

**O-175-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3153082  
BY SARAH GRACE LONDON**

**TO REGISTER:**



**AS A TRADE MARK IN CLASSES 14, 16, 18, 24 AND 25  
AND  
THE OPPOSITION THERETO UNDER NO. 406639  
BY CKL HOLDINGS N.V.**

## BACKGROUND

1. On 04 March 2016 SARAH GRACE LONDON (“the applicant”) applied to register the mark shown on the cover page of this decision for the following goods:

**Class 14:** Clocks; costume jewellery; costume jewelry; jewellery; metal works of art [precious metal]; precious gemstones; precious jewels; precious metals; precious stones; presentation boxes for jewelry; presentation boxes for watches; statuettes made of semi-precious stones; synthetic precious stones; synthetic stones [jewellery]; watches.

**Class 16:** 3D decals for use on any surface; artists' canvas; books; business cards; cardboard ; fine art prints; fine paper; gift bags; gift books; gift boxes; gift cards; gift cartons; gift certificates; gift packaging; gift paper; gift tags; gift wrap; gift wrap paper; gift wrapping foil; graphic art prints; graphic art reproductions; graphic drawings; graphic novels; graphic prints; graphic representations; luminous paper; notebook covers; notebook dividers; packing paper; paper; paper ; paper ribbons; papers for household and industrial use; papers for use in the graphic arts industry; passport cases; passport covers; passport holders; pasteboard; photographs; printed art reproductions; printed matter; reproductions (graphic-); reproductions (graphic-); reproductions of paintings.

**Class 18:** Bags; all-purpose carrying bags; bags; bags for umbrellas; bags made of imitation leather; bags made of leather; beach bags; beach umbrellas; belts (leather shoulder-); carry-all bags; carryalls; cases of imitation leather; clutch bags; clutch purses; cosmetic bags; covers for umbrellas; document cases; document suitcases; imitation leather; leather; leather and imitation leather; leather bags; leather bags and wallets; leather boxes; leather briefcases; leather cases; leather (imitation-); leather [unworked or semi-worked]; umbrellas.

**Class 24:** Blankets; canvas; fabrics for interior decorating; furniture coverings (unfitted); furniture (loose covers for-); furniture (loose covers for-); interior

decoration fabrics; knitted fabric; lace fabrics; linen; mural hangings [textile]; pillowcases; printed fabrics; silk; silk base mixed fabrics; silk bed blankets; silk blankets; silk [cloth]; silk fabric for printing patterns; silk fabrics; silk fabrics for furniture; silk fabrics for printing patterns; silk-cotton mixed fabrics; silk-wool mixed fabrics; soft furnishings; table linen; terry linen; textile blinds; textile coasters; textile fabric; textile fabric piece goods for use in the manufacture of clothing; textile fabrics for making into blankets; textile fabrics for making into clothing; textile fabrics for making up into household textile articles; textile fabrics for the manufacture of clothing; textile fabrics for use in manufacture; textile fabrics for use in the manufacture of bedding; textile fabrics for use in the manufacture of curtains; textile fabrics for use in the manufacture of furniture; textile fabrics for use in the manufacture of pillowcases; textile fabrics for use in the manufacture of sheets; textile fabrics for use in the manufacture of wall coverings; textile handkerchiefs; textile material; textile materials [hangings] for covering walls; textile piece goods for clothing; textile piece goods for furnishing purposes; textile piece goods for making bedding covers; textile piece goods for making curtains; textile piece goods for making cushion covers; textile piece goods for making into clothing; textile piece goods for making-up into clothing; textile piece goods made of plastics materials; textile place mats.

**Class 25:** Cashmere scarves; clothing; footwear; hats; pocket squares; pocket squares [clothing]; sarongs; scarfs; scarves; shawls.

2. The application was published for opposition purposes on 18 March 2016. It is opposed by CKL Holdings N.V. (“the opponent”). The opposition, which is based upon Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) is directed against all of the goods in the application. The opponent relies upon its European Trade Mark (EUTM) registration no.14773386 for the mark Sarah, which was filed on 6 November 2015, claims a priority date of 15 May 2015 (on the basis of Benelux trade mark application number 1310441) and was registered on 21 March 2016. The opponent relies upon all of the goods and services for which its mark is registered, namely:

**Class 18:** Trunks, suitcases, travelling cases, handbags, purses, wallets; umbrellas; parasols and walking sticks; whips, harness and saddlery.

