

O-385-15

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3051146
IN THE NAME OF MARCO TRADING CO LTD

AND

OPPOSITION THERETO UNDER NO 402703
BY CELIO FRANCE SAS

Background

1. On 11 April 2014, Marco Trading Co Ltd (“the applicant”) applied to register the trade mark CELUU in respect of the following goods:

Class 14

Jewellery; necklaces, bracelets, brooches, earrings, rings, watches


Class 18

Bags, handbags, clutch bags, purses

Class 25

Articles of clothing; articles of outer clothing; articles of ladies clothing; blouses, shirts, trousers, slacks, skirts, jumpers, cardigans, pullovers, jackets and coats

2. Following publication of the application in *Trade Marks Journal* 2014/022 on 23 May 2014, Notice of Opposition was filed on 18 August 2014 by Celio France, SAS (“the opponent”). There is a single ground of opposition under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) based on the following Community Trade Mark (“CTM”):

Mark and No	Dates	Specification of goods relied upon
CTM 6069678  Colours claimed: Red, white light grey	Filing date: 4 July 2007 Date of entry in register: 4 June 2008	Class 14 Jewellery, clocks and watches and chronometrical instruments Class 18 Leather and imitations of leather; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery Class 25 Clothing (apparel), footwear (except orthopaedic footwear); headgear

3. The applicant filed a counterstatement in which it denied the respective marks are similar such there is a likelihood of confusion between them.

4. Both parties filed evidence with the applicant also filing written submissions. The matter came before me for a hearing on 6 August 2015 when the applicant was represented by Mr Aaron Wood of Swindell & Pearson. The opponent was represented by Mr John Reddington of Williams Powell.

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

“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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

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

“6. - (1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), 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,

(b) a Community trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), (ba) a registered trade mark or international trade mark (UK) which-

(i) has been converted from a Community trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or (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 or the WTO agreement as a well known trade mark.”

7. As can be seen from the details given above, the CTM relied upon by the opponent is an earlier mark within the meaning of the Act. It can also be seen that the CTM had been registered for more than five years at the time the application was published and, in its counterstatement, the applicant put the opponent to proof of use of its mark. That being the case, section 6A of the Act is also relevant. It states:

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 Community 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 Community.

(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 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. What constitutes genuine use of a mark has been the subject of a number of judgments. In *Stichting BDO v BDO Unibank, Inc.*, [2013] EWHC 418 (Ch), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH*

(C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

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

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]".

10. Although minimal use may qualify as genuine use, the Court of Justice of the European Union ("CJEU") stated in Case C-141/13 P, *Reber Holding GmbH & Co.*

KG v OHIM (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

11. With the above in mind, I go on to consider the evidence filed by the opponent to establish what use, if any, it shows of the earlier mark in the relevant period, 24 May 2009 to 23 May 2014.

12. The opponent’s evidence takes the form of witness statements from John Reddington, its trade mark attorney and Béatrice Laymand, its Legal Director, the latter filed as evidence in reply.

13. The opponent claims it is a multi-national business, retailing both its own and third-party goods. Those goods are said to be primarily “items of clothing, footwear, and headgear for men, but “accessories” such as wallets bags, umbrellas or eyewear feature fairly prominently”. Mme Laymand gives “global turnover derived from sales” under the mark of these goods between 2009 and 2013 amounting to €2,880,000,000 which is said to include sales by sister companies. Similarly, “promotional expenditure derived from sales” of these same goods is given as €38,580,000 between 2010 and 2012 for both the opponent and its sister companies. Neither the turnover nor promotional figures are broken down in any way. Both include figures relating to goods on which the opponent does not rely in these proceedings (e.g. eyewear). Mme Laymand does not identify the sister companies and no indication is given as to the basis of any use by these other companies.

14. Looking at the evidence in more detail, Mr Reddington’s witness statement consists of commentary on the results of internet searches he carried out and documentation he received from the opponent, evidence of which he includes as exhibits.

15. Exhibit JR1 consists of pages downloaded from the celio-eshop.com website. The pages list a number of goods. Whilst Mr Reddington accepts that some of those are sold under third parties’ trade marks, he submits that for the others there is a “very strong inference they are own-branded goods”. He also accepts that he carried out the search and downloaded these pages on 11 August 2014, a few days before the notice of opposition was filed and some three months after the end of the relevant period.

16. Exhibit JR2 consists of further pages downloaded from the celio-eshop.com website. In addition to a partial graphical representation showing a number of the company’s retail locations, the pages show a range of goods including shirts, suits, shoes, umbrellas, underwear and handkerchieves. Again, Mr Reddington accepts that some of the goods listed are those of third parties. He also accepts that he carried out the search and downloaded these pages in December 2014, some seven months after the end of the relevant period.

17. At JR3 are pages from the Waybackmachine website which, Mr Reddington says, shows a page from 17 May 2014 but which indicates on it that it dates from 25

June 2014. Nothing hangs on the difference in dates. The page is in French and shows what appears to be a holding page that simply advises that the website is being improved (“en cours d’amélioration”) and invites visitors to the page to revisit at a later time (Nous vous invitons à renouveler votre visite ultérieurement”) (my translations).

18. Exhibit JR4 is a photocopy of a document on the front page of which is handwritten “Plaquette Celio 2010”. (Celio Booklet 2010). No detail of the distribution of this document is given but, from its content, it appears to be a document for internal use. Again it is in French and no translation is provided but I can see that it refers to an international presence in the “prêt-à-porter masculine” market and the growth of the business in nearly 70 countries and 5 continents (près de 70 pays et 5 continents”) including through franchisees (pages 6 and 7) (again, my translations).

19. Exhibit JR5 consists of photocopies of some pages from “celionews”, said to be the opponent’s promotional publication. It is dated October 2009. It shows the earlier mark on the cover page and appears to show a range of menswear available under a number of trade marks. The last page announces that some articles of menswear are due to be launched at a later date (“lancement officiel le 2 Novembre!”). Mr Wood submitted that there was no evidence as to whether these were goods to be launched under the earlier trade mark or were instead third party goods which might show the opponent as providing, at best, only retail services. Mr Wood also submitted that it was likely this was an internal document for staff as the front cover indicated the content includes an article on “resources humaines”, however, whilst I cannot rule this out (especially as page 7 appears to include text on different methods of merchandising which may be used), Mr Reddington could not confirm either way. The fact is that no details are given of where the publication may have been distributed and, again, the text is in French and no translation is provided.

20. Exhibits JR6-8 consist of various “Communication Reviews” dated between 2010 and 2014. They bear the earlier mark on their front pages. The documents are mostly in French. Again no translations are provided but I can see that they refer to a “worldwide panorama” and also to media spend in various areas including the “Middle East, Asia, the Mediterranean and Europe”. As Mr Wood pointed out at the hearing, from their content they would appear to be documents for internal use (he suggested for use by franchisees). Again Mr Reddington was unable to confirm but certainly, they do not appear to provide any detail which establishes e.g. advertising spend or sales under the mark in relation to particular goods or countries. No examples of what or where any external advertising may have taken place are exhibited.

21. In his witness statement, Mr Reddington states that the opponent:

“recognises, and does not seek to hide the fact that in terms of proving use...this evidence is not ideal...”

but states that:

“the Opponent operates a complex multi-national business in which a degree of autonomy appears to have been devolved to the geographical regions

covered, in order to allow the business to respond to local commercial conditions, which in turn means that the necessary information cannot be easily obtained from any single department with this company”.

22. At Exhibit A to Mme Laymand’s witness statement is what is said to be a representative selection of invoices. Largely dating from within the relevant period (pages 26-31 post-date it) the 57 pages making up the invoices shows them to be addressed to a Spanish company and all relate to the purchase, from a number of companies, of (sun)glasses. These are not goods which are relied on by the opponent in these proceedings and are therefore of no relevance.

23. Exhibit B, consists of pages numbered 58 to 397. They are presented as a series of what are said to be “commercial invoices, packing lists and delivery notes dated from 2009 to 2014, in relation to items of clothing marked CELIO”. At the hearing, Mr Reddington took some time to clarify that various documents could be cross-referenced to the same transactions and submitted that it was clear from these that the order and delivery process took place over many months. Whilst this is not disputed, all of the documents relate to the purchase of goods from the original manufacturer by a Belgian company. None refer to the opponent and none show any onward sales by the opponent or with its permission. Mr Reddington submitted that it could be inferred that the invoices relate to sister companies, inferred that they relate to goods bearing the mark, inferred that the mark is used by those sister companies with the consent of the opponent and inferred that the goods purchased by the sister companies were later sold to the benefit of the opponent.

24. Acknowledging some of the deficiencies of the opponent’s evidence, Mr Reddington submits that what he has filed is “sufficient to establish genuine use of the Opponent’s Mark in relation to the goods for which it is registered on a significant scale in more than one EU member state”. For her part, Mme Laymand concludes that the evidence filed by the opponent “clearly shows that the Opponent has carried on a widespread trade in menswear and accessories since at least as early as 2009, that the use of the trade mark has been continuous since then, that the mark is used in relation to a broad range of menswear and accessories and that significant promotional activities have taken place since 2009 from which an intention to create and/or maintain a presence in the menswear and accessories market can be inferred.”

25. Both of the opponent’s witnesses refer to the making of inferences from the evidence filed. In *Jones v Great Western Railway Company* (1930) 144 LT194 at page 202, Lord Macmillian held:

"[t]he dividing line between conjecture and inference is often a very difficult one to draw. A conjecture may be plausible but it is of no legal value, for its essence is that it is a mere guess. An inference in the legal sense, on the other hand, is a deduction from the evidence, and if it is a reasonable deduction it may have the validity of legal proof".

26. Mr Wood made numerous criticisms of the evidence, both in terms of the dates it was obtained and its content. Whilst I have referred to some of these criticisms above, I do not consider it necessary or proportionate to refer to all of them in any

greater detail. I take into account the fact that I should consider the evidence as a whole rather than what individual items may or may not show, however, in my view, the evidence from the opponent has so many gaps that it is not reasonable to make the inferences requested and as outlined above. In my view, whilst the evidence does go some way to show the opponent is a retailer of menswear, it does not show genuine use of the earlier mark by the opponent or with its consent in relation to the goods on which the opponent relies within the relevant period. That being the case, the opponent is not entitled to rely on the earlier mark and the opposition under section 5(2)(b) fails.

27. In case I am found to be wrong in that assessment, however, I intend to go on to consider the substantive objection under section 5(2)(b) in more detail.

28. In determining the matter, I take into account the following principles which 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.

Comparison of the respective goods

29. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 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”.

30. 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.

31. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court (“GC”) stated:

“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”.

32. The goods to be compared are:

Opponent’s goods	Applicant’s goods
Class 14 Jewellery, clocks and watches and chronometrical instruments	Class 14 Jewellery; necklaces, bracelets, brooches, earrings, rings, watches
Class 18 Leather and imitations of leather; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery	Class 18 Bags, handbags, clutch bags, purses
Class 25 Clothing (apparel), footwear (except orthopaedic footwear); headgear	Class 25 Articles of clothing; articles of outer clothing; articles of ladies clothing; blouses, shirts, trousers, slacks, skirts, jumpers, cardigans, pullovers, jackets and coats

33. There is no dispute that each of the applicant’s goods in each class are either identical to goods in the opponent’s specification in that same class (on the basis that they are identically worded (e.g. jewellery) or, on the basis in *Merich*, that they are specific goods within a general category (e.g. jewellery against necklaces and rings)) or that they are highly similar (e.g. travelling bags against handbags) on the basis that the users, nature and channels of trade coincide and the goods may be made to co-ordinate.

The average consumer and the nature of the purchasing process

34. 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 in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

35. 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.”

36. Each of the goods is a general consumer item bought by the general public on a regular basis, though goods such as an item of jewellery or a travelling bag are likely to be bought less frequently than an item of clothing. All are goods which have an aesthetic appeal and there is no dispute that the purchase will be primarily a visual one. The goods are widely available whether from a shop on the high street, from its virtual equivalent on the internet or from a catalogue and a reasonable degree of care will be taken over the purchase.


Comparison of the respective marks

37. 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 them, bearing in mind their distinctive and dominant components. The CJEU 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.”

38. It would be wrong, therefore, artificially to dissect the trade 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 them.

39. The marks to be compared are:

Opponent’s earlier mark	Applicant’s mark
	<p data-bbox="810 1733 922 1771">CELUU</p>

40. The opponent’s mark consists of a number of elements. There is the word celio presented in lower case, in grey, followed by an asterisk in white, the whole on a red, rectangular background. The applicant’s mark consists of the word CELUU in plain

block capitals. For the reasons given in *Specsavers International Healthcare Ltd & Others v Asda Stores Ltd* [2012] EWCA Civ 24, the fact that the opponent's mark is subject to a claim to colour is not a factor that affects my determination. Both word elements consist of five letters, sharing the first three of those letters. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the General Court noted that the beginnings of word tend to have more visual and aural impact than the ends, however, this is no more than a general rule. Both words end in two vowels. Whilst neither word is, as far as I have been made aware, a known word in the English language, words ending in "io" are relatively commonplace (e.g. patio, ratio, (port)folio, studio, audio, radio). In contrast, the use of the letters "UU" at the end of a word is particularly unusual (as Mr Reddington himself submitted at the hearing) and visually striking. Taking all factors into account, I find that the respective marks are visually similar to a low degree.

41. Mr Reddington submitted that the opponent's mark would be pronounced SELL-YOU. I agree that the mark would be referred to by the word appearing in it. As indicated above, however, speakers of English will be familiar with words ending in "IO" and I see no reason why the average consumer would not pronounce both letters separately thereby articulating it as a three syllable word SELL-EE-OH. Because of the inclusion of the letters "UU", the way the applicant's mark will be pronounced is, perhaps, less clear, however, I consider it most likely that it would be pronounced as a two syllable word SELL-OO. There is a reasonable degree of aural similarity between the respective marks given that each will be referred to by a word which begins with the syllable heard as SELL.

42. As indicated above, neither word has been shown to be anything other than an invented word with no known meaning. Conceptual considerations are therefore neutral.

Distinctiveness of the earlier trade mark

43. 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 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).”

44. The earlier trade mark consists of a number of elements. The rectangular background is not distinctive. I am aware, from my own experience, that asterisks are regularly used at the end of words in e.g. promotional material to indicate that the reader should refer elsewhere for further information. As an invented word, *celio* is a distinctive element of the mark. Considered as a whole, the earlier trade mark has at least an average degree of inherent distinctive character.

45. Earlier in this decision, I set out a summary of the opponent’s evidence. I found that it did not show genuine use of the trade mark. None of that evidence referred to any trade within the UK. In the circumstances, I am unable to find that the earlier trade mark has accrued any enhanced distinctive character through use.

Likelihood of confusion

46. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponents’ trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

47. Earlier in this decision, I found:

- The respective goods are either identical or highly similar;
- The average consumer is a member of the general public with the purchasing process being primarily visual and with a reasonable degree of care being taken over that purchase;
- The respective marks are visually similar to a low degree and aurally similar to a reasonable degree. The conceptual position is neutral;
- The earlier trade mark has at least an average degree of inherent distinctive character which has not been shown to have been enhanced through use.

48. Taking all factors into account, I find that even if genuine use of the earlier trade mark had been shown, there would be no likelihood of either direct or indirect confusion between the respective marks. The differences between them outweigh the similarities such that there would be no such likelihood.

Costs

49. The applicant, having succeeded, is entitled to an award of costs in its favour. Mr Wood submitted that off scale costs, or at least costs at the higher end of the scale,

were justified in the circumstances of these proceedings. He referred me to the evidence filed by the opponent and submitted that the evidence in chief was filed by the opponent's trade mark attorney and consisted mostly of information taken from the Internet after an extension of time for filing evidence had been requested and granted. That extension had been requested on the basis that collating the evidence of use had to be given "the seriousness and detailed attention it deserves" which conflicted somewhat with the date the material exhibited was collected and collated and that evidence did not show any examples of genuine use of the goods relied upon. Mr Reddington's evidence included material relating to underwear which resulted in the applicant filing its own evidence to show such goods were those of a third party and sold under a different trade mark. Mr Reddington's concession at the hearing that the opponent no longer relied on any claimed use in relation to underwear means I have not had to consider that evidence. Mme Laymand's evidence in reply, Mr Wood submitted, was not strictly in reply but was more properly evidence in chief but in any event was largely irrelevant, the lengthy exhibits relating either to goods not relied on in these proceedings or to companies other than the opponent with nothing to explain whether, and if so how, they were connected.

50. Whilst I accept the opponent can be criticised for the way it has pursued its opposition (both in terms of the time taken to file its evidence and the volume and content of the evidence it filed), I do not consider its behaviour warrants an award of costs off the standard scale. I do consider, however, that the award should be towards the higher end of the scale to reflect the applicant's added, but ultimately unnecessary, costs incurred by the filing of its own evidence and the time it will have spent reviewing the ultimately irrelevant evidence and challenging it. Bearing this in mind, I make the award on the following basis:

For filing TM8 and reviewing TM7:	£400
For filing/reviewing evidence:	£2000
Preparation for and attendance at hearing:	£1000
Total:	£3,400

51. I order Celio France SAS to pay Marco Trading Co Ltd the sum of £3,400 as a contribution towards its costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 13th day of August 2015

**Ann Corbett
For the Registrar
The Comptroller-General**