

**O-028-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF THE APPLICATION BY  
THE GOODWOOD ESTATE COMPANY LTD.  
UNDER NO 3044681 FOR THE TRADE MARK**



**AND**

**IN THE MATTER OF OPPOSITION NO. 402753 THERETO  
BY TM25 HOLDING B.V.**

## THE BACKGROUND AND THE PLEADINGS

1) On 28 February 2014 the Goodwood Estate Company Ltd. ("the Applicant") filed application no. 3044681 to register the following mark:



The application was published for opposition purposes on 28 March 2014 for goods in classes 6, 9, 14, 18 and 25, but only the goods shown below are opposed in these proceedings:

**Class 9:** *Safety and protective clothing, headgear and equipment for use in sports and leisure pursuits; optical apparatus and instruments; goggles, eye glasses, sunglasses, spectacles and lenses, including contact lenses; frames, containers, cases and accessories therefor.*

**Class 14:** *Precious metals and their alloys; key fobs, jewellery, precious stones; horological and chronometric instruments, jewellery articles, clips and pins, rings and chains, ornaments, cufflinks, medals and medallions, badges, buckles, trophies, coins, cases, holders, containers, tableware, all made of precious or semi-precious metals or their alloys, their limitations or coated therewith; clocks, watches, time pieces, parts and fittings of all the aforesaid goods.*

**Class 18:** *Leather and imitation leather; animal skins, hides; imitation animal skins and hides; cases, valises, suitcases, briefcases, luggage, bags, handbags, travelling bags, schoolbags, satchels, duffel bags, sports bags, trunks; holders for carrying infants; folders, wallets, purses, pouches, cases; rucksacks and knapsacks, backpacks, bumbags; umbrellas, parasols, sunshades; walking sticks, mountaineering sticks, shooting sticks, sticks incorporating seats, sunshades; horse riding apparatus; whips, canes, straps, belts, harness and saddlery; parts and fittings for all the aforesaid goods.*

**Class 25:** *Clothing, headgear, footwear.*

2) TM25 Holding B.V. ("the Opponent") opposes the registration of the Applicant's mark for all the goods shown above on grounds under section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The notice of opposition and statement of grounds had originally been filed in the name of Factor Ltd. In his witness statement on behalf of the Opponent Mr Johannes Christian de Bil declared that he is the Managing Director of S-Star Management B.V., which is the Managing Director of TM25 Holding B.V., and that he is the Managing Director of Factor Ltd., the original opponent in this matter. He further declared that the rights of Factor Ltd were

assigned to TM25 Holding B.V. on 30 April 2015. He sought substitution of TM25 Holding B.V. as the opponent in these proceedings, and declared that TM25 Holding B.V. stands by the pleadings in this matter and accepts any liability for costs. On this basis the Registry allowed substitution of TM25 Holding B.V. as the Opponent.

3) For the purposes of its claim the Opponent relies on the following two marks:

**International trade mark registration (designating the UK) no. 1031667** registered for the mark and goods shown below:

## GSRD

**Class 18:** *Leather and imitations of leather and goods made of these materials and not included in other classes; trunks and travelling bags, rucksacks, bags, pocket wallets, umbrellas, parasols and walking sticks.*

**Class 25:** *Clothing, footwear, headgear, belts (clothing).*

**Community trade mark 10209732** registered for the mark and goods shown below:

## GSRD

**Class 14:** *Jewellery, precious stones, horological and chronometric instruments.*

**Class 18:** *Leather and imitations of leather, Skins, Hides, Traveling requisites, All the aforesaid goods included in class 18, Trunks and and Suitcases; Umbrellas, parasols and walking sticks.*

**Class 25:** *Clothing, footwear, headgear.*

International trade mark (UK) no. 1031667 was granted protection in the UK on 19 July 2012. Community trade mark 10209732 was applied for on 22 August 2011 and registered on 6 January 2012. The significance of these dates is that (1) both marks constitute “earlier marks” for the purposes of section 5(2)(b) of the Act, and (2) the proof of use provisions in section 6A of the Act do not apply in respect of them. For the sake of simplicity, since both earlier marks are identical, consisting simply of the letters GSRD, I shall refer to them simply as “the earlier mark”, except where it is necessary to differentiate them.

