

IN THE MATTER OF THE TRADE MARKS ACT 1994

AND IN THE MATTER OF UK TRADE MARK APPLICATION NO. 2614064
"100% CAPRI" IN THE NAME OF ANTONINO AIELLO

AND IN THE MATTER OF OPPOSITION NO. 104035 THERETO
BY IN.PRO.DI-INGHIRAMI PRODUZIONE DISTRIBUZIONE SpA

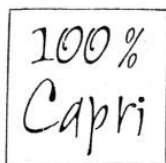
APPEAL BY THE OPPONENT FROM THE DECISION OF
MR GEORGE SALTHOUSE DATED 11 DECEMBER 2013

DECISION

1. This is an appeal from a decision of Mr George Salthouse on behalf of the Registrar, by which he rejected an opposition by IN.PRO.DI-Inghirami Produzione Distribuzione SpA ("Inghirami") to the registration of the mark 100% CAPRI by Antonino Aiello ("the Applicant").

Background

2. On 15 March 2012, the Applicant applied to register the mark shown below for goods in Classes 3, 9, 18 and 25:



3. On 1 November 2012, the Opponent filed notice of opposition to the application pursuant to section 5(2)(b) of the 1994 Act, on the basis of its earlier Community Trade Mark No. 2689891 ("the CTM") shown below, which is registered for "outer clothing" in Class 25:



4. The CTM had previously been registered for goods in Classes 3 and 18 and for a wider range of goods in Class 25, namely (I have the official text only in Italian) "Articoli di abbigliamento

intimo ed esterno, scarpe, cappelleria” which I believe translates as "Articles of clothing, underwear and outerwear, shoes and headgear." The Applicant in this case had on 23 February 2012 made an application to revoke the CTM for non-use and the revocation request was partly upheld by the Cancellation Division of OHIM by a decision dated 27 May 2013. It appears from the translation of the decision provided to me that the Cancellation Division made a distinction between underwear on the one hand and other kinds of clothing, such as shirts and dresses, on the other. On the basis of proof of use of such garments it maintained the registration for “abbigliamento esterno” or "Outer clothing." The result was that by the time the CTM came to be relied upon in the opposition, it was registered only in relation to "Outer clothing," in Class 25.

5. The Applicant put the Opponent to proof of use of the CTM. The Opponent therefore filed evidence in the form of a single witness statement from the chairman of its board of directors, Mr Giovanni Inghirami, in which he described the use which had been made by the Opponent of the CTM. He produced a number of documents relating to such use and at paragraph 14 of his statement said that all such items produced and sold by the Opponent were clearly branded with the CTM.
6. In brief, Mr Salthouse found adequate proof of use by the Opponent of its CTM upon a variety of garments and he decided that a fair specification for such goods was the term "outer clothing". On that basis, having carried out the usual type of comparison of the goods on the one hand and the signs on the other, the Hearing Officer came to the conclusion that there was a likelihood of confusion in relation to some but not all of the Applicant's specification. He upheld the opposition for glasses, eyeglasses and sunglasses in Class 9, leather and imitation of leather bags in Class 18 and all of the goods for which registration had been sought in Class 25. The application was permitted to proceed for goods in Class 3 and various other goods in Class 18
7. The Applicant now appeals that decision in relation to the goods in all three classes for which registration was refused.

Standard of review

8. Mr Pixton, who appeared for the Applicant on the appeal, accepted that this appeal is by way of a review not a rehearing. *Reef Trade Mark* [2003] RPC 5 (“*Reef*”) and *BUD Trade Mark*

[2003] RPC 25 (“*BUD*”) show that neither surprise at a Hearing Officer’s conclusion, nor a belief that he has reached the wrong decision, suffice to justify interference in this sort of appeal. Instead, I need to be satisfied that there is a distinct and material error of principle in the decision in question or that the Hearing Officer was clearly wrong; as Robert Walker LJ (as he then was) said at [28] in *Reef*:

“...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle.”

9. Those principles have since been affirmed by the House of Lords in *Datec Electronics Holdings Ltd & Ors v. United Parcels Services Ltd* [2007] UKHL 23, [2007] 1 WLR 1325. Mr Daniel Alexander QC sitting as the Appointed Person in case BL O/471/11, *Petmeds*, 14 December 2011, summarised the position:

“*Datec* and other cases since *REEF* and *BUD* all reinforce the need for caution before overturning a finding of the tribunal below of the kind in issue in this case. Difference of view is plainly not enough and, to that extent, the applicant’s submissions are correct. However, those cases and the practice of appellate tribunals specifically to trade mark registration disputes show that the degree of caution should not be so great as to permit decisions based on genuine errors of approach to go uncorrected.”

10. In Mr Alexander's decision in *Digipos* [2008] Bus LR 1621 he had said:

“... appellate review of nuanced assessments requires an appellate court to be very cautious in differing from a judge's evaluation. In the context of appeals from the Registrar relating to section 5(2)(b) of the Act, alleged errors that consist of wrongly assessing similarities between marks, attributing too much or too little discernment to the average consumer or giving too much or too little weight to certain factors in the multi-factorial global assessment are not errors of principle warranting interference. I approach this appeal with that in mind.”

