use of my company’s trade mark. In under four months from launch, products bearing my company’s trade mark became one of the fastest selling mass fragrances by value in the UK mass fragrance retail trade.”

20 Exhibit JJ01 shows two advertisements for a perfume and body spray with the mark **SO...?** shown prominently on the bottles and packaging in the photographs and also in the text used on the pages. Neither of the two pages is dated. At Exhibit JJ02 are examples of the packaging used which again has the mark in suit prominently shown on the bottles and packaging.

Later Mr Osborne states :

25 “Being a mass market fragrance, products bearing my company’s trade mark are sold from a self selection fixture and rely entirely upon the persuasiveness of my company’s trade mark and appeal of the fragrance itself, as there are no behind-the-counter staff to talk directly to the consumer. Therefore, all merchandising and promotional materials are heavily branded with my company’s trade mark at point of sale.”

30 Mr Osborne states that the product is sold throughout the UK in stores such as Boots, Superdrug, Indies, Lloyds, Tesco, JS and Safeway. Invoices showing sales to various companies are provided at exhibit JJ03, but only two are prior to the relevant date (21 / 12/ 94). These show sales to Jenners Depository in Edinburgh of goods to the value of £190 in October 1994 and to Superdrug Stores in Croydon in October 1994 valued at £2672.

35 Mr Osborne also provides advertising figures and estimated retail sales for the mark in suit in the UK.

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| Year | Estimated retail turnover £ | Advertising £ |
|-----------------|-----------------------------|---------------|
| 1994 | 2,420,000 | 620,000 |
| 1995 | 3,529,000 | 491,000 |
| 1996 | 3,673,000 | 1,100,000 |
| 1997 (budgeted) | 3,336,000 | 473,000 |

At exhibit JJ04 is a still of a commercial which has "1994" handwritten on it, which Mr Osborne claims was shown in cinemas, although no other details are provided. Mr Osborne also claims that the opponent advertised its mark on the radio and two audio tapes of advertisements broadcast in 1997 are provided at exhibit JJ05.

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Mr Osborne claims that the mark has been extensively advertised through the medium of the press in publications such as "Sugar, Just 17, Mizz, Looks, 19, It's Bliss, More, Elle, Clothes Show Magazine, Company, and B Magazine". He also claims that the mark in suit received other press coverage. Examples of advertisements and also copies of press coverage are provided at exhibits JJ06A, JJ06B & JJ06C. These are dated between October 1995 and February 1997.

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Mr Osborne also provides, at exhibit JJ07, examples of sales brochures and promotional material. Very few are dated, those that are display dates in 1996 & 1997. At exhibit JJ08 are details of a model competition sponsored by the opponents in 1996.

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Mr Osborne states that his company attended the Clothes Show Live Event at the NEC in Birmingham on 2 - 7 December 1994 and in December 1996. Exhibit JJ09 provides site plans showing the stands occupied at both events, and a series of photographs, although it is not clear which event they relate to.

20

Finally, Mr Osborne states:

"As stated above, many companies use successful trade marks, either directly or by way of a licensing scenario, for toiletry products, clothing and certain goods made from leather and imitation leather because the product ranges are so closely linked so far as the public is concerned. The public would naturally assume, bearing in mind the trend in the fashion industry, to expect clothing, perfume and certain goods made from leather and imitation leather which bear the same trade mark, to be connected. If the Registrar was to allow registration of Trade mark application No 2005949, this would prevent my company from carrying out the natural extension of using or licensing the use of my company's highly successful trade mark in respect of articles of clothing and certain articles made of leather and imitation leather."

25

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"It is my hope that the Registrar will agree with my company's contention that the two trade marks are confusingly similar and that by virtue of the reputation possessed in my company's trade mark and the registration possessed, registration of application 2005949 should be refused on the basis of the confusion which is inevitable."

35

On 24 July 1997 Mr Osborne provided another statutory declaration which referred to exhibit JJ04 in his previous declaration. This was a still of a cinema commercial. At exhibit JJ02 to his further declaration Mr Osborne provides a video tape of the commercial.

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Three statutory declarations have been filed which state that the declarant is aware of the trade mark **SO...?** and giving their opinion of the reputation of the mark. The three declarations are by:

45

1) Fiona Kemp, Fragrance Product Manager of Boots, dated 11 September 1997.

2) Timothy John James, Category General Manager of Superdrug Stores, dated 5 September 1997

5 3) Amy Beeton, Sales Executive with the company Attic Futura (UK) ltd, publishers of two magazines for young women, “Sugar” & “B”, dated 15 September 1997.

APPLICANT’S EVIDENCE

10 This consists of a statutory declaration, dated 17 February 1998, by Terry Roy Rundle. Mr Rundle is a trade mark agent employed by Sanderson & Co., the agents for the applicant and has more than twenty-eight years experience in the profession.