4) The Applicant filed a notice of defence and counterstatement, denying the grounds of opposition. Both parties filed evidence. Neither side requested a hearing. Both filed written submissions in lieu of a hearing. The Opponent’s submissions were filed late. The Applicant objected to the late filing and requested that the Opponent’s submissions be rejected in their entirety. The Registry informed the parties that its preliminary view was to allow the Opponent the necessary extension for the filing of its submissions, and passed the papers to me for decision. The Applicant reserved its right to appeal, should the Opponent’s submissions not be rejected. I consider that the Applicant has suffered no disadvantage through the late

filing of the Opponent's submissions, and have therefore taken these into account. Although the Applicant has the right to be heard on this procedural point, I consider that no useful purpose would in this case be served by further delay, and will now proceed to give my substantive decision. For the sake of technical completeness I add that the period for appeal against my decision on this procedural point will be coterminous, and run concurrently, with the period for appeal against this substantive decision. I give the following decision after a careful review of all the papers before me.

## EVIDENCE SUMMARY

### The Opponent's evidence.

5) In a witness statement dated 1 June 2015 Mr Johannes Christian de Bil declares that he is the Managing Director of G-Star Management B.V., the Managing Director of TM25 Holding B.V., the substituted Opponent in these proceedings, and that he is also the Managing Director of Facton Ltd., the original Opponent. He explains that Facton Ltd, G-Star Raw CV and TM25 Holding B.V. are affiliated companies, which he refers to collectively as "G-Star", and that the benefit of historical use by Facton Ltd has been transferred to the substituted Opponent in these proceedings, TM25 Holding B.V.

6) Mr de Bil explains that The GSRD Foundation is a foundation set up by G-Star to make a long term contribution to the development of communities in G-Star's production countries, and that GSRD (the earlier mark) is also widely used in relation to clothing and fashion accessories and has been used in the United Kingdom, Europe and around the world in relation to such goods for at least ten years. There is nothing in the evidence to indicate that the average UK consumer is aware of the connection between the letters GSRD and the Opponent's foundation.

7) In the Opponent's evidence, particularly in **Exhibit JCdeB1** (which includes examples of use in the UK over the period from 1997) the earlier mark, consisting of the letters *GRSD* in various orthographical presentations, is displayed prominently (for example, across the chests of t-shirts and pullovers) on various items of clothing. Sometimes the mark appears in addition to the G-Star group's primary *G-STAR* and *G-STAR RAW* brands. Sometimes it appears on its own. Even when it appears on its own, however, it seems that it is always sold under the *G-STAR* or *G-STAR RAW* brands. In his witness statement Mr de Bil explains that "*All goods sold under the GSRD mark are always also marked with our G-STAR or G-STAR RAW brands although GSRD appears as a separate brand on the goods as can be seen in my Exhibit JCdeB1*".

8) Mr de Bil says that "*The concurrent use and promotion of our brands makes it difficult to provide sales figures for any one of our brands. Figures relating to the value of sales of goods marked with GSRD in the United Kingdom are not available*". He supplies a table which "*provides information relating to our sales of goods under the G-STAR RAW and G-STAR brands which will include figures for sales of goods bearing the GSRD trade mark*", the UK turnovers shown increasing progressively from 1.4 millions in 2000-2001 to >37.0 millions in 2009-2010. He also states that

*“Our marketing and advertising expenditure covers all our brands as we generally advertise our brands concurrently, including the GSRD products. I am not able to give individual figures for advertising of GSRD goods. However, since 2006 we have spent in excess of £1.1 million on advertising the G-Star family of products in the United Kingdom each year and this figure includes our advertising on GSRD goods”.* He is unable to provide me with even approximate figures or rough estimates for sales in the UK of goods bearing the earlier mark, or an indication of the extent to which advertising and promotion of the G-Star family of products in the UK covered the earlier mark specifically. Nor does any of the other evidence assist me in this regard.