**Class 25:** Clothing; footwear and headgear; swimwear; sportswear and leisurewear.

**Class 38:** Internet protocol television (IPTV) transmission services; simulcasting broadcast television over global communication networks and the Internet; television broadcasting.

3. The opponent argues that the respective marks are similar and that the respective goods and services are identical or highly similar.

4. The applicant filed a counterstatement in which it accepts that the respective goods in classes 18 and 25 are identical or similar but argues that because the marks are not similar, confusion is not going to arise. It also denies that the applied for goods in classes 14, 16 and 24 are similar to any of the goods and services covered by the earlier mark.

5. Only the opponent filed written submissions during the evidence rounds which I will refer to as necessary, below. Neither party asked to be heard nor did they file written submissions in lieu of attendance at a hearing.

## **DECISION**

6. 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,

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

7. An earlier trade mark is defined in Section 6 of the Act, which states:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

8. Given its date of filing, the opponent’s mark is an earlier mark in accordance with Section 6 of the Act. As the opponent’s mark had not been registered for five years or more at the publication date of the opposed application, it is not subject to the proof of use provisions under section 6A of the Act. Consequently, the earlier mark may be relied upon without having to prove use.

### **Section 5(2)(b) case law**

9. The following principles 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 goods and services**

10. Some of the contested goods, e.g. clothing, are identical to the goods on which the opposition is based. For reasons of procedural economy, I will not undertake a full comparison of the goods and services listed above. The examination of the opposition will proceed on the basis that the contested goods are identical to those covered by the earlier mark. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar.

### **The average consumer and the nature of the purchasing act**

11. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods will be selected in the course of trade.

12. 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.”

13. The goods at issue in this case are varied. Many are goods selected by the general public exercising an average level of attention such as costume jewellery, books, bags, blankets and other textiles, clothing, footwear, etc. Others are likely to be selected by the general public paying a higher than average, i.e. jewellery, or lower than average, i.e. paper, degree of attention. And some are likely to be selected by manufacturers, again paying a higher than average level of attention, such as a range of textile goods for use in manufacturing processes. The goods are sold through various channels including shops, supermarkets, department stores and websites. The purchase act is primarily visual through selecting the goods from a shelf in a retail outlet, from a catalogue or website, but oral considerations cannot be ruled out.

### **Comparison of marks**


14. 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 Court of Justice of the European Union (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.”

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



16. The marks to be compared are:

Opponent's mark	Applicant's mark
Sarah	

### Overall impression

17. The opponent's mark consists exclusively of the well-known English female forename Sarah presented in title case in an ordinary typeface. The mark contains no dominant components; rather, its distinctive character resides in the word itself.

18. The applicant's mark consists of a number of components. The first component is a wine coloured rectangular background in which the other elements appear; although it will contribute to the overall impression conveyed by the mark, its distinctiveness is limited.

19. The second component includes the words SARAH and GRACE very prominently presented in white capital letters in an unremarkable font. The applicant considers that SARAH GRACE is likely to be perceived as a full name; likewise, the opponent states that SARAH will be perceived as a "common first name" and GRACE as a surname. The opponent considers that SARAH GRACE is the distinctive part of the applied for mark<sup>1</sup> and that the other component are negligible; it also submits that SARAH is of particular importance because it is placed at the beginning of the mark and because, in the UK, "greater importance is placed upon a first name to distinguish individuals [and] brands".

20. GRACE is, in itself, both a forename and a surname, however, the parties concur that SARAH GRACE will be seen as a full name (forename/surname). I proceed on

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<sup>1</sup> Paragraph 19 of the statement of ground.

that basis. In term of distinctiveness, I agree with the opponent that the two words SARAH and GRACE are the most distinctive elements but I also find that the other elements (I say more about it below) are not negligible and will, too, contribute to the overall impression created by the mark.

21. Insofar as the opponent's argument that SARAH is the dominant component is concerned, in *Giovanni Cosmetics Inc v OHIM (GIOVANNI)*, Case T-559/13, the General Court (GC) made some observations which are relevant in the present proceedings. In that case the Court looked at the question of likelihood of confusion between an earlier mark consisting of the word GIOVANNI and a later composite mark consisting of the words GIOVANNI GALLI (and device). The Court stated:

“56. Indeed, concerning the applicant's argument that the public generally pays greater attention to the beginning of a mark than to the end (judgment of 25 March 2009 in *L'Oréal v OHIM — Spa Monopole (SPA THERAPY)*, T-109/07, ECR, EU:T:2009:81, paragraph 30), it should be observed that an argument of that kind has no impact on the assessment of the distinctive character of the elements of a composite trade mark, as the position of an element within a sign does not in any way influence that element's capacity to identify the origin of a product or service. That argument of the applicant will be examined in paragraphs 73, 74 and 81 below in the context of the analysis of the similarities between the marks at issue.

.....

73. Concerning the applicant's argument that the public generally pays greater attention to the beginning of a mark than to the end, the following points should be noted. As emphasised by OHIM, although, in principle, the beginning of a word mark is more likely to attract the consumer's attention than the elements which follow it, that is not true in all situations and cannot, in any event, undermine the principle that an analysis of the similarity of two trade marks must take into account the overall impression given by those marks, since the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (see judgment of 10 December 2008 in *Giorgio Beverly Hills v OHIM — WHG (GIORGIO*

*BEVERLY HILLS*), T-228/06, EU:T:2008:558, paragraph 28 and the case-law cited).

74. In the present case, in view of the significant impact of the figurative element of the mark applied for on the overall impression given by that mark, the fact that the element ‘giovanni’ is placed before the element ‘galli’ in that mark cannot call in question the finding that there is only a low degree of visual similarity between the marks at issue.

81. The fact — emphasised by the applicant — that the element ‘giovanni’, which constitutes the earlier trade mark, appears before the element ‘galli’ in the mark applied for is not very significant: it is normal, when giving the names of persons, to indicate the first name followed by the surname. If great significance were to be ascribed to the fact that the first name appears first, that would mean that too much importance would be ascribed to that first name. It cannot however be asserted that, in the case of a trade mark consisting of a first name followed by a surname (neither of which is perceived as either common or rare), the public will normally ascribe greater importance to the first name than to the surname.”

And:

“57 In addition, at the hearing the applicant emphasised that, in everyday life, first names were more important than surnames for addressing or referring to people.

58 In that regard, it should be noted that it is true that it is normal, within a family, between friends and often between colleagues to address or refer to a person belonging to such a group by his first name alone. However, when a first name is used as a trade mark that mark is not referring to a person belonging to a particular group. The use of a first name as a trade mark or as an element of a trade mark constitutes a general use of that first name. The applicant has not submitted any evidence permitting the conclusion that, during such general use, first names have greater distinctiveness than surnames.”

22. I am not aware of any UK case-law supporting the assertion that in the UK names are held to be more important (and distinctive) than surnames; further, the opponent has filed no evidence relating to the perception of the UK average consumer. Applying the same principles established by the above case-law, the opponent's arguments must be rejected. Finally, although the opponent accepts that SARAH is a common name, I do not know how common the surname GRACE is. Whilst my impression is that it is relatively uncommon, there is no evidence to demonstrate that the UK public would perceive it as rare and I have no reason to assign greater distinctiveness to GRACE than to SARAH. The net effect of all of this is that neither SARAH nor GRACE is more distinctive than the other.

23. The third component is a distinctive circular device placed in a central position above the words SARAH GRACE; this is likely to be construed as the representation of the initial S merged with the initial G (reversed) and will also contribute to the overall presentation of the mark although, given its size, to a slightly lesser degree.

24. The final component consists of the word LONDON presented in a much smaller font beneath the words SARAH GRACE; this is likely to be understood as indicating the place where goods are produced and/or sold and, I agree with the opponent, will play little or no role in the overall impression conveyed by the mark.

### **Visual similarity**

25. The applicant submits that the respective marks are visually different. The opponent disagrees. It states, in its counterstatement:

“Visually the subject mark and the earlier marks are highly similar. When comparing word marks against figurative marks with word elements, what matters is whether the signs share a significant number of letters in the same position and whether the figurative mark is highly stylised.

The subject mark is not highly stylised. It is the simple combination of two words, in plain white font, placed above the “London” element, which is produced in much smaller text. The small stylised logo, placed above the

other elements, and the coloured background are not sufficient to leave an impression in the mind of the relevant consumers, who will simply ignore or disregard the visual elements of the subject mark. [...]"

And in its submissions:

"The shared Sarah element of the marks is of particular importance. The likelihood of visual confusion between marks is greatly increased when marks share identical elements (see *Judgment of January 20, 2010, Case No.: T-460/07-Life Blog*). Furthermore, more importance is given to similarities at the beginning of the marks (see *Judgment of the General Court of March 17, 2004, Case No.: T-183/02 and T184/02 –Mundicor*).

We further submit that the Office is not required to compare elements of the marks which are considered to be negligible (see *Judgment of the ECJ dated June 12, 2007, Case No.: C- 334/05 P 'Limoncello' at paragraph 42*). In fact the word "London" is a negligible element of the earlier marks. The word is not noticeable at the first sight and it is positioned under the main element of the earlier marks, in a much smaller typeface font. Under the circumstance, the general public would be very likely to disregard this element in its overall evaluation of the earlier marks".

26. I do not accept the opponent's argument that the visual differences between the marks will be ignored because the differentiating elements are negligible within the overall impression created by the contested mark. It is established case-law that the comparison of marks must be based on the overall impression; this means that less distinctive components cannot be disregarded when they contribute to the overall impression; as the CJEU has confirmed, "it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element"<sup>2</sup>. In this case, the distinctive character of the applied for mark resides in the forename/surname combination, which means that the surname GRACE (which is absent in the earlier mark) far from being negligible,

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<sup>2</sup> *OHIM v Shaker di L. Laudato & C. Sas*, Case C-334/05, paragraph 42.

has a roughly equal weight in the overall impression of the mark. Further, the device element also makes an important contribution to the mark (although, given its size, to a slightly lesser degree than SARAH GRACE) and the less distinctive component represented by the rectangular background is likely to have some influence as well. These elements cannot be said to be negligible and I must, therefore, make an assessment of the similarity based on comparing all the elements in each mark as a whole. Overall, I consider that the respective marks are visually similar only to a low degree.

### **Aural similarity**

27. Aurally, the device element will not be articulated and the word LONDON is likely to be dropped in speech. Consequently, it is likely that the average consumer will refer to the applied for mark by SARAH GRACE alone, in which case the competing marks would be similar to a medium degree.

### **Conceptual similarity**

28. The opponent merely states, in its notice of opposition, that the marks are conceptually similar because they both contain the name Sarah/SARAH. The applicant states:

“Conceptually, the marks carry entirely different associations. The applicant’s mark comprises a full name, SARAH GRACE, which consumers would perceive as the name of a specific designer, and additional word LONDON, which alludes to place and/or cachet association with design in the capital city. Furthermore, the applicant’s mark has a distinctive circular logo and maroon box. In short, the applicant’s mark looks and sounds like a designer label of luxury products. By contrast, the opponent’s mark is a single common name SARAH, lowly distinctive, and with no other elements”.

29. I agree with the applicant that SARAH GRACE is likely to be construed as a full name identifying a specific individual called SARAH GRACE. On the other hand,

Sarah is a common first name in the UK and will be perceived as a reference to any number of individuals named Sarah. In this connection, in *GIOVANNI* the GC stated:

“87. The applicant submits that the marks at issue are conceptually similar in so far as they both contain the first name Giovanni.

88. In that regard, it should be noted that there is a certain degree of conceptual similarity between the marks at issue, as they both contain the Italian first name Giovanni (see, to that effect, judgment in *ARTHUR ET FELICIE*, paragraph 84 above, EU:T:2005:420, paragraph 51).

89. Nevertheless, the Board of Appeal held that the earlier trade mark could not refer to a specific person, since it would be common to all persons named Giovanni, whereas the mark applied for could refer to and distinguish a specific person named Giovanni, namely a member of the Galli family. [...]

90. It is necessary to uphold the Board of Appeal’s finding that the mark applied for can refer to a specific person named Giovanni, whereas the earlier trade mark cannot refer to a specific person.

...

92. In the present case, the degree of conceptual similarity between the signs at issue must be described as low because, although it is true that the marks at issue contain the same Italian first name, only one is capable of identifying a specific person by his full name”.

30. Accordingly, if there is any conceptual similarity between the marks, it must be to a low degree.

### **Distinctive character of the earlier mark**

31. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

“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).

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).”

32. The opponent did not file any evidence aimed to show that the distinctiveness of the earlier mark has been enhanced through use, so I have only the inherent characteristics to consider. The name Sarah does not, in itself, describe or allude to the relevant goods (and services), however, the opponent accepts that Sarah is a common name. Consequently, I find that the earlier mark possesses a below average degree of distinctive character<sup>3</sup>.