15 Mr Rundle describes a visit to the Tesco store in Colchester, where he states that the opponent’s SO...? body spray was on display, but not the perfume or eau de toilette. Mr Rundle states that a full range of other brands of perfume was available in the store.

20 He describes similar visits to two other stores (Superdrug & Co-op) where the opponent’s body spray was available but the perfume only available in the Co-op store.

OPPONENT’S EVIDENCE IN REPLY

25 This consists of a statutory declaration, dated 24 June 1998, by Joanne Marie Ling. Ms Ling is employed by the opponent’s trade mark attorneys.

30 Ms Ling refers to the evidence of the applicant, and in particular comments made regarding the availability of the opponent’s product. Ms Ling details how on the 22nd and 23rd of May 1998 she endeavoured to purchase products marked with the SO...? trade mark. Ms Ling visited ten stores ranging from chemists to supermarkets. In four of the stores she was able to purchase perfume and eau de toilette, and in another two body spray was available. From this she concludes that the products of the opponent are widely available. In exhibits attached evidence of purchases is provided by way of receipts and packaging.

35 That concludes my review of the evidence. I now turn to the decision.

DECISION

40 The first ground of opposition is under Section 3(3)(b) which states:

(3) *A trade mark shall not be registered if it is -*

45 (a) *.....*

(b) *of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).*

The opponents' evidence does not contain any arguments that the public would be deceived as to the nature, quality or geographical origin of the products if the mark were applied to any of the applicants' goods. Any deception arising from the applicants' use of their mark falls to be considered under Section 5. The ground of opposition under Section 3(3)(b) therefore fails.

5 I next turn to the ground of opposition under Section 5(3) which is as follows:

5 (3) *A trade mark which -*

- 10 (a) *is identical with or similar to an earlier trade mark, and*
(b) *is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,*

15 *shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.*

20 An earlier right is defined in Section 6, the relevant parts of which state

6.- (1) *In this Act an 'earlier trade mark' means -*

- 25 (a) *a registered trade mark, international trade mark (UK) or Community trade mark 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,*
(b)..
30 (c) *a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark."*

35 The opponents are the registered proprietors of the trade mark number 1518354 registered in the UK on 9 November 1992, prior to 21 December 1994, the relevant date. The mark is registered for:

40 "Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices; non-medicated toilet preparations; preparations for the care of the skin, body and hair; deodorants; talcs; preparations for use in the bath; all included in Class 3.

Clearly these goods are dissimilar to those in the specification of the mark in suit.

45 The opponents have offered evidence regarding their trade mark. Estimated retail sales for the year 1994 were £2.4 million. It is not clear whether this refers to the calendar year or to a financial year which may have ended at some point in 1995. No figures are given for the perfume/ body

spray / eau de toilette market or the opponents market penetration. They also state that their advertising in the year 1994 was £620,000. In his declaration Mr Osborne states that the trade mark was first used in August 1994, and that “in under four months from launch,became one of the fastest selling mass fragrances by value in the UK mass fragrance retail trade.” Most of the opponent’s documentary evidence (invoices, advertisements, press articles, turnover and advertising figures, sales brochures and promotional material) post date the relevant date of 21 December 1994.

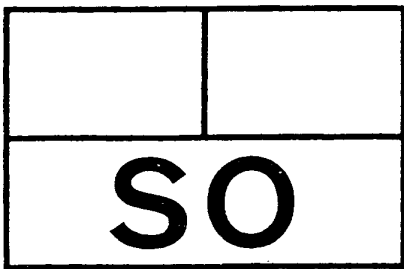
In *General Motors Corporation v Yplon SA* Case C-375/97, the European Court of Justice set out the conditions that must exist before the earlier mark can be considered to have a “reputation” for the purposes of Section 5(3). They said:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the population concerned by the products or services covered by that trade mark.

In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking promoting it.”

It is my opinion that the opponents have not shown that in the four month period between the launch of their product and the relevant date that their mark had become known to a significant proportion of the relevant public.

Strictly speaking this makes it unnecessary for me to go further, but I will do so in case I am found to be wrong on the “reputation” point on appeal. I now consider whether the marks are similar. For ease of reference the marks are reproduced below:

| | |
|---|--|
| Applicants’ trade mark  | Opponents’ trade mark SO...? |
|---|--|

The opponents’ mark was subject to the following disclaimer:

“Registration of this mark shall give no right to the exclusive use, separately, of the word ‘SO’ and the device of a question mark.”

Clearly the dominant feature of both marks is the word SO. This is a common adverb and is not

particularly distinct. The use of the question mark to form an interrogative does not make the mark any more distinctive. For the applicants Mr Fernando raised the issue of the disclaimer. In PACO RABANNE (a recent decision as yet unreported) the Hearing Officer stated

5 “It therefore appears to me that entry of a disclaimer should be regarded as an admission
that the disclaimed matter is not in itself distinctive of the trade origin of the proprietor’s
goods or services. In those circumstances use of the disclaimed matter by another party,
as a trade mark, cannot, without other similarities, be sufficient to give rise to a likelihood
of confusion with the registered trade mark.”

10 From this it follows that the ground of opposition based upon an earlier trade mark registration
number 1518354 fails. The only point of similarity between the earlier mark and the later trade
mark is the word “SO”, which is the subject of a disclaimer. The marks are therefore not similar.

15 This would normally determine the matter, but I for the sake of completeness I will consider
whether, despite the marks not being similar, that the goods are dissimilar and that the opponents
did not have a significant reputation in the perfume market at the relevant date, whether the use
by the applicants of the mark on goods in classes 18 and 25 would, without due cause, take
unfair advantage of, or be detrimental to, the distinctive character or repute of the opponents’
20 **SO..?** mark.

In *Visa International Service Association v CA Sheimer (M) SDN BHD* (as yet unreported) Mr
Geoffrey Hobbs Q.C. acting as the Appointed Person stated:

25 “Would it also exploit the distinctive character of the earlier trade mark positively (by
taking unfair advantage of it) or negatively (by subjecting it to the effects of detrimental
use)? As pointed out by Mr Allan James in his decisions on behalf of the Registrar in *Ever
Ready TM (Oasis Stores Ltd’s Application)* [1998] RPC 631 at 649 and *Audi-Med TM*
[1998]RPC 863 at 872 the provisions of Section 5(3) are clearly not intended to have
30 the sweeping effect of preventing the registration of any mark which is the same as or
similar to a trade mark with a reputation, nor are they intended to make it automatically
objectionable for the use of one trade mark to remind people of another, so the importance
of this question should not be under-estimated.

35 The opponents contend that most people seeing the applicants’ mark will think of them. This is
based partly on the assertion that the public are used to “crossover” companies, with firms such
as Calvin Klein who produce perfume and clothing being cited. For the applicants it was argued
that whilst such firms existed they usually were companies which firstly enjoyed a huge reputation,
and secondly that they tended to move from clothing into perfume and not vice versa.

40 In my view the opponents’ mark is not particularly distinctive(as the disclaimer indicates), nor
have the opponents shown that at the relevant date they enjoyed a significant reputation in the
perfume market. The goods of the two parties are not usually sold at the same outlets, and where
they are they would be positioned in different areas of the store. Taking all these factors into
45 account I have no basis for finding that there will be any detriment to the opponents’ mark.

I therefore find that the opposition under Section 5(3) fails.

Finally, I turn to the ground of opposition under Section 5(4) which states:

5 “5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

 (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

10 (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

15 A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

In deciding whether the mark in question “SO and device” offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the WILD CHILD case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

20 “The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off.

25 A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd - v - Borden Inc [1990] RPC 341 and Even Warnik BV - v - J. Townend & Sons (Hull) Ltd [1979] AC 731 is (with footnotes omitted) as follows:

30 ‘The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

35 (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

40 (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

45 (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

In this case the relevant date is 21 December 1994. I can, therefore, take no account of those parts of the opponents evidence which relate to events after that date. The turnover figures, which

are only estimates, cannot be relied upon as it is not clear which period they relate to. I therefore have only invoices amounting to £2862 which are before the relevant date, and their participation at an exhibition in the Birmingham NEC. The opponents have not proved either significant goodwill or reputation at the relevant date. This alone would normally be fatal to the opponents case but I will continue and consider the evidence of misrepresentation.

There is, of course, no requirement in a passing-off action that the goods are similar in the sense that the term is used in relation to Section 5(2). It is clear from, for instance, *Lego System Aktieselskab v Lego M Lemelstrich Ltd*, [1983] FSR 155 that there is no limitation in respect to the parties' fields of activity. However, it is reasonable to suppose that the greater the apparent distance between the respective sets of goods the greater will be the evidential burden on an opponent to establish that, notwithstanding the different areas of trade, the relevant class of persons will mistakenly assume that the goods are from the same source or connected in some way. The only evidence put forward by the opponents was that the marks were similar, that the public are used to companies providing both clothing and perfumes, and the opinions of a sales executive of a publishing company and two persons in the perfume industry.

I have already commented on the relatively non distinctive nature of the marks. The public are indeed used to clothing and perfume emanating from a single source, but this has usually been a clothing designer such as Calvin Klein with a massive reputation in the clothing industry launching into the toiletries market. The so called "designer label" is a distinctive mark, if not by nature then certainly by nurture.

The absence evidence of significant goodwill and misrepresentation cause the opposition under Section 5(4) to fail.

The opposition having failed the applicants are entitled to a contribution towards their costs. I order the opponents to pay them the sum of £1335.

Dated this 13 day of December 1999

George W Salthouse
For the Registrar
The Comptroller General