9) Thus, to illustrate the longevity of the use of the earlier mark in the UK Mr de Bil attaches as **Exhibit JCdeB2** some extracts from various UK publications dating from between 1997 and 2011. Although these contain images of clothes bearing the earlier mark, or of individuals wearing them, the earlier mark is never mentioned as such in the text, the brand referred to being invariably G-STAR or G-STAR RAW. Mr de Bil says of the selection of invitations in **Exhibit JCdeB3** sent to buyers and traders relating to the G-Star group’s events and trade fair participation over the years that *“Such events relate to our brands as a whole”*. The earlier mark is not mentioned in them, and it is not possible to gauge how far it may have featured. Although **Exhibit JCdeB4** contains a selection of press releases and photographs of various “Raw Nights”, these being promotional events showcasing *“all our brands including GSRD”*, none of the excerpts mention the earlier mark. Similarly, the online articles in **Exhibit JCdeB7** referring to various G-Star advertising campaigns contain no mention of the earlier mark. Mr de Bil explains that *“These campaigns are directed to our goods in general and to attracting customers to our stores and retail outlets that supply our goods including GSRD goods”*. Mr de Bil says that *“GSRD products have been advertised in G-Star’s RAW magazine”* (an extract from which from 2010 is provided in **Exhibit JCdeB6**), each issue, including the one exhibited, being distributed to an average of 5000 stores. The extract provided contains three pages containing images of goods bearing the earlier mark (or a variant of it), but I have no way of knowing how many copies were distributed in the UK, over what period, and how far the mark may have appeared in them.

10) Mr de Bil says that the G-Star group’s goods are also promoted through a variety of online and offline media in the United Kingdom, giving examples including television channels, third party websites, social media and printed publications. He identifies *“a selection of printed publications in which we regularly advertise, and their circulation figures”*, including *The Guardian, The Observer, FHM, Glamour and GQ*. He also states that *“In 2012 our global website www.g-star.com, at which our goods including GSRD goods can be found, was visited over 5 million times) of which more than 700,000 visitors came from the United Kingdom. We have continued to enjoy a similar level of visits in subsequent years up to date”*. Mr de Bil states that In the UK G-Star’s goods, including GSRD goods, are sold both through retail outlets operated under the G-STAR RAW brand, selling goods including those bearing the GSRD brand, in several major British cities (location details are provided in **Exhibit JCdeB8**); they are also distributed through a range of substantial retail outlets throughout the country, including *House of Fraser, Selfridges, John Lewis, ASOS, Accent, Quest Retail, USC, Shopdirect Group “and many others”*. The goods are also available for purchase online via the g-star webshop at *g-star.com* and via

third party webshops including next.co.uk, very.co.uk, amazon.co.uk and asos.com. Extracts from third party websites are provided in **Exhibit JCdeB9**. Only a few apparently undated items at the end of the exhibit show clothes bearing the earlier mark, or a variant of it, and these were apparently downloaded in May 2015. None of this evidence enables me to gauge even approximately the extent of promotion of the *GSRD* mark itself (as opposed to other G-Star group brands), or of sales of goods bearing it, in the UK.

### **The Applicant's evidence**

11) In a witness statement dated 3 August 2015 Ms Tracey Greaves declares that she is the Sales and Marketing Director of the Applicant, and explains the background to the Applicant's business and application for the contested mark. In support of her submission that use of the earlier marks has been very limited she attaches as at **Exhibit TG4** an extract from the Opponent's website *www.g-star.com* showing the results of a search of the website conducted on 09 June 2015 using "GSRD" as the search term. She points out that none of the 17 items of clothing revealed by the search appear to bear the *GSRD* brand. In support of her contention that use of the *GSRD* Marks on the goods set out in the registration specifications are "*limited and purely ancillary to the actual focus of the brand*" she attaches as **Exhibit TG5** extracts from the Opponents website *www.gsr.com*, explaining the provision by the *GSRD* Foundation of charitable services to overseas projects.

### **SECTION 5(2)(b)**

#### **The law**

12) Section 5(2)(b) of the Act reads as follows:

"5(2) A trade mark shall not be registered if because – [...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

I have taken into account the guidance provided by the Court of Justice of the European Union ("CJEU") in a number of judgments. The following principles are gleaned from the decisions 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:

(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 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 the goods**

13) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

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.

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

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

15) *Boston Scientific Ltd v Office for Harmonization in the Internal Market* (Trade Marks and Designs) (OHIM) Case T- 325/06 provides guidance on when goods are to be regarded as complementary:

“It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”



16) I will make the comparison with reference to the Applicant's goods. I will go through them term by term (but grouping them when it is useful and reasonable to do so – see the comments of the Appointed Person in *Separode* BL O-399-10).