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<sup>3</sup> See by analogy BL-317/04, *LORNA MORGAN*, paragraph 32-33, where Richard Arnold, sitting as the Appointed Person stated that the commonness of a surname is a factor that may be taken into account as part of a specific assessment of the distinctive character of a surname (for the purpose of registrability) particularly where the field in question is one where the use of surnames to designate origin is prevalent and that the same approach must be adopted when considering the inherent distinctiveness of an earlier trade mark for the purpose of a relative ground objection.



## Likelihood of confusion

33. 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 marks may be offset by a greater degree of similarity between the respective goods and vice versa. 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 marks and must instead rely upon the imperfect picture of them he has retained in his mind.

34. Clearly, this is a case in which indirect confusion has the better prospect of success. This is because notwithstanding that identical goods are involved, the differences between the marks are significant and the average consumer will not directly mistake one mark for another even where the degree of attention deployed is lower than average. The question is therefore, whether the presence of the name SARAH in the applied for mark will cause the average consumer to perceive the mark as emanating from commercially linked entities, or the same company. In relation to indirect confusion, it is helpful to consider the comments of Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, case BL-O/375/10 where he stated:

“16. 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).”

35. The opponent argues that the inclusion of the name SARAH in the applied for mark will result in the public assuming that it is a sub-brand of the earlier mark and refers to two decisions of the GC<sup>4</sup> in which it was acknowledged that in the clothing sector it is common for manufacturers to use sub-brands which share the same dominant element(s) to market different lines of goods. In those decisions the Court referred to examples whereby the sub-brand, essentially, adds a descriptive element to the dominant component(s) of the main brand in order to distinguish various lines of clothing<sup>5</sup>. That principle does not apply in this case since the later mark adds a distinctive and dominant element, the surname GRACE, which is absent in the earlier mark.

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<sup>4</sup> Case C-104/01 *Libertel Groep BV v Benelux-Merkenbureau* and Case T- 385/09 *Anncò, Inc. v OHIM*

<sup>5</sup> Case C-104/01 paragraph 49 refers to words such as women's, men's, youth. Case T- 385/09 paragraph 47 refers to words such as sport, formal, casual.

36. I am mindful that the decision in *GIOVANNI* does not provide a template for deciding other cases where a first name is being compared with a full name<sup>6</sup>. In this connection the Court stated:

“125. It follows from the judgment in *Becker v Harman International Industries* cited in paragraph 30 above (EU:C:2010:368) that there is no automatic mechanism permitting a conclusion that there is a likelihood of confusion when an earlier trade mark consisting of a surname is reproduced in another trade mark with a first name added. That finding is equally valid when the earlier trade mark consists of a first name and the mark applied for consists of a combination of that first name and a surname.”

37. I also bear in mind that it would not be appropriate for me to draw a factual analogy with that case (or other cases), but that what I must do is to apply the principle of law established by the relevant case-law<sup>7</sup>.

38. In my view, in this case, the different overall impression created by the respective marks means that the perception in the mind of the average consumer will be very different for each mark. The visual differences between the marks are obvious, a factor which is particularly important given that the selection process is primarily visual. Further, “Sarah” is a common name and there is nothing particularly distinctive about the earlier mark; conversely, the contested mark will be perceived as identifying a specific individual named SARAH GRACE whose initials S and G are incorporated in a distinctive logo device. Finally, there is no evidence of use and/or reputation. Taking all these factors into account, I conclude that, even where identical goods are involved, it is unlikely that the average consumer would assume that SARAH GRACE relates to SARAH; rather the common presence of the name Sarah/SARAH will be put down to coincidence rather than economic connection.

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<sup>6</sup> In that case the Court upheld the BoA’s decision to reject the opposition and found that there was no likelihood of confusion between the later mark consisting of the words GIOVANNI GALLI (and device) and the earlier mark consisting of the word GIOVANNI.

<sup>7</sup> BL-317/04

## **CONCLUSION**

39. As such, the opposition fails.

## **COSTS**

40. As the applicant has been successful, it is entitled to a contribution towards its costs. Awards of costs are governed by Tribunal Practice Notice (TPN) 4/2007. I award costs to the applicant on the following basis:

Preparing a statement and considering the other side's statement:	£200
Considering written submissions:	£200
Total:	£400

41. I order CKL Holdings N.V. to pay SARAH GRACE LONDON the sum of £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 7<sup>th</sup> day of April 2017**

**Teresa Perks**  
**For the Registrar**  
**The Comptroller – General**