The appeal

11. There were 3 main points on the appeal:
 - a. was the Hearing Officer overly generous in his findings as to genuine use;
 - b. was the Hearing Office right to maintain the registration for “Outer clothing”; and
 - c. did he err in his assessment of the likelihood of confusion?

Extent of use of the CTM

12. Mr Pixton did not criticise the Hearing Officer's approach to the law, which followed the established guidance of the CJEU in Case C-40/01, *Ansul BV v Ajax Brandbeveiliging BV*, [2003] ECR I-2439, and Case C-259/02, *La Mer Technology Inc v Laboratoires Goemar SA*, [2004] ECR I-1159. The Hearing Officer set out the useful summary approved by Arnold J in *Stichting BDO v BDO Unibank* [2013] EWHC 418.
13. Instead, Mr Pixton submitted that the Hearing Officer had erred in his assessment of the evidence of use of the CTM filed by the Opponent. The witness statement of Mr Inghirami did not give turnover figures or details of any advertising. However, Mr Inghirami said that the Opponent distributed clothing under various marks, including the CTM, that such clothing had been clearly branded with the CTM and that the CTM had been used 'on a significant scale' during the relevant period. He exhibited a modest number of supporting documents.
14. Mr Pixton pointed out a number of inadequacies and inconsistencies in the exhibits to Mr Inghirami's witness statement. These consisted mainly of invoices, with very few examples of how the CTM had been used on labels or on the goods. Whilst a reasonable number of invoices were exhibited, many showed sales on a very modest scale, and some of them were for the wrong period. The Hearing Officer calculated that they showed a little over 100,000 euros of sales in total in the relevant period. The invoices were addressed to customers in Spain, Italy, Hungary and the UK, although it seems to me that the only invoices to UK customers in the relevant period were headed with the word Capri used in a very different font to that in which the CTM is registered. The great majority of the invoices showed use of the mark in the particular font of the CTM, but (as the Hearing Officer noted) in black letters on a white background. The only documentary proof of use of the CTM on any garments, labels etc., consisted of printouts from two websites, one of which again used the different font for the word Capri, whilst the other showed use of the mark on what seems to be an advertising card (described in the witness statement as a "billboard") for use in a shop window. Nevertheless, the Hearing Officer found that genuine use had been shown of the CTM during the relevant period.

15. Mr Pixton had relied before the Hearing Officer (and relied before me) on a decision of the General Court in Case T-415/09, *New Yorker SHK Jeans GmbH v OHIM*, [2012] E.T.M.R. 9¹ in which the Court had doubted the probative value of invoices bearing the questioned mark, when unsupported by clear evidence from a deponent with adequate knowledge of the factual background. The Hearing Officer took the argument into consideration and dealt with it in paragraphs 16 and 17 of his decision. He understood the General Court's judgment as showing that documents which would be insufficient to prove genuine use if unsupported by other evidence might show sufficient use if explained or supported by clear evidence from an appropriate witness. He held at paragraph 17 of his decision

"In the instant case the evidence has a cogent narrative from an officer of the company that clearly is in a position to provide such evidence and can comment upon the activities of the opponent during the relevant period."

16. Mr Pixton submitted that the exhibits to Mr Inghirami's witness statement did not support the narrative of the statement, but contradicted it, because they did not show use of the CTM as registered but of other "Capri" marks. The Hearing Officer, however, found at paragraph 19 of his decision that the mark used on the invoices and billboard was "simply a negative image of the mark registered and as such, to my mind, it does not alter the distinctive character of the mark." I do not think that this was an error on the Hearing Officer's part, and Mr Pixton very fairly accepted that the Hearing Officer was entitled to conclude that this "negative image" was close enough to be use of the mark as registered. Similarly, it is clear from paragraph 19 that the Hearing Officer took into account the inadequacies of the evidence filed when coming to the conclusion that there had been genuine use shown of the CTM on a variety of items of clothing.

17. Mr Pixton pointed out that the Hearing Officer did not make any specific finding as to the website use of the word Capri in the wholly different font, which he said was significant as being the only example of use of the mark applied to the goods. It is right that having noted the difference in the form of the word Capri used in that exhibit at page 4 of his decision, the Hearing Officer did not comment further upon it in paragraph 19. The question is whether his failure to deal with this point casts doubt upon his overall findings as to genuine use. I do not consider that it does. In paragraph 19 the Hearing Officer noted that the evidence was "not without fault and that in an ideal world additional information would have been filed."

¹ I note that the General Court's decision was upheld on appeal to the CJEU (Case C-621/11, judgment of 18 July 2013) without further consideration of the point relevant to this appeal.

It seems to me that he properly weighed up the different aspects of the evidence before him and the arguments which had been made to him. He noted the inadequacies of the documentary evidence and the narrative of the witness statement, and it may be seen from paragraph of 17 of his decision that he considered that he should accept the narrative in the witness statement as persuasive evidence. Although he failed expressly to consider the significance of the one exhibit showing use of the word Capri in a different form, in my view that is not such a significant factor that it shows that Hearing Officer went wrong in weighing up the evidence before him.

18. In my judgment, no material error is demonstrated by that conclusion, as the law stood when the Hearing Officer reached his decision.
19. Since then, and indeed since the hearing of the appeal, the CJEU has delivered its judgment in Case C-141/13, *Reber Holding GmbH & Co KG v OHIM*, 17 July 2014. In that case, an application for a CTM was opposed by the proprietor of a national mark which was put to proof of use of the mark. The evidence showed that the earlier mark had been used in relation to hand-made chocolates which had been sold only in one café in a small town in Germany. Sales of some 40-60 kg of chocolates per annum were shown, but given the overall size of the German market for confectionery and the lack of geographical spread of sales, the CJEU upheld the General Court's finding that there had been no genuine use of the German mark. On the facts of the case, it might be thought that the CJEU had approved the application by the General Court of a stricter test of genuine use than in the earlier jurisprudence, and in particular *La Mer*, in which the CJEU had held that there was no 'quantitative threshold' to pass. However, in *Reber* the CJEU referred at [29] to that earlier jurisprudence, including *Ansul* and *La Mer*, and the need to consider all the circumstances of the case, and so it does not seem to me that the Court intended to diverge from its established approach to the assessment of genuine use.
20. I therefore reject the first ground of appeal

Fair specification

21. The second ground of appeal related to the scope of the specification of the CTM which the Hearing Officer found to have been put to genuine use. The Hearing Officer considered the relevant law at paragraph 20 of his decision, and no issue is taken with this.

22. The Hearing Officer had found at paragraph 19 that there had been use of the CTM upon "shirts, T-shirts, polo shirts, undershirts, blouses, pullovers, jackets, trousers, skirts, belts and suits." At paragraph 21, he decided that undershirts and belts were not outer clothing, but in paragraph 17 he found that a shirt was an item of outer clothing. He also held that "jackets" could refer to a suit jacket or short coat and he therefore decided that the use shown was more than adequate to maintain the full specification as registered.
23. The Applicant submitted that the Hearing Officer was, in effect, too generous to the Opponent in maintaining the specification as "Outer clothing" when the range of clothing shown to have been sold was limited and consisted, for the most part, of sales only of shirts. The number of other types of garments shown to have been sold was certainly very low. Mr Pixton submitted that shirts cannot properly be described as "Outer clothing," and so a fair specification of the goods on which genuine use had been shown for the purposes of the opposition would have been "shirts." I have some sympathy with the Applicant's arguments that shirts would not normally be described as outer clothing and that the Hearing Officer effectively treated the term "outer clothing" as if it meant "all clothing save for underclothing." Had genuine use only been shown on shirts, it seems to me that there would have been more force in arguing that the Hearing Officer was wrong to maintain the specification as "outer clothing". However, the Hearing Officer had found genuine use on a significantly wider range of types of clothing. It might not have been surprising had he found the evidence inadequate to prove genuine use on all of those goods, given the small numbers of some of them, but it does not seem to be that it is possible to identify any material error in the Hearing Officer's decision in this regard which would entitle me to reverse his decision on appeal. Accepting, as I therefore must, his finding that there had been use of the CTM in particular on suits and jackets, it seems to me that there is no material error in his conclusion that such use sufficed to maintain the specification for "Outer clothing." This ground of appeal also fails.

Likelihood of confusion

24. Lastly, the Applicant sought to persuade me that the Hearing Officer had erred in his assessment of the likelihood of confusion, given, in particular, the significance of the visual element of the marks and the differences between them on the visual plane. The visual element and stylisation of the marks was particularly important, in the Applicant's

submission, because the word Capri was otherwise of limited distinctiveness in relation to the goods in question (and especially in relation to 'capri' trousers).

25. As discussed above, attributing too little weight to certain factors in the multi-factorial global assessment of a likelihood of confusion is not an error of principle warranting interference on appeal. The Applicant's criticism of the Hearing Officer's assessment of the visual similarity between the marks does not, in my judgment, warrant my interference on this appeal with his findings as to the likelihood of confusion.
26. For all these reasons, the appeal is dismissed.
27. The Opponent did not appear and was not represented at the hearing of the appeal, but its trade mark attorneys provided me with written submissions dated 29 May 2014. In the circumstances, I will order the Applicant to make a modest contribution towards the Opponent's costs of the appeal in the sum of £350, to be paid within 14 days of today, in addition to the costs awarded by the Hearing Officer.

Amanda Michaels
The Appointed Person
5 August 2014

Mr RYAN PIXTON of KILBURN & STRODE LLP appeared on behalf of the Appellant.

Written submissions were received from Stobbs (IP) Limited on behalf of the Respondent