**Class 9:** *Safety and protective clothing, headgear and equipment for use in sports and leisure pursuits; optical apparatus and instruments; goggles, eye glasses, sunglasses, spectacles and lenses, including contact lenses; frames, containers, cases and accessories therefor.*

17) Class 25 includes many items of sports clothing, and some may be sold in sports shops to the same users (the general public) as the *safety and protective clothing, headgear ... for use in sports and leisure pursuits* in Class 9 of the opposed application. Nevertheless, the protective nature and purpose of the contested *safety and protective clothing, headgear ... for use in sports and leisure pursuits* differs significantly from that of general sports clothing, though at a general level both may also serve the general purpose of clothing. There is not more than a medium degree of similarity. Even this general shared nature is missing in the case of the contested *safety and protective equipment for use in sports and leisure pursuits and goggles, eye glasses, sunglasses, spectacles and lenses, including contact lenses; frames, containers, cases and accessories therefor*, where there is neither competition nor real functional complementarity with the earlier registrations' *clothing, footwear, headgear*, and where similarity is low, at best.

18) The Opponent submits: "The goods "goggles, eyeglasses, sunglasses, spectacles and lenses, including contact lenses, frames, containers, cases and accessories therefor" in Class 9 of the opposed application are similar to "clothing, footwear, headgear" in Class 25 and "jewellery, precious stones, horological and chronometric instruments" in Class 14 of the Opponent's registrations. Such goods are fashion goods, sold under the same brands as clothing goods and are intended for the same user i.e. the general public. They are often sold in the same outlets." In this connection I bear in mind that in *Oakley T-116/06* the General Court observed at paragraph 86: "*The intervener's argument that eyewear, jewellery and watches could be similar or complementary to items of clothing cannot succeed, since, as correctly pointed out by OHIM, the relationship between those goods is too indirect to be regarded as conclusive. It must be borne in mind that the search for a certain aesthetic harmony in clothing is a common feature in the entire fashion and clothing sector and is too general a factor to justify, by itself, a finding that all the goods concerned are complementary and, thus, similar (SISSI ROSSI, paragraph 49 above, paragraph 62)*". Although there may be some cases of the competing goods being sold under the same brands, there can only be at best low similarity; nor can there be a better case in respect of the contested *optical apparatus and instruments*.

**Class 14:** *Precious metals and their alloys; key fobs, jewellery, precious stones; horological and chronometric instruments, jewellery articles, clips and pins, rings and chains, ornaments, cufflinks, medals and medallions, badges, buckles, trophies, coins, cases, holders, containers, tableware, all made of precious or semi-precious metals or their alloys, their limitations or coated therewith; clocks, watches, time pieces, parts and fittings of all the aforesaid goods.*

19) The contested *precious metals and their alloys* are highly similar to the earlier CTM's *precious stones*, being provided through the same channels of trade to the same customers, for the same purpose, i.e. the manufacture of a precious item or the making of jewellery. The contested *jewellery, precious stones; horological and chronometric instruments* are covered by identical terms in the earlier CTM; *clocks, watches, time pieces* are covered by the Opponent's *horological and chronometric instruments*, which are thus also identical; *parts and fittings of all the aforesaid goods* are functionally complementary with the primary goods, will be bought by the same consumers through the same channels of trade, and are highly similar. The contested *jewellery articles* is covered by the earlier CTM's *jewellery*; they are identical. *Clips and pins, rings and chains, cufflinks* also fall within the ambit of *jewellery*, and are identical. Like the goods just mentioned, *key fobs* have a partly functional and partly ornamental nature and purpose. They may be made of similar materials by the same producers and sold through the same outlets as the earlier mark's *jewellery*, and are highly similar. *Ornaments, medals and medallions, badges, buckles, trophies, coins, cases, holders, containers, tableware, all made of precious or semi-precious metals or their alloys, their imitations* ["imitations" is an obvious typographical error, and I read it as *imitations*] or *coated therewith* are all goods manufactured of the same materials as the CTM's *jewellery*, by the same producers, and, like *jewellery*, are of the kind supplied by jewellers and goldsmiths. Even where not falling within the ambit of the earlier CTM's *jewellery* (and thus being identical), channels of trade will be the same, and consumers will see them as originating from the same manufacturers and suppliers. There is thus either identity or a high degree of similarity with the CTM's *jewellery*.

**Class 18:** *Leather and imitation leather; animal skins, hides; imitation animal skins and hides; cases, valises, suitcases, briefcases, luggage, bags, handbags, travelling bags, schoolbags, satchels, duffel bags, sports bags, trunks; holders for carrying infants; folders, wallets, purses, pouches, cases; rucksacks and knapsacks, backpacks, bumbags; umbrellas, parasols, sunshades; walking sticks, mountaineering sticks, shooting sticks, sticks incorporating seats, sunshades; horse riding apparatus; whips, canes, straps, belts, harness and saddlery; parts and fittings for all the aforesaid goods.*

20) The contested *leather and imitation leather; animal skins, hides; trunks, suitcases; umbrellas, parasols; walking sticks* are covered by identical terms in the earlier CTM. The contested *bags, travelling bags; wallets; rucksacks* are covered by identical, or virtually identical, terms in the earlier IR. *Imitation animal skins and hides* have a similar nature and fulfil the same purpose for the same users as the CTM's *skins, hides*, thereby competing with them; they are highly similar. *Handbags, schoolbags, sports bags* fall within the ambit of the IR's *bags*, and are identical. The contested *cases, valises, luggage* have the same purpose, users and channels of trade as the CTM's *trunks and suitcases*, and are highly similar. *Briefcases* have a somewhat different purpose, in that they are intended to carry documents, but there is substantial user overlap, and producers and channels of trade will be the same as the CTM's *trunks and suitcases*; there is reasonable similarity. The contested *satchels, duffel bags, knapsacks, backpacks, bumbags* fulfil a similar function as, and share users and channels of trade with, the IR's *rucksacks*; they are highly similar. *Purses and folders* are also highly similar to *wallets*, having the same or a similar purpose, and being purchased through the

same channels of trade. The contested *pouches* fulfil the same purpose as the Opponent's *bags*, for the same users, and share the same channels of trade.

21) The contested *sunshades* and the Opponent's *parasols* have the same purpose, users and channels of trade; they are highly similar. The contested *mountaineering sticks* fall within the ambit of the Opponent's *walking sticks*. The contested *shooting sticks*, *sticks incorporating seats* are also kinds of stick fulfilling a similar purpose to a walking stick, and users and channels of trade overlap; they are highly similar. The Opponent's *leather and imitations of leather and goods made of these materials not included in other classes* encompasses *leather horse riding apparatus, whips, straps, belts, harness and saddlery*. The contested *cane* is highly similar to the Opponent's *walking stick*, having largely the same function users and channels of trade.

22) *Parts and fittings for all the aforesaid goods*: I have found all of the above contested goods in Class 18 identical or highly similar to the Class 18 goods of the earlier marks. Parts and fittings may be supplied to producers or repair services. In respect of the above contested goods in Class 18, however, they may also be supplied to consumers of the goods to which they relate, so sharing consumers and channels of trade with the primary product. Consumers will normally expect to find such parts and fittings supplied by suppliers of the primary product. Notwithstanding that the purpose of a part or fitting is not necessarily strictly the same as that of the primary product, therefore, where I have found identity or high similarity between the Opponent's goods and the contested primary goods it is appropriate also to find high similarity with regard to their respective parts and fittings.

23) That leaves *holders for carrying infants*. The closest match in purpose and function to the contested *holders for carrying infants* is either the *bags* or the *rucksacks* of the IR, but in neither case is there more than low similarity; there may be some very general overlap in users, but any similarity of purpose and function is only of the most general kind, and channels of trade will normally differ. The same applies in respect of any parts and fittings.

**Class 25: Clothing, headgear, footwear.**

24) The Applicant "*submits that the goods associated with the Application are clearly different due to the diverse channels of trade. The goods of the Application mark are associated with high end luxury clothing, whereas 'the goods of the Opponent are ancillary promotional wares associated with a workplace training foundation'*". This submission is misconceived. It is settled law that in assessing whether there is a likelihood of confusion I must make my comparison on the basis of notional and fair use over the whole range of goods covered by the Applicant's and (since neither of the earlier registrations relied on are subject to proof of use under section 6A of the Act) the Opponent's respective specifications. It is the inherent nature of the goods of the specifications which I have to consider (see *Devinlec Développement Innovation Leclerc SA v OHIM* Case T- 147/03). My task, therefore, is to conduct the comparison on the basis of the goods set out in the respective specifications. The contested mark's *clothing, headgear, footwear* are covered by identical terms in both earlier registrations relied on. The competing goods are identical.

## The average consumer and the purchasing process

25) For materials such as *precious metals and their alloys, precious stones, leather and imitation leather; animal skins, hides, imitation animal skins and hides* there is an obvious business market, but there will be some private consumers too, and the spectrum of business customers will include small businesses. *Optical apparatus and instruments* and *goggles* will include both private and business consumers. The average consumer of all the other goods of the competing specifications will consist either exclusively or overwhelmingly of the general public. *Clothing, footwear and headgear* are regular consumer purchases. Items such as *bags and luggage, purses and wallets, and umbrellas* will also be fairly routine (although not frequent) purchases for any household. The goods concerned are not specialist ones and, although their cost can vary, they are not, generally speaking, highly expensive purchases. *Jewellery* can range from ordinary, relatively inexpensive items of everyday wear to very expensive and infrequent purchases. Whilst the average consumer of expensive jewellery will likely pay higher attention to its selection, the position must also be considered from the perspective of more ordinary jewellery, in selecting which the consumer will pay just a normal degree of care and attention. Similarly, whilst the average consumer of expensive clothing or luggage, for example, will probably pay higher attention to their selection, the position must also be considered from the perspective of more ordinary clothing or luggage. Overall, consumers will normally pay a reasonable degree of attention, neither higher nor lower than the norm, when selecting the goods. The purchasing of all these goods, whether through retail outlets, mail order catalogues or online, is a predominantly visual process, so visual aspects of the marks take on more importance; but there may be some scope for aural use of the marks, so aural aspects will not be overlooked in my comparison of the marks.

## The distinctiveness of the earlier mark

26) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark (on the basis either of inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). 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).”

27) It can be seen from my account of the evidence in paragraphs 7-10 that I have no means of gauging, even approximately, the extent to which the earlier mark itself was covered in the G-Star group’s advertising and promotion activities in the UK, or the proportion of clothing sold by the group in the UK which bore it. The evidence therefore does not provide a basis on which I could safely assess how far the earlier mark was likely to be known by a significant proportion of the relevant public in the UK when the Applicant applied for its mark. Accordingly, I am unable to find that the distinctiveness of the earlier mark has been materially enhanced through use.

28) That leaves the question of inherent distinctiveness. There is nothing in the evidence to suggest that the average UK consumer will see the letters as standing for anything in particular. I think they will be perceived simply as sequences of letters, not descriptive or allusive in any way of the relevant goods. That being so, I consider that the earlier mark has an average degree of inherent distinctiveness.


### **Comparison of the marks**

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

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

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

30) The marks to be compared are shown below.

The opposed mark	The earlier mark
	<p data-bbox="895 524 1050 573">GSRD</p>

31) The opposed mark consists of the letters GSR intertwined in the manner of a badge or emblem, the central S being enlarged, and flanked by the somewhat smaller letters G and R, to form a balanced device surmounted by a crown. The letters bear serifs and are divided evenly along their length into black and white sides, in a way suggestive of light and shade used to indicate a three-dimensional relief effect, but in a highly stylised or symbolic rather than a naturalistic manner. The average consumer will see the letters in the contested mark simply as a sequence of letters having no descriptive or allusive significance for them.

32) The Opponent, citing case T-205/06 *Newsoft Technology*, submits that it is well established that consumers pay more attention to verbal elements of a mark over figurative elements, and that the letters GSR are the distinctive and dominant component of the mark; it observes that many marks are presented in a stylised format, but the consumer focuses on the letters, perceiving their stylisation as decoration. I note, however, that in Case C-488/06 P *L&D SA v OHIM* the CJEU pointed out that where there is a composite mark comprising both graphic and word elements, it is not appropriate to systematically regard the word elements as dominant. Although, because of the intricacy of the intertwining and shading used in the representation, the letters perhaps take a modicum of visual disentangling, they are nonetheless perfectly legible. I consider it fair to describe them as one dominant element of the mark; but in my judgment the figurative elements also make a very substantial contribution to the overall impression and distinctiveness of the mark.

33) I have already found (at paragraph 28) that the earlier mark will be perceived simply as sequences of letters, not descriptive or allusive in any way of the relevant goods. The earlier mark is a compact and homogenous sign, having no dominant element as such, and its distinctiveness lies in the mark as a whole.

34) My assessment must take account of the overall impression created by the marks. It may be that the first two or three letters of letter sequences will be more easily remembered by consumers, but that does not mean that one can ignore the endings of the sequences, particularly when they are short sequences. I accept that the letters in the opposed mark are the same as the first three letters in the earlier mark. However, the difference in length between a sequence of three and four letters is generally easily registered by the eye and, if anything, I think the figurative

treatment of the letters in the contested mark also tends to emphasise that it consists of only three letters. Moreover, and importantly, I have already found that the figurative elements of the contested mark make a very substantial contribution to its overall impression and distinctiveness. I must, of course, bear in mind that fair and notional use of the earlier mark will cover use in a variety of typographical presentations; but it is a step too far to consider that a normal and fair use would include a presentation of the earlier mark incorporating features recalling the distinctive figurative elements of the Applicant's mark. In the light of all these considerations I come to the view, based on all these factors, that there is only a low degree of visual similarity overall between the competing marks.

35) It is not normal for device elements of a mark to be expressed orally and, therefore, since neither of the competing marks contains an acronym capable of being pronounced as a word, both marks will be pronounced as a sequence of letters; in the case of the earlier mark: G S R D. In the case of the contested mark, as I have already observed, the figurative treatment may mean that letters in it take a modicum of visual disentangling, but they are clearly legible and obvious. The average consumer will most naturally read them from left to right in the sequence G S R. Again, it may be that consumers will tend to notice more the first two or three letters of a sequence. Here again, however, in short marks differences, including differences in length, are more noticeable. Where a mark is composed of three syllables consisting of letter names, the addition of a further syllable (and letter) will be noticed in pronunciation. There is not more than a medium degree of aural similarity overall between the competing marks

36) Conceptually, the competing marks have no obvious point of similarity save that they are made up of combinations of letters. I have already found that the relevant public will not see the respective letter sequences in either of the competing marks as standing for any particular combination of words. Neither has any meaning or allusive content for the average consumer. The letters, therefore, contribute neither material conceptual similarity nor conceptual difference. The addition of the crown in the opposed mark adds some element of conceptual difference, though, with its vaguely laudatory associations, it is quite a commonly used symbol. Overall, there is some weak conceptual difference between the competing marks.

### **Likelihood of confusion**

37) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

38) I have found that most of the goods of the competing marks are identical or highly similar, and that the earlier marks have an average degree of distinctiveness. I have found a low degree of visual similarity, and not more than a medium degree of aural similarity between the competing marks, and some weak conceptual difference overall. Bearing in mind my findings on the average consumer and the purchasing

process, I consider that, even when used in connection with identical goods, and even taking into account the effect of imperfect recollection, the differences between the competing marks are sufficient to rule out any likelihood that the consumer will directly confuse them, i.e. mistake them for one another. In the first place, even if the consumer does not remember the respective letter sequences, or remembers only the first two or three letters of the respective letter sequences, I do not think that the additional letter of the earlier marks will go unnoticed; the difference in the length of the sequences will be noticed. Secondly, the distinctive figurative element of the contested mark will rule out a likelihood of direct confusion. The opponent is in no better position with regard to the goods which are not identical.

39) However, I must also consider the possibility of indirect confusion, and in this connection it is helpful to bear in mind the observations of Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, where he noted (at paragraph 16) that:

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

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

40) The common element of the competing marks is found in their respective letter sequences. I have found that the difference in the length of the letter sequences will be noticed. Even where the consumer notices the identity of the first two or three



letters, I do not consider that s/he will regard the omission (or addition) of a further initial as naturally indicative of a brand extension. Where the consumer remembers only a sequence of letters, s/he will not regard this common element as so distinctive that no-one else would be using it. Moreover, I have found that the distinctive figurative element of the contested mark makes a very substantial contribution to its overall impression, and that a presentation of the earlier marks which incorporated features creating an impression similar to the distinctive figurative element of the Applicant's mark would considerably exceed the bounds of fair and notional use of the earlier mark. I do not consider that a consumer who encountered the earlier marks used within the bounds of fair and notional use would think that the contested mark might be a sub-brand or brand extension of the earlier marks, even when used in connection with identical goods. The opponent is in no better position with regard to the goods which are not identical. Accordingly, there is no likelihood of indirect confusion.

## **OUTCOME**

**The opposition fails in its entirety.**

## **COSTS**

41) The Goodwood Estate Company Ltd. has been successful and is entitled to a contribution towards its costs. I hereby order TM25 Holding B.V. to pay the Goodwood Estate Company Ltd. the sum of £1,300. This sum is calculated as follows:

<i>Preparing a statement and considering the other side's statement</i>	£300
<i>Preparing evidence and considering the other side's evidence</i>	£600
<i>Written submissions</i>	£400

The above sum should 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 19<sup>th</sup> day of January 2016**

**Martin Boyle  
For the Registrar,  
The Comptroller-General**