

O/675/18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003243277 BY
GLOBAL BRAND HOLDINGS, LLC
TO REGISTER:**

XOXO

AS A TRADE MARK IN CLASSES 3, 14 AND 25

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 410576 BY
A VE A TEKSTIL SANAYI VE PAZALAMA LIMITED SIRKETI**

BACKGROUND AND PLEADINGS

1. On 12 July 2017, Global Brand Holdings, LLC (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 21 July 2017.

2. The application was opposed by A VE TEKSTIL SANAYI PAZALAMA LIMITED SIRKETI (“the opponent”). The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the earlier EU Trade Mark registration no. 256263 for the mark OXXO which has an application date of 9 May 1996 and a registration date of 13 November 1998.

3. The following goods are relied upon in this opposition:

Class 25 Pullovers, knitted jackets, waistcoats, T-shirts, blouses, sweatshirts, polo-shirts, shorts, skirts, blazers, blousons, sports jackets, shirts, suits for men, dresses, suits for women, under-shirts, pants, socks, coats for women, winter coats, waterproof clothing.

4. The opponent argues that the respective goods are identical or similar and that the marks are similar.

5. The applicant filed a counterstatement in which it denies the basis of the oppositions (and requests that the opponent provides proof of use of its earlier trade mark relied upon).

6. The opponent is represented by WP Thompson and the applicant is represented by HGF Ltd. The opponent’s evidence consists of the witness statement of Lutfu Alkan dated 5 April 2018 and the witness statement of Graeme Murray dated 5 April 2018. The applicant’s evidence consists of the witness statement of Tanya Elizabeth Waller dated 6 June 2018. No hearing was requested and only the applicant filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

The Opponent's Evidence

7. As noted above, the opponent's evidence consists of the witness statement of Luftu Alkan, with six exhibits, and the witness statement of Graeme Murray, with six exhibits (both dated 5 April 2018). Mr Alkan is the General Manager of the opponent. Mr Murray is a Senior Associate of WP Thompson, the opponent's representative in these proceedings.

8. Exhibit 1 to Mr Alkan's statement consists of various invoices which Mr Alkan states relate to the sale of OXXO branded goods to Verdal S.R.L. Mr Alkan states that Verdal S.R.L is the opponent's licensee in Italy and that the goods were to be sold in a store in Cagliari, Italy. Exhibit 1 also contains a document entitled "ETGB Beyan Formu" for which no translation is provided and which does not display the opponent's mark in any event. No translations of the invoices have been provided and the print quality of the exhibit means that parts of the invoices are illegible. One of the invoices is dated 24 July 2017 and is therefore after the relevant period. The information that can be identified from the invoices dated within the relevant period is shown below:

Date	Addressee	Total payable
28 April 2017	Verdal S.R.L.	Approx. 27,000 EUR (invoice mostly illegible)
9 May 2017	Verdal S.R.L.	10,863,78 EUR
26 May 2017	Verdal S.R.L.	552,93 EUR
5 June 2017	Verdal S.R.L.	Approx. 8,000 EUR (invoice mostly illegible)
15 June 2017	Verdal S.R.L.	Approx. 6,000 EUR (invoice mostly illegible)
23 June 2017	Verdal S.R.L.	Approx. 11,000 EUR (invoice mostly illegible)

9. The invoices make reference to t-shirts, sweatshirts and bikinis. It is not possible to determine the other goods to which the invoices relate due to there being no translation provided. The invoices all display the mark as registered.

10. Exhibit 2 is described by Mr Alkan as the License Agreement between the opponent and Verdal S.R.L. which was executed on 20 March 2017. In fact, Exhibit 2 is the Heads of Terms between the opponent and Verdal S.R.L. for the purpose of what seems to be a franchise agreement. The Heads of Terms does display the opponent's mark in its registered form. The territory to which the Heads of Terms relates is Sardinia. The effect and purpose of the Heads of Terms is described as follows:

“The Parties are considering entering and signing a separate franchise agreement, in which Franchisee will be appointed as a franchisee within the geographical areas of SARDINIA at duly approved franchised Locations by OXXO in accordance with the some of the provisions of such franchise agreement and commercial terms that stated herein. It is the common intention of the Parties to execute a franchise agreement provided that the Franchisee shall establish and start to operate the mentioned Shops until the date of 1.05.2017. In the event this is not realized then this HOT shall be automatically be rendered null and void with no further obligation of either party towards the other.”

11. No information is provided by Mr Alkan as to the current position following the deadline of 1 May 2017 referred to in the Heads of Terms, other than to refer to Verdal S.R.L. as the opponent's licensee in Italy. However, the Heads of Terms relate to a franchise agreement and so the current position is not entirely clear.

12. Exhibit 3 to Mr Alkan's statement consists of various invoices addressed to a Spanish company, Galata Fabrica SLU, showing use of the opponent's mark. These are dated 26 July 2017, 27 July 2017, 31 July 2017, 2 August 2017, 18 October 2017 and 18 December 2017. At paragraph 4 of his statement, Mr Alkan states:

“We would ask that, although this is outside of the relevant period, it is accepted as evidence of use in the EU, or at least can be used as an inference that genuine preparations for use took place during the relevant period.”

13. Exhibit 4 is described by Mr Alkan as the opponent's agreement with Galata Fabrica SLU and El Corte Ingles who are responsible for selling goods displaying the opponent's mark in Spain. The agreement is not translated, but appears to have been signed by Galata Fabrica SLU and El Corte Ingles. There does not appear to be any evidence of the opponent being a signatory to that agreement, although the mark OXXO is referred to in the preamble. As the agreement has not been translated, it is not possible to determine the opponent's role in this agreement. The document is dated "1 Agosto 2017" which I understand to be 1 August 2017.

14. Exhibit 5 to Mr Alkan's statement is a table showing sales figures under the OXXO brand in the EU in 2017. Mr Alkan states that it also shows sales for the REGARDING OXXO brand made to TJK UK directly. No explanation is given by Mr Alkan as to the nature of the relationship between the opponent and the businesses listed in the table. Only some entries included in the table at Exhibit 5 are within the relevant period. Whilst the table provided by the opponent provides a range of information, I have reproduced the date, company to whom the invoice was addressed, amount and country issued (for those within the relevant date) in Annex 1 to this decision.

15. Exhibit 6 to Mr Alkan's statement consists of a statement from K&L Ruppert confirming that they purchase OXXO branded goods, along with invoices which Mr Alkan states are issued by the opponent's exporter to K&L Ruppert. The invoices are addressed to K&L Ruppert in Germany and those within the relevant period provide as follows:

Date	Addressee	Total payable
15/12/2012	K&L Ruppert	Unknown (No translation provided)
12/12/2012	K&L Ruppert	Unknown (Illegible)
15/08/2012	K&L Ruppert	Unknown (No translation provided)
08/08/2012	K&L Ruppert	7,907.87 TL
07/11/2012	K&L Ruppert	Unknown (No translation provided)
02/11/2012	K&L Ruppert	2.287.93 TL

16. The invoices make reference to t-shirts. It is not possible to determine the other goods to which the invoices relate due to there being no translation provided. The invoices display the opponent's mark as follows:



17. Mr Murray's witness statement is almost an exact copy of Mr Alkan's statement. The exhibits are all duplicates of those exhibited to Mr Alkan's statement. I do not, therefore, propose to duplicate my summary above.

Applicant's Evidence

18. Ms Waller's statement is provided to enter into evidence the decision of the European Union Intellectual Property Office ("EUIPO") dated 4 March 2018 (Opposition No. B 2 397 696). The EUIPO decided that there was no likelihood of confusion between the opponent's mark, OXXO, and the mark XOX.

PROOF OF USE

19. The first issue is whether, or to what extent, the opponent has shown genuine use of the earlier mark. The relevant statutory provisions are as follows:

"Raising of relative grounds in opposition proceedings in case of non-use

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 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 of which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the

purposes of this section as if it were registered only in respect of those goods or services.”

20. Section 100 of the Act is also relevant, which reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

21. According to section 6(3)(a) of the Act, the relevant period in which genuine use must be established is the five-year period ending on the date of publication of the applied for mark. The relevant period is, therefore, 22 July 2012 to 21 July 2017.

22. What constitutes genuine use has been subject to a number of judgments. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor

Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

...

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetzky-Orden v Bundesvereinigung Kameradschaft 'Feldmarschall Radetzky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not always the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

23. As the earlier mark is an EUTM, the comments of the Court of Justice of the European Union (“CJEU”) in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, are relevant. The court noted that:

“36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And:

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And:

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)”.

24. The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the mark concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

25. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames

Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guilford, and thus a finding which still left open the possibility of conversion of the community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State." On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

26. The General Court ("GC") restated its interpretation of *Leno* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of

an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

27. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods at issue in the Union during the relevant 5-year period. In making the required assessment I am required to consider the relevant factors, including:

- a) The scale and frequency of the use shown;
- b) The nature of the use shown;
- c) The goods for which use has been shown;
- d) The nature of those goods and the market(s) for them; and
- e) The geographical extent of the use shown.

28. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is, therefore, not genuine use.

Form of the mark

29. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, CJEU found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of

Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, 'use' within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish 'use' within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestle*, the 'use' of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition of a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)". (emphasis added)

30. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was), sitting as the Appointed Person, summarised the test under section 46(2) of the Act as follows:

“33. ...The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.”

31. Although this case was decided before the judgment of the CJEU in *Colloseum*, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

32. Where the mark has been used in the format in which it is registered (such as on the invoices to Verdal S.R.L.) this will clearly be use upon which the opponent may rely. As noted above, the mark also appears in the following variation in Exhibit 6 of the opponent’s evidence:



A. ve A. TEKSTİL SAN. ve PAZ. LTD. ŞTİ.
A. & A. TEXTILE INDUSTRY MARKETING CO. LTD.

33. It is clear from the EUIPO decision exhibited to the statement of Ms Waller that this variant of the opponent’s mark is actually a registered trade mark in its own right

(International Registration no. 892 470). This does not, in principle, prevent it from being use upon which the opponent can rely¹.

34. The letters OXXO, in this variant, appear in a stylised font in the form of brush strokes. In my view, the stylisation of the mark in this form does not alter the distinctive character of the mark (as explained in *Nirvana*). It is still, quite clearly, the letters OXXO. The mark is also combined with what appears to be an abbreviated version of the opponent's name and a second business name. I am satisfied that use in combination with this additional wording would fall within the ambit of genuine use as set out in *Colloseum*. I consider that this is use of the mark upon which the opponent may rely.

35. At Exhibit 5, the opponent has provided "sales figures under the OXXO brand in the EU in 2017". Mr Alkan goes on to confirm that these figures also show "the amount of sales REGARDING OXXO brand made to TJK UK directly". Mr Alkan gives no information about the "REGARDING OXXO brand". Clearly, this amounts to another variant use of the mark. The distinctive character of the opponent's mark lies in the letters OXXO. The addition of the word "REGARDING" at the beginning of the mark does not alter that distinctive character. Consequently, I consider that this is use upon which the opponent can rely as set out in *Nirvana*.

Sufficient Use

36. I have lengthy submissions from the applicant regarding the evidence provided by the opponent to prove use of the earlier mark. I have summarised the applicant's arguments as follows:

- a) The opponent's mark appears at the top right corner of the invoices supplied by the opponent and this position gives the mark the appearance of a "trading/company name" and is therefore not sufficient to prove use. It also does not appear next to any of the specific goods listed and there is therefore "no evidence that these goods are branded OXXO".

¹ *Bernhard Rintisch v Klaus Eder*, Case C-553/11

b) The invoices only show sales between the opponent and their licensee and do not show sales to the end user.

c) Although the opponent claims that “the “OXXO branded goods” are to be sold in the Opponent’s store in Italy run by Verdal” there is no evidence of the store or that such products are actually on sale there.

d) No images of the relevant products have been provided and no advertising or turnover figures have been provided for the store in Italy.

e) The fact that the invoices are not in English mean that it is not possible to determine the exact nature of the goods sold under the invoices.

f) Sales to a licensee for onward sale in one store in Cagliari, Italy is “not use of the mark in accordance with its essential function for the purposes of creating a market share within the European Community for the goods covered by it” (original emphasis). The market for these goods is of a significant size and sales in one store is not sufficient to show genuine use.

g) Exhibit 3 and 4 to Mr Alkan’s (and Mr Murray’s) statement are outside of the relevant period and should be disregarded for the purpose of these proceedings.

h) Exhibit 5 contains figures which are outside of the relevant period and should be disregarded. Those that do fall in the relevant period relate to sales to stores in Europe and not to the end users. It is also not clear to which goods these figures relate or to what territory.

i) No connection between the customs clearance dates and sales to the end user have been provided nor confirmation that the customs clearance related to OXXO branded goods.

j) The letter provided by K&L Rupert is not dated and a number of the invoices fall outside of the relevant period. Even those that do are not sufficient to show an intention to create or maintain a market share within the relevant territory.

37. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself².

38. With regard to Exhibit 1 it is not clear precisely what the relationship between the two businesses is. Mr Alkan refers to Verdal S.R.L. as a licensee. However, this is not evident from the Heads of Terms provided at Exhibit 2 to Mr Alkan's statement which is an agreement to enter into a franchisee agreement at some point in the future if certain conditions are met. It appears that this is a business to business sale which can be relied upon to show genuine use³. There is no requirement to demonstrate sales to the end user.

39. I can see no merit to the applicant's argument that the position of the mark on the invoices in some way limits its ability to act as a trade mark.

40. Exhibit 3 consists of invoices which fall after the relevant period (some of which were issued in the two weeks following the relevant period) On the balance of probabilities, for invoices to have been issued in the two weeks following the relevant period, it is likely that the goods were available for sale during the relevant period or, at the very least, preparations for their sale had been made. I am, therefore, satisfied that these invoices can be relied upon by the opponent as use during the relevant period.

41. As noted above, Exhibit 4 appears to be dated outside of the relevant period. In any event, it does not assist the opponent in demonstrating genuine use as the opponent is not named as a signatory to the agreement and no translation has been provided.

² *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

³ *Laboratoire de la Mer Trade Mark* [2006] FSR 5

42. Exhibit 5 includes sales figures for OXXO and REGARDING OXXO. As noted above, I consider that use of the mark in the variant REGARDING OXXO is use upon which the opponent can rely. Only some of the sales fall within the relevant period and these total approximately 1,800,000.00 TL (which I assume to mean Turkish Lira). No conversion details have been provided as to what this amounts to in pounds sterling or euros. The table also provides the “country issued” but no explanation is given as to what this means. It is not clear whether this is the country in which the purchasers were based or whether this is the country to which the goods were delivered. However, these invoices do demonstrate business to business sales taking place during the relevant period.

43. The notice issued by K&L Rupert provided at Exhibit 6 states: “we’re buying OXXO branded garments from Turkey... and we’re selling them in our stores in Germany”. The notice is undated and it is therefore not clear whether it was issued during the relevant period. The invoices issued within the relevant period are either illegible or are not clear due to there being no translation provided, save for those dated 8 August 2012 and 2 November 2012 which confirm sales totaling approximately 10,000 TL. Again, I assume this to mean Turkish Lira. Mr Alkan states that these invoices were issued by the opponent’s exporter. Although Mr Alkan does not confirm this, the inference is that the exporter is using the opponent’s mark with its consent.

44. There are clear deficiencies in the evidence provided by the opponent. There are significant parts of the evidence provided which fall outside the relevant period and there is a lack of clarity as to the significance and meaning of other parts of the evidence. The opponent has also failed to provide translations of various documents relied upon. However, as noted above genuine use requires a global assessment of the evidence as a whole. The opponent has provided evidence of some sales to more than one country within the European Union. Whilst, far from overwhelming, I am satisfied that the sales demonstrated are sufficient to show genuine use of the mark by the opponent during the relevant period. My finding would be the same even if the variant use shown at Exhibit 6 to Mr Alkan’s statement is not used upon which the opponent may rely.

Fair Specification

45. I must now consider whether, or the extent to which, the evidence shows use of all of the goods relied upon.

46. 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.”

47. 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."

48. It is plain that the evidence does not support the claim for use in relation to all of the goods claimed in the notice of opposition.

49. As noted above, large parts of the evidence did not refer to the goods sold under the mark at all. Other parts of the evidence which did list goods sold (such as the invoices) were not translated. The only items which were identifiable from the evidence as having been sold were "t-shirts", "sweatshirts" and "bikinis". "Bikinis" does not, of course, fall within the opponent's specification. That leaves "t-shirts" and "sweatshirts". I am not convinced that this use of the mark is sufficient to justify use in relation to a wide range of clothing items and therefore I consider that the opponent may only rely on "t-shirts" and "sweatshirts" in class 25. My finding would be the same even if the variant use shown at Exhibit 6 to Mr Alkan's statement is not use upon which the

opponent may rely. In my view, there would still be sufficient evidence for this to be a fair specification.

DECISION

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

“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.”

51. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“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

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b) subject to its being so registered.”

52. The trade mark upon which the opponent relies qualifies as an earlier trade mark under the above provisions.

Section 5(2)(b)

53. 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 to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

54. As a result of my finding at paragraph 50 above, the competing goods are as follows:

Opponent's goods	Applicant's goods
<u>Class 25</u> T-shirts; sweatshirts	<u>Class 3</u>

	<p>Fragrances; perfumes; eau de toilette; body and beauty care preparations: body lotion: body cream; body cleaning preparations; body wash; shower gel; cosmetics; lipstick; eyeliner; mascara; and nail polish.</p> <p><u>Class 14</u> Jewellery; jewellery articles; watches.</p> <p><u>Class 25</u> Clothing; footwear; headwear; shirts, shorts, pants, jackets, T-shirts, sweatshirts, sweatpants, hats, socks, sweaters, swimwear, jeans, dresses, skirts, blouses, vests, blazers, overalls, tank tops; footwear; underwear; baby doll pajamas, bras, camisoles, chemises, dresses, headbands, lingerie, loungewear, pajamas, panties, robes, skirts, sleepwear, tank tops, headbands, shoes.</p>
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55. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, C-39/97, the court stated at paragraph 23 of its judgment that:

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

56. 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.

57. 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.”

58. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

59. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion 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 GC 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 the responsibility for those goods lies with the same undertaking.”

60. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose 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.”

61. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the GC stated that:

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

62. For the purposes of considering the issue of similarity of goods, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way for the same reasons (see *Separode Trade Mark* BL O-399-10 and *BVBA Management, Training en Consultancy v Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs [30] to [38]).

63. In its Notice of Opposition, the opponent stated:

“The goods claimed in class 25 of the applied for mark are identical to the goods claimed in class 25 of the earlier registration relied upon by the Opponent. The goods claimed in classes 3 and 14 are similar to the goods claimed in class 25 of the earlier registration as their nature, purpose and method of use are highly similar and they are in competition with, and/or complimentary to, one another.”

64. In its Counterstatement (and reiterated in its submissions), the applicant stated:

“7. It is denied that the goods relied upon by the Opponent are identical to those of the Applicant in class 25. The Opponent’s registration covers a specific list

of clothing items. In contrast, the Applicant's mark also includes footwear and headgear which are not identical to the Opponent's goods.

8. It is also denied that the goods relied upon by the Opponent are confusingly similar to the Applicant's goods in class 03. The main function of clothing is to dress the human body whilst the main purposes of "fragrances; perfumes, eau de toilette; body and beauty care preparations; body lotion; body cream; body cleaning preparations; body wash; shower gel" is to impart a long-lasting scent to the body, stationary etc. and/or to clean the body. Similarly, the Applicant's cosmetic products are used to enhance or protect the appearance of the human body. Accordingly, the purpose of the applicant's products in class 03 are different to those of the Opponent's.

9. It is generally held that while some designers may also sell perfumes under their marks, this is not the rule and rather applies only to economically successful designers. As a result, the Applicant's goods in class 03 also differ to the Opponent's in that they do not share the same distribution channels nor are they in competition nor complementary.

10. For the same reasons, it is denied that the Applicant's goods in class 14 are similar to those of the Opponent. Jewellery is generally considered to be dissimilar to clothing, footwear and headgear. The nature and the main purpose of these goods are different. The main function of jewellery and watches are for personal adornment and time keeping. They therefore have a different purpose to the goods of the Opponent, do not have the same distribution channels and they are neither in competition nor complementary."

Class 3

65. In my view, there is no overlap between the nature, intended purpose or method of use between "T-shirts" and "sweatshirts" in the opponent's specification and the class 3 goods in the applicant's specification. There is also no competition or

complementarity between the goods⁴. I do not, therefore, consider these goods to be similar.

Class 14

66. Similarly, in my view, there is no overlap between the nature, intended purpose or method of use between “T-shirts” and “sweatshirts” in the opponent’s specification and the class 14 goods in the applicant’s specification. There is also no competition between the goods⁵. I do not, therefore, consider these goods to be similar.

Class 25

67. “T-shirts” and “sweatshirts” appear in both the applicant’s specification and the opponent’s specification. These goods are plainly identical. “T-shirts” and “sweatshirts” in the opponent’s specification also fall within the broader category of “clothing” in the applicant’s specification. These goods will be considered identical on the principle outlined in *Meric*.

68. The rest of the goods in class 25 in the applicant’s specification are all items used to cover and protect the human body and therefore share the same use as “T-shirts” and “sweatshirts” in the opponent’s specification. Their users will be the same and their distribution channels often overlap. I consider these goods to be similar to a medium degree.

69. As some degree of similarity is required for there to be a likelihood of confusion⁶, the opposition can only proceed in respect of the applicant’s class 25 goods.

The average consumer and the nature of the purchasing act

70. 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

⁴ *Frag Comercio Internacional, SL, v OHIM*, Case T-162/08, paragraph 30

⁵ *Compagnie de montres Longines, Francillon SA v OHIM*, Case T-505/12

⁶ *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

manner in which the goods are likely to be selected by the average consumer. 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.”

71. I have no submissions from either party on the average consumer or the purchasing process for the goods in issue. The average consumer for the goods will be a member of the general public. The level of attention paid by the average consumer during the purchasing process is likely to be average. These purchases are likely to vary in frequency, depending on the nature of the goods being purchased.

72. The goods are, in my experience, most likely to be obtained by self-selection from the shelves of a retail outlet or from an online or catalogue equivalent. Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that there may be an aural component to the purchase of the goods given that advice may be sought from a sales assistant and orders may be placed by telephone.

Comparison of trade marks

73. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade mark must be assessed by reference to the overall impressions created by the trade marks, 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.”

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

75. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
OXXO	XOXO

76. In its Notice of Opposition, the opponent stated:

“The applied for mark is XOXO in plain text and the earlier mark relied upon by the Opponent is OXXO in plain text. Both trade marks are comprised of four letters and those letters are identical, namely O and X. The only difference between the trade marks from a visual perspective is the fact that the letters in the applied for mark are presented with the X before the O at the beginning of the mark and the letters in the earlier mark begin with O before the X. Both marks end in XO. Therefore from a visual perspective the marks are highly similar to one another. From a phonetic perspective we submit that the earlier mark would be pronounced either OX-O or OX-ZO and the applied for mark

would be pronounced ZOZO. Therefore the marks are highly similar to one another from a phonetic perspective. Conceptually the marks have no meaning and therefore they are conceptually neutral. Due to the high similarity, from a visual and aural perspective, the marks are highly similar to one another.”

77. In its Counterstatement, the applicant stated:

“1. It is denied that the Applicant’s mark is visually highly similar to the Opponent’s mark. The marks differ in the position of the second letter ‘X’ being placed after the coinciding letter string in the contested sign and before it in the earlier mark. The shorter the sign, the more easily the public is able to perceive all of its single elements. As both marks are short marks, being only 4 letters long, these differences lead to a different overall impression.

2. It is also denied that the Applied for mark would be pronounced as ZOZO. There is no reason why the consumer would pronounce the first letter “X” as a letter “Z”. The Applied for mark would be pronounced as “X-O-X-O” in four syllables. In contrast, the Opponent’s mark would be pronounced in two syllables formed by the vowels “O” in the beginning and in the end.

3. Consequently, it is also denied that the marks are highly similar from a phonetic perspective.

4. It is generally denied that the marks are highly similar.”

78. The applicant expanded on these points in its written submissions and, whilst I do not propose to reproduce those here, I have taken them into consideration in reaching my decision.

79. The applicant seeks to rely on the decision of the EUIPO (opposition no. B 2 397 696) in which it was decided that there was no likelihood of confusion between the marks OXXO and xox. I note the finding in that decision, although it is not binding on me. In any event, part of the reason for the decision in that case was that the first mark

consisted of four letters and the latter consisted of only three. Clearly, that is not the case here.

80. The applicant's mark consists of four letters – XOXO. There are no other elements to contribute to the overall impression, which is contained in the word itself. The opponent's mark consists of four letters – OXXO. Again, there are no other elements to contribute to the overall impression, which is contained in the word itself.

81. Visually, the marks are both made up of combinations of the letters X and O. The marks both end with the letters XO. The difference is created by order of the first two letters – XO in the applicant's mark and OX in the opponent's mark. As notional and fair use means that both marks could be used in any standard typeface, differences created by presentation in capital or lower case will not be relevant. As a general rule, the beginnings of marks tend to make more impact than the ends⁷. However, as the only visual difference between the marks is the order of the first two letters, I consider there to be a high degree of visual similarity between the marks.

82. Aurally, each letter in the applicant's mark is likely to be pronounced individually – "X-O-X-O". The opponent's mark is likely to be pronounced "OX-O". I therefore consider there to be a low degree of aural similarity between the marks.

83. Conceptually, the opponent's mark is an invented word with no particular meaning. The applicant's mark is also an invented word, although some consumers may recognise it as slang for "hugs and kisses" (as used in text communications or on social media). For both those consumers who will recognise this meaning and those who view the mark as a made-up word with no recognisable meaning, there will be no conceptual similarity between the marks.

Distinctive character of the earlier trade mark

84. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

⁷ *El Corte Ingles, SA v OHIM*, Cases T-183/02 and T-184/02

“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-2779, 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).”

85. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

86. As the opponent has not filed any evidence to show that its mark has enhanced its distinctiveness through use, I have only the inherent position to consider. I have no submissions from either the applicant or the opponent on the distinctive character of the earlier mark.

87. I must make an assessment of the inherent distinctiveness of the earlier mark as a whole. The mark is an invented word. There is no descriptive or allusive element to

it. Consequently, I consider that the earlier mark has a high degree of inherent distinctive character.

Likelihood of confusion

88. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to 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 that he has retained in his mind.

89. I have found there to be a high degree of visual similarity and a low degree of aural similarity between the marks. I have found there to be no conceptual similarity between the marks. I have found the earlier mark to have a high degree of inherent distinctive character. I have identified the average consumer to be a member of the general public and I consider that the goods will be selected primarily by visual means (although I do not discount an aural component). I have concluded that the average consumer will pay an average degree of attention when purchasing the goods. I have found the parties' goods to be identical or similar to a medium degree.

90. Bearing in mind the principle of imperfect recollection, whilst consumers may recall that the opponent's mark is a four-letter made up word consisting of the letters "X" and "O" they are unlikely to remember the exact order of those letters. Bearing this in mind, along with all of those factors listed in paragraph 88 above, I am satisfied that (in

respect of those goods which are identical or similar to a medium degree) the similarities between the marks will lead to a likelihood of direct confusion between them i.e. the average consumer will mistake one mark for another.

CONCLUSION

91. The opposition has succeeded in relation to the following goods, for which the application is refused:

Class 25 Clothing; footwear; headwear; shirts, shorts, pants, jackets, T-shirts, sweatshirts, sweatpants, hats, socks, sweaters, swimwear, jeans, dresses, skirts, blouses, vests, blazers, overalls, tank tops; footwear; underwