

O-360-18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3106157
BY TORAY INTERNATIONAL INC.
TO REGISTER THE TRADE MARK
MIRACLE AIR
IN CLASSES 24 & 25
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 405113 BY
A & H SPORTSWEAR CO.,INC.**

BACKGROUND

1) On 28 April 2015, Toray International, Inc. (hereinafter the applicant) applied to register the trade mark MIRACLE AIR in respect of the following goods:

Class 24: Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth.

Class 25: Clothing; Garters; Sock suspenders; Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Clothes for sports; Sports footwear.

2) The application was examined and accepted, and subsequently published for opposition purposes on 19 June 2015 in Trade Marks Journal No.2015/025.

3) On 21 September 2015 A & H Sportswear Co. Inc. (hereinafter the opponent) filed a notice of opposition, subsequently amended. The opponent is the proprietor of the following trade marks:

Mark	Number	Dates of filing and registration	Class	Specification relied upon
MIRACLESUIT <i>Miraclesuit</i> A series of two marks	2019409	03.05.95 23.08.96	25	Underwear; swimwear. (Although registered for Hosiery the opponent does not rely upon these goods)
MIRACLEBODY	2559441	08.06.07 23.03.12	25	Women's jeans, slacks, trousers, skirts, dresses, blouses, tops.
MIRACLE TIGHTS	EU 1266695 4	06.03.14 11.11.14	25	Hosiery.

a) The opponent contends that the mark applied for and its marks are similar as they all have the word MIRACLE as their first element, followed by a recognised word (SUIT, BODY, TIGHTS

and AIR). The opponent has a family of marks which contain the word MIRACLE as a prefix in relation to various items of clothing in class 25. The mark in suit will be viewed as an extension to the family of marks. The goods of the two parties in classes 24 & 25 are identical and/or similar as the goods have the same nature, purpose, end users and are in competition and/or complementary. As such it contends that the application offends against Section 5(2)(b) of the Act.

- b) The opponent contends that it has a reputation under its mark MIRACLESUIT in respect of underwear and swimwear and as such use of the mark in suit upon goods in classes 24 and 25 would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier marks. The opponent has invested in creating its reputation which the applicant is attempting to free-ride upon. Use of the mark in suit could tarnish the earlier mark, as well as dilute its capacity to distinguish the opponent's goods. The mark in suit offends against section 5(3) of the Act.
- c) The opponent contends that it has a reputation under its mark MIRACLESUIT in respect of underwear and swimwear and as such use of the mark in suit upon goods in classes 24 and 25 would constitute a misrepresentation to the public which is likely to cause damage to the opponent's business. Use of the mark in suit therefore offends against section 5(4)(a) of the Act.

4) On 26 April 2017 the applicant filed a counterstatement, subsequently amended, which basically denied all the grounds pleaded. The applicant put the opponent to strict proof of use of mark 2019409 in respect of underwear and swimwear.

5) Both parties seek an award of costs in their favour. Both parties filed evidence. Neither side wished to be heard. Both parties provided written submissions which I shall refer to as and when necessary in my decision.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 31 August 2017, by Mark Waldman the president of the opponent company, a position he has held since 1992. He states that the mark MIRACLESUIT has been used in the UK since October 2004 on a range of shapewear including underwear and swimwear. He states that the range has been highly successful in the UK with sales increasing year on year. The clothing is sold in various high street retailers as well as on-line in the UK. The primary distributor in the UK is Patricia Eve Ltd. He provides the following sales figures for MIRACLESUIT to the main distributor in the UK:

Year	£
2010	514,000
2011	354,000
2012	354,000
2013	307,000
2014	274,000
2015	398,000

7) Mr Waldman states that the above figures are sales to the licensee, whilst the actual retail figures will be significantly higher as both the distributor and retailer will add on a percentage. He estimates that the average yearly retail sales throughout the period 2010-2015 inclusive to be approximately £930,000 per annum. The MIRACLESUIT mark and products are promoted via attendance at fashion trade shows throughout the UK. He instances the company being present at MODA (Birmingham) in each year from 2101-2014 inclusive; London swimwear show in 2013 & 2014; Pure London 2013 and Associated Independent Stores in 2013. He provides the following exhibits:

- MW1: An article from the website “global intimate wear” dated April 2011 which reports that sales of MIRACLESUIT in the UK are up by 49% year on year. The article also quotes a representative from Patricia Eve Ltd as saying that “The current demand for Miraclesuit swimwear is truly overwhelming. We have worked very hard this past year on raising the brand's profile in the UK, investing in PR and advertising campaigns...”.
- MW2: Various pages from the websites of Next, John Lewis, Patricia Eve and Figleaves dated 2017 which shows use of MIRACLESUIT upon swimsuits and underwear for women. The average retail price of MIRACLESUIT swimwear ranges is around £130, and Mr Waldman

states that this demonstrates that the brand operates at the higher end of the market for swimwear.

- MW3: consists of extracts from surveys conducted by Underline in 2009/2010 and 2010/2011 which confirms that MIRACLESUIT holds the top position as “the most popular” bestselling shapewear brand in the UK. Also enclosed is a press report from Genie reporting on the results of the Underlines survey published in May 2010 and an article from www.underlinesmagazine dated 2 September 2015 which is entitled “MIRACLESUIT remains in the lead as UK's fav shapewear brand”.
- MW4: consists of UK press coverage including national and local publications. These consist of:
 - a. An article from Good Housekeeping magazine dated November 2010 entitled 'Slimmer in Seconds' including a review of MIRACLESUIT shapewear.
 - b. An article from the Daily Telegraph dated 12 April 2011 entitled 'The Knowledge: How to Shop for Shapewear' which includes a feature on MIRACLESUIT.
 - c. An article from Lingerie Insight magazine dated 7 June 2012 giving a 'sneak peak' of the MIRACLESUIT 5513 range. Also enclosed is an extract from the website for Lingerie Insight magazine confirming this is a UK-based magazine.
 - d. An article from the Daily Mail dated 7 March 2014 including a review of various MIRACLESUIT shapewear products.
 - e. An article from Lingerie Insight magazine dated 5 May 2015 featuring the front cover of NOW magazine on which a celebrity appears wearing MIRACLESUIT shaping swimwear.
 - f. An article from Lingerie Insight magazine dated 2 June 2015 on the launch of the new shapewear line from MIRACLESUIT.
 - g. An article from Dorset Magazine dated 22 July 2015 including a review of MIRACLESUIT swimwear.
- MW5: Webpages which confirm the attendance of the MIRACLESUIT brand at the trade shows mentioned in Mr Waldman’s statement above.
- MW6: MIRACLESUIT was shortlisted as a finalist in the 2015 Shapewear Brand of the Year award at the UK Lingerie Awards.

- MW7: contains the following survey reports which confirm the market leading position of MIRACLESUIT in the UK:
 - a. Beachwear Yearbook survey on the beachwear market in the UK & Ireland 2013 (published July 2013) - MIRACLESUIT is listed as a top-selling brand by those surveyed, namely retailers of swimwear.
 - b. Beachwear Report 2013 - MIRACLESUIT is mentioned in the top three brands sold by retailers of swimwear and beachwear.
 - c. Beachwear Report 2014 - MIRACLESUIT is listed as one of the top five brands of swimwear and beachwear and is described in the report as “a consistent bestseller for British and Irish consumers”.
 - d. Beachwear Report 2015 - MIRACLESUIT is listed as one of the top five brands of swimwear and beachwear and the report states that “Miraclesuit holds the top spot for shaping swimwear in the UK/Ireland”.
- MW8: sample invoices for sales of MIRACLESUIT branded products to its UK distributor dated August 2010 – January 2015. The dates shown on the invoices are in the US format of [month/date/year] and the amounts shown are in US\$. The more recent invoices state at the top 'Miraclesuit by Swim Shaper' whereas the older invoices show the name 'Mainstream Int'l Corp' (the parent company of the opponent) which was previously used to ship MIRACLESUIT products internationally. The early invoices 2010 & 2011 do not have any mention of MIRACLESUIT upon them (although I note the claim by Mr Waldman that the product was labelled with the mark), but invoices from 2012 onwards have the mark upon them in plain capitals.

APPLICANT’S EVIDENCE

8) The applicant filed a witness statement, dated 6 November 2017, by James Sanderson the opponent’s Trade Mark Attorney. He provides the following exhibits:

- JLS1: a list of marks on the IPO Register which are listed for goods in classes 24 or 25 which feature the word MIRACLE. In *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 Mr Justice Jacob said:

“Both sides invite me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word “treat”. I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the Registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is on principle irrelevant when considering a particular mark tendered for registration, see eg *Madam Trade Mark* and the same must be true under the 1994 Act. I disregard the state of the register evidence.”

- JLS2: Print outs from various websites showing use of other marks including the term MIRACLE for what are said to be “relevant products”. Pages 11-16 & 18-54 are dated 11 June 2017 considerably after the application date of 28 April 2015. Page 17 is dated 11 May 1995 and refers to Miracle Boost Jeans and appears to be from an American website. Pages 8-11 are from a Daily Mail report dated 2 April 2014 and shows a dress referred to as “The Miracle dress”. No details of sales, market share, etc. are provided.

9) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

10) The first ground of opposition is under section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a)

- (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.”

11) An “earlier trade mark” is defined in section 6, the relevant part of 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 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.”

12) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier filed trade marks. The applicant put the opponent to strict Proof of Use (pou) on the goods relied upon. The interplay between the date of the instant mark being published (19 June 2015) and the opponent’s mark 2019409 being registered (23 June 1996) mean that the pou requirements do bite. However, in respect of the opponent’s marks 2559441(registered 23 March 2012) and 12666954 (registered 11 November 2014) the pou requirements do not bite, and the opponent can rely upon the whole of their registered specifications in the comparison test. Section 6 of the Act reads:

“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 European Union 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 Union.

(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.”

13) In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

14) In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

15) The opponent’s evidence is very clear. There is considerable evidence of use on underwear and swimwear but none in respect of hosiery. I therefore have to consider what specification the opponent is entitled to rely upon in these proceedings. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

16) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd (Extreme Trade Mark)* [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM (Case T-256/04)* ECR II-449; EU:T:2007:46.”

17) The opponent's mark is registered for "Underwear; hosiery; swimwear". No evidence of use upon "hosiery" has been filed. Undoubtedly the opponent has provided proof of use of the mark MIRACLESUIT in relation to "underwear and swimwear". The applicant has contended that the invoices are all to a single distributor and do not show sales to the public. The fact is that they show sales, and the invoices (or at least the majority) carry the mark. The fact that no use has been shown of the stylised version of the mark is not of note as the stylisation does not affect the distinctive character of the mark, and use of the non-stylised version whether in capital letters or lowercase or a mixture of the two equates to use of the stylised version. It is clear from the various press articles that the opponent has a reputation in the UK under the mark MIRACLESUIT in relation to shapewear or control underwear and swimwear. **In the comparison test the opponent can rely upon its specification of "underwear and swimwear".**

18) When considering the issue under section 5(2)(b) 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.

(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.

The average consumer and the nature of the purchasing process

19) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely

to be selected by the average consumer in the course of trade. 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.”

20) The opposition under this ground is in relation to, broadly speaking, clothing and textiles. The average consumer for such goods will be the public at large, including businesses. Such goods will typically be offered for sale in retail outlets on the high street, through brochures and catalogues as well as on the Internet; and will also be purchased for their aesthetic appeal. The initial selection is therefore primarily visual. I accept that more expensive items may be researched or discussed with a member of staff. The latter, along with personal recommendations, bring aural considerations into play. Regarding clothing in *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03, the General Court stated that:

“49. However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumers choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

And

“50..... Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion.”

21) In the same case the Court also commented upon the degree of care the average consumer will take when selecting clothing. It said:

“43. It should be noted in this regard that the average consumer’s level of attention may vary according to the category of goods or services in question (see, by analogy, Case C 342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected.”

22) Clearly, the average consumer’s level of attention will vary considerably depending on the cost and nature of the item at issue. However, to my mind even when selecting routine inexpensive items of clothing such as socks, a woollen hat or a pair of slippers; the average consumer will pay attention to considerations such as size, colour, fabric and cost. **Overall the average consumer is likely to pay a medium degree of attention to the selection of items of clothing, footwear and headgear.**

23) Turning to consider fabrics, when purchased by the public or by businesses these will be primarily be chosen by the characteristics of the fabric, such as whether it is soft to the skin for undergarments, or wind or rain proof for outergarments or whatever else may be made from them e.g. tablecloths. Also taken into account will be the ease of use of the fabric in terms of cutting and sewing in order to manufacture whatever is planned, be it a single item made at home or in the thousands in a factory.

Overall the average consumer is likely to pay a medium to high degree of attention to the selection of fabrics.

Comparison of goods

24) When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgement:

“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”.

25) Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) 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;
- (f) 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.

26) In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question”.

27) In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) OHIM* 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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T110/01 *Vedial V OHIM France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

28) In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...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”.

29) In *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purposes of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

30) The specifications of both sides are reproduced below for ease of reference:

Opponent’s goods	Applicant’s goods
2019409: Underwear; swimwear.	Class 24: Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth.
2559441: Women’s jeans, slacks, trousers, skirts, dresses, blouses, tops.	Class 25: Clothing; Garters; Sock suspenders; Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Clothes for sports; Sports footwear.

31) I take into account comments in *Commercy AG, v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-316/07, where the GC pointed out that:

“43. Consequently, for the purposes of applying Article 8(1)(b) of Regulation No 40/94, it is still necessary, even where the two marks are identical, to adduce evidence of similarity between the goods or services covered by them (see, to that effect, order of 9 March 2007 in Case C-196/06 P *Alecansan v OHIM*, not published in the ECR, paragraph 24; and Case T-150/04 *Mülhens v OHIM – Minoronzoni(TOSCA BLU)* [2007] ECR II-2353, paragraph 27).”

32) Thus, where the similarity between the respective goods is not self-evident, the opponent must show how, and in which respects, they are similar. The opponent did not provide evidence regarding similarity, although it did comment in its submissions where it contended that:

“20. Clothing articles are meant to be worn by people, or serve as fashion articles, whereas textile goods are generally for household purposes and interior decoration. However, an exception to this general principle is that if a broad term encompasses a very specific type of good which is similar to another specific type of good falling under a different broad term, both broad terms should be similar. For example, hosiery describes garments worn directly on the feet and legs, but the term is also used to describe all types of knitted fabric. Therefore, when hosiery are compared to the specific goods knitted fabric the pair should be found to be highly similar as they coincide in nature, purpose, they are in competition and share the same producer, distribution channels and end users (see decision of 28/07/2014, R 1998/2013-5, TIFANY/ TIFANY & CO. et al., to which the same principle applies here).

21. Further, the goods applied for in Class 24 are likely to be used in the manufacture and production of the goods applied for in Class 25. Considering that one of the applications for the goods applied for in Class 24 will be the manufacture and production of articles of clothing, clothing accessories and footwear, the contested goods are therefore closely associated with and share similarities in the users, intended, purpose, method of use and trade channels through which the competing goods reach the market. This, combined with the complementary nature of the respective goods, clearly indicates that the goods applied for in Class 24 are highly

similar to the Class 25 coverage of the earlier registrations (see decision of 15 February 2017, 0-069-17, Dm Drogerie Markt vs. C. E., at paragraph 20).”

22. The term "Clothing;" in the application is the broad class heading encompassing the terms "Women's jeans, slacks, trousers, skirts, dresses, blouses, tops" of the opponent's registration for the mark MIRACLEBODY. The competing goods are to be regarded as identical.

23. The term "Belts [clothing];" in the application is evidently complimentary to the terms "Women's jeans, slacks, trousers, skirts, dresses" of the opponent's registration for the mark MIRACLEBODY and "hosiery;" of the opponent's registrations for the marks MIRACLESUIT and MIRACLE TIGHTS. The competing goods are to be regarded as highly similar.

24. The terms "Garters; Sock suspenders; Suspenders [braces];" in the application are encompassed by the term "Underwear;" of the opponent's registration for the mark MIRACLESUIT and "hosiery;" of the opponent's registration for the mark MIRACLE TIGHTS. The competing goods are to be regarded as identical.

25. The term "Clothes for sports;" in the application is the broad description encompassing the term "swimwear" of the opponent's registration for the mark MIRACLESUIT. The competing goods are to be regarded as identical.

26. The term "Masquerade costumes;" in the application are goods that are manufactured to cover and cloth the human body in the same way as the terms "Women's jeans, slacks, trousers, skirts, dresses" of the opponent's registration for the mark MIRACLEBODY. Therefore, they might easily coincide in end consumers, can all be manufactured by the same undertakings and can share channels of trade. The competing goods are to be regarded as identical.

27. The terms "Footwear;" and "Sports footwear" in the application are goods that are manufactured to *cover* and protect the human body in the same way that the terms "Women's jeans, slacks, trousers, skirts, dresses" of the opponent's registration for the mark MIRACLEBODY, being articles of clothing, do. Further, they are also articles of fashion and are often found in the same retail outlets. Consumers, when seeking to purchase clothes, will expect to find footwear in the same department or shop and vice versa. Moreover, many

manufacturers and designers will design and produce all of the aforementioned items.

Therefore, the competing goods are to be regarded as similar (see decision of 6 March 2007, O-070-07, Michele Textil Vertriebsgesellschaft vs. N. G. B., paragraphs 11-12).

33) I shall first consider the class 25 goods of 2019409 to the opponent's goods in classes 24 & 25. Clearly the term "clothing" in the applicant's specification would encompass the terms "underwear" and "swimwear"; whilst the term "clothes for sports" would also include the term "swimwear" and underwear such as a sports bra. Also the term "underwear" would incorporate the terms "Garters" and "Sock suspenders". **As such these elements of the class 25 specifications are identical.** The other items in the class 25 specification (Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Sports footwear) have identical users, similar uses and physical nature, share the same trade channels and are sold alongside each other and so would be **regarded as similar to a medium degree.** Regarding the opponent's contentions with regard to the goods in class 24, whilst I accept that materials are used in the manufacture of clothing, the materials listed in class 24 are very specific and many appear to be unlikely to be used in either underwear or swimwear. I accept that the users of the opponent's products, which all appear to be aimed at women, would include many users of materials in general. However, the uses of clothing and materials are very different, as are the trade routes. In my experience most fabrics are sold in highly specialised shops, which do not sell clothing and clothing shops rarely sell fabrics. Whilst both fabrics and clothing may be sold in a Department store they would be found in entirely different areas of the store. Fabrics have a multitude of uses other than clothing, such as curtaining, bedding, towels etc. I do not regard underwear and swimwear and fabrics in general to be in competition as I doubt that many consumers would make their own underwear or swimwear, as these are somewhat specialised items of apparel. The opponent has not provided any evidence to show that the trade channels are similar or that the materials concerned are routinely used to manufacture the products of either party. I therefore find that the **class 24 goods of the applicant (Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth) to be dissimilar to the class 25 goods of the opponent.**

34) I next consider the specification of the opponent's mark 2559441 to that of the mark in suit. The applicant's terms "clothing" and "clothes for sports" encompass the whole of the opponent's specification of "Women's jeans, slacks, trousers, skirts, dresses, blouses, tops" and these must be regarded as identical. The balance of the opponent's specification of "Garters; Sock suspenders;

Suspenders [braces]; Belts [clothing]; masquerade costumes; Footwear; Sports footwear” are similar to at least a medium degree to the opponent’s goods. I do not accept that these terms would be regarded as identical to the term “masquerade costumes” as the latter are highly specialised items of a theatrical nature, and involve the whole ensemble not just individual components. Turning to the good in class 24 I accept that clothing is made of material, but the opponent has failed to show that the types of material itemised in the applicant’s specification are used in the manufacture of clothing such as that encompassed by the opponent’s specification. Similarly the users, trade channels, uses, are to my mind different as set out in paragraph 33 above. In *Les Éditions Albert René v OHIM*, Case T-336/03, the General Court found that:

“61... The mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature, intended purpose and the customers for those goods may be completely different.”

I therefore find that the **class 24 goods of the applicant (Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth) to be dissimilar to the class 25 goods of the opponent.**

35) Lastly, I turn to consider the opponent’s goods registered for mark EU 12666954 (Hosiery) to the applicant’s. Clearly, “hosiery” is encompassed by the terms “Clothing” and “Clothes for sports” and as such these must be regarded as identical. “Hosiery” can also incorporate “Garters”, “Sock suspenders”, “Footwear” and “Sports footwear”, and these must also be regarded as identical. Whilst Suspenders [braces]; Belts [clothing]; Masquerade costumes;” have the same users, similar uses, are similar in physical nature and tend to be sold alongside each other and so must be considered to be similar to a medium degree to “hosiery”. Turning to the good in class 24 I accept that hosiery is made of material, but the opponent has failed to show that the types of material itemised in the applicant’s specification are used in the manufacture of hosiery. Similarly, the users, trade channels, uses, are different as set out in paragraph 33 above. I therefore find that the **class 24 goods of the applicant (Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth) to be dissimilar to the class 25 goods of the opponent.**

36) For ease of reference I collate my findings below:

Applicant's goods	Opponent's goods	Result
Class 24: Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth.	2019409: Underwear; swimwear. 2559441: Women's jeans, slacks, trousers, skirts, dresses, blouses, tops. EU 12666954: Hosiery.	Dissimilar
Class 25: Clothing; Clothes for sports; Garters; Sock suspenders;	2019409: Underwear; swimwear.	Identical
Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Sports footwear.	2019409: Underwear; swimwear.	Similar to a medium degree
Class 25: Clothing; Clothes for sports;	2559441: Women's jeans, slacks, trousers, skirts, dresses, blouses, tops.	Identical
Garters; Sock suspenders; Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Sports footwear.	2559441: Women's jeans, slacks, trousers, skirts, dresses, blouses, tops.	Similar to a medium degree
Class 25: Clothing; Clothes for sports; Garters; Sock suspenders;	EU 12666954: Hosiery.	Identical
Suspenders [braces]; Belts [clothing]; Footwear; Masquerade costumes; Sports footwear.	EU 12666954: Hosiery.	Similar to a medium degree

Comparison of trade 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) For ease of reference the marks to be compared are as follows:

Applicant's mark	Opponent's marks	
MIRACLE AIR	2013409	MIRACLESUIT <i>Miraclesuit</i>
	2559441	MIRACLEBODY
	12666954	MIRACLE TIGHTS

39) 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. The court stated:

“81. It is clear that visually the similarities between the word marks MUNDICOLOR and the mark applied for, MUNDICOR, are very pronounced. As was pointed out by the Board of Appeal, the only visual difference between the signs is in the additional letters ‘lo’ which characterise the earlier marks and which are, however, preceded in those marks by six letters

placed in the same position as in the mark MUNDICOR and followed by the letter 'r', which is also the final letter of the mark applied for. Given that, as the Opposition Division and the Board of Appeal rightly held, the consumer normally attaches more importance to the first part of words, the presence of the same root 'mundico' in the opposing signs gives rise to a strong visual similarity, which is, moreover, reinforced by the presence of the letter 'r' at the end of the two signs. Given those similarities, the applicant's argument based on the difference in length of the opposing signs is insufficient to dispel the existence of a strong visual similarity.

82. As regards aural characteristics, it should be noted first that all eight letters of the mark MUNDICOR are included in the MUNDICOLOR marks.

83. Second, the first two syllables of the opposing signs forming the prefix 'mundi' are the same. In that respect, it should again be emphasised that the attention of the consumer is usually directed to the beginning of the word. Those features make the sound very similar."

40) The opponent points out that the marks of both parties have, as their first element, the word MIRACLE. It states that the second word of the applicant's mark, "AIR", has "a directly descriptive, or at the very least, a related meaning, which is a desirable characteristic of the goods applied for. The word AIR means to have an impression of quality or manner by someone or something. Alternatively, the word AIR is used as a descriptor meaning to be light and fresh". For its part the applicant contends that the words "miracle", "suit", "body" and "tights" are all descriptive. Clearly the term "tights" when registered for hosiery is descriptive. The word "body" in terms of women's clothing refers to all-in-one underwear, sometimes referred to as a "teddy". It does not, in my somewhat limited experience, have any meaning in relation to the specification for which the mark is registered and the applicant has not provided any evidence of such meaning. The term "suit" has a meaning with regard to swimwear as a single piece bathing costume can be referred to as a "bathing suit". Despite the first two of the opponent's marks shown above being written as single words the average consumer will simply view this as the conjoining of two words, both of which are well-known dictionary words familiar to anyone with knowledge of the English language. All three of the opponent's marks begin with the word MIRACLE and then a word which has a clothing based meaning. The inference is clear that the item of clothing will "work a miracle", not literally, but will "improve" the wearer's physical shape. Normally this will be to give the impression that the wearer of whatever item the label is attached to, is slimmer, more toned or perhaps more endowed in a particular respect. The term MIRACLE is not, in

my opinion, descriptive but only mildly allusive and does not provide an immediately perceivable message. It could also be said to be insufficiently directly descriptive. Similar comments would apply to the applicant's mark.

41) Clearly all the marks of the two parties begin with the same word "MIRACLE" followed by different second elements. Visually and phonetically they share the initial element but differ on the second element. Conceptually the initial meaning is conjured by the first element. Where the second element has a descriptive meaning then it simply points to the "miracle" being confined to those goods. To my mind the applicant's mark does not form a unit or hang together to form a different meaning. It will be perceived as being miraculously light/fresh or bestowing a miraculous air of quality upon the wearer of such clothing. In either case the idea of the clothing having a miraculous effect is identical. **To my mind the mark in suit is similar to all three of the opponent's marks to a medium to high degree.**

42) The opponent also contended that it had a "family of marks". In *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06, the Court of Justice of the European Union stated that:

"62. While it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation of use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the opposition is based on the existence of several trade marks possessing common characteristics which make it possible for them to be regarded as part of a 'family' or 'series' of marks.

63 The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a 'family' or 'series' of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for or considers erroneously that that trade mark is part of that family or series of marks.

64 As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a 'family' or 'series', the earlier trade marks which are part of that 'family' or 'series' must be present on the market.

65 Thus, contrary to what the appellant maintains, the Court of First Instance did not require proof of use as such of the earlier trade marks but only of use of a sufficient number of them as to be capable of constituting a family or series of trade marks and therefore of demonstrating that such a family or series exists for the purposes of the assessment of the likelihood of confusion.

66 It follows that, having found that there was no such use, the Court of First Instance was properly able to conclude that the Board of Appeal was entitled to disregard the arguments by which the appellant claimed the protection that could be due to 'marks in a series'."

43) In the instant case the opponent has shown use of the mark MIRACLESUIT. However, it is relying simply on the statement made by Mr Waldman that goods bearing the opponent's other marks have also been made. It points out that the applicant did not request to cross examine Mr Waldman and contends that his assertions should therefore be accepted. I note that in his evidence Mr Waldman only commented on the other marks once when he stated:

"19. As an extension of the MIRACLESUIT brand, our company has also sold clothing items under various other "MIRACLE" names, including the following:

- MIRACLE TIGHTS
- MIRACLE BODY"

44) I note that Mr Waldman did not comment on extent of the sales, precisely what items of clothing were sold or indeed where and when these sales actually took place. I am unable to judge whether the average consumer in the UK or the EU has been exposed to these other marks and to what

degree. In the absence of such evidence I am unable to accept that the opponent has a family of marks.

Distinctive character of the earlier trade mark

45) 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).”

46) As I have already found the word “MIRACLE” has no meaning for the class 25 goods (clothing, footwear and headgear), although it is clearly mildly allusive (see paragraph 40 above). The opponent has filed considerable evidence of use of its mark MIRACLESUIT in respect of underwear and swimwear, including trade figures and its repute. However, I do not believe that the evidence goes far enough to warrant a finding that it has enhanced distinctiveness. The opponent’s other marks have had no evidence of use shown, but are equally distinctive being merely mildly allusive (see paragraph

40 above). **I find that the opponent's three marks have an low to average degree of inherent distinctiveness but cannot benefit from enhanced distinctiveness through use.**

Likelihood of confusion

47) 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 opponent's 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. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public, who will select the goods (both fabrics and clothing) by predominantly visual means, although not discounting aural considerations. In respect of clothing they will pay at least an average degree of attention to the selection of such goods; in relation to fabrics the average consumer is likely to pay a medium to high degree of attention.
- the opponent's marks have a low to average degree of inherent distinctiveness, but none can benefit from an enhanced distinctiveness through use.
- The mark in suit is similar to the opponent's three marks to a medium to high degree.
- None of the opponent's goods are similar to the applicant's class 24 goods. As was shown in the table at paragraph 35 above the whole of the applicant's specification was deemed identical to, or at least similar to a medium degree to the opponent's goods for which each of its marks is registered.

48) Taking all of the above into account there is a likelihood of consumers being confused into believing that the class 25 goods applied for under the mark in suit and provided by the applicant are

those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2)(b) in respect of these goods succeeds.**

49) Taking all of the above into account there is no likelihood of consumers being confused into believing that the class 24 goods applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2)(b) in respect of these goods fails.**

50) As the finding on the class 25 goods was so clear cut I see no reason to consider these goods under the remaining grounds of opposition. I now turn to consider the opposition under section 5(3) of the Act which reads:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

51) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

52) The first hurdle is in respect of reputation. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

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

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

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

53) The opponent has provided evidence sufficient to show that it has reputation in the UK in its mark MIRACLESUIT in respect of underwear and swimwear.

54) The next issue is whether the average consumer would make a link between the marks and goods of the two parties. In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

55) The level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion. In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

56) In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) pointed out that the alleged detriment to the distinctive character of the earlier mark must be connected to the mark's reputation. The judge stated that:

“122. The requirement that the registered trade mark has a reputation therefore underpins and is intimately tied to the possibility that the mark may be injured. Put another way, if and in so far as the registered mark is not known to the public then, in a case in which there is no likelihood of confusion, it is very hard to see how it can be injured in a relevant way. This presents no conceptual difficulty in a case in which it is alleged that the use of the later mark will take unfair advantage of or tarnish the reputation attaching to the registered mark. Self evidently both of these kinds of injury can only be inflicted upon the registered mark to the extent that it has a reputation. But in my judgment just the same must apply to the third kind of injury, that is to say, damage to distinctive character by, for example, dilution or blurring. Just as in the case of the other kinds of injury, there must be some connection between the reputation and the damage.”

And

“140. Finally, and most importantly for present purposes, in assessing whether there is detriment to the distinctive character of the earlier mark, it must be considered whether the mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor of the mark is weakened (see *Intel* at paragraph [29], set out above).”

57) Accordingly, section 5(3) only covers detriment to the distinctiveness of the mark in relation to the categories of goods/services for which the mark is registered and has a reputation. The opponent has to establish that there will be detriment to its distinctive character. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated that:

“34. According to the Court's case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment).

35. Admittedly, paragraph 77 of the *Intel Corporation* judgment, which begins with the words '[i]t follows that', immediately follows the assessment of the weakening of the ability to identify and the dispersion of the identity of the earlier mark; it could thus be considered to be merely an explanation of the previous paragraph. However, the same wording, reproduced in paragraph 81 and in the operative part of that judgment, is autonomous. The fact that it appears in the operative part of the judgment makes its importance clear.

36. The wording of the above case-law is explicit. It follows that, without adducing evidence that that condition is met, the detriment or the risk of detriment to the distinctive character of the earlier mark provided for in Article 8(5) of Regulation No 207/2009 cannot be established.

37. The concept of 'change in the economic behaviour of the average consumer' lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers' perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds.

38 The General Court, at paragraph 53 of the judgment under appeal, dismissed the assessment of the condition laid down by the *Intel Corporation* judgment, and, consequently, erred in law.

39. The General Court found, at paragraph 62 of the judgment under appeal, that 'the fact that competitors use somewhat similar signs for identical or similar goods compromises the immediate connection that the relevant public makes between the signs and the goods at issue, which is likely to undermine the earlier mark's ability to identify the goods for which it is registered as coming from the proprietor of that mark'.

40. However, in its judgment in *Intel Corporation*, the Court clearly indicated that it was necessary to demand a higher standard of proof in order to find detriment or the risk of detriment to the distinctive character of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

41. Accepting the criterion put forward by the General Court could, in addition, lead to a situation in which economic operators improperly appropriate certain signs, which could damage competition.

42. Admittedly, Regulation No 207/2009 and the Court's case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on 'an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case'."

58) I accept that a change of economic behaviour may be inferred (see *32Red Plc v WHG (International) Limited and others* [2011] EWHC 665 (Ch)). The opponent states that use on sports clothing would be detrimental and then simply states that use on any of the applicant's goods would create a link and erode the distinctiveness of its mark. However, I am considering the applicant's use of its mark upon its goods in class 24 namely "Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth". The opponent is silent as to why use of the mark in suit on such goods would cause detriment to its mark. From the information provided by the opponent it would appear that its reputation in underwear and swimwear is in the ability of the items to shape the wearer's body. I take this to mean, in basic terms, that its products are elasticated such that they make the wearer appear to be more svelte than they really are. Such items will I assume be made from specialised materials, with "supportive" panels in the most significant areas of the body. Such items are not likely to be home made, nor is the fabric used likely to be sold by the average fabric and haberdashery retailer. There is no evidence that the highly specific types of fabric listed in the applicant's specification have any connection with underwear or swimwear. From my very limited knowledge of such issues I would imagine underwear fashioned from oilcloth or gummed waterproof cloth to be virtually unsaleable. The opponent has failed to provide any evidence or even submissions as to why the average consumer for such fabrics would make the link to the opponent's underwear and swimwear such that they would alter their economic behaviour. I reach the conclusion that the average consumer would not make a link between the opponent's underwear and swimwear and the applicant's goods in class 24. **As such the opposition under section 5(3) fails.**

59) Lastly, I turn to the opposition under section 5(4)(a) which reads:

“5.4 A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

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

(b) [.....]

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

60) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “*a substantial number*” of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

61) Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

62) The opponent's submissions referred to "the parties being in direct competition in the manufacture and sale of clothing". The opponent made no reference to the issue of the class 24 goods. Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis in respect of fabrics would not result in confusion with the opponent's mark. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act in respect of the class 24 goods must fail.

CONCLUSION

63) The opposition under Section 5(2)(b) was successful in relation to all the goods in class 25 but unsuccessful in respect of the goods in class 24. The opposition under section 5(3) and 5(4)(a) against the class 24 goods was also unsuccessful. The mark will proceed to be registered for the following goods:

Class 24: Woven fabrics; Knitted fabrics; Felt and non-woven textile fabrics; Gummed waterproof cloth; Oilcloth; Vinyl coated cloth.

COSTS

64) As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

Dated this 14th day of June 2018

George W Salthouse
For the Registrar,
the Comptroller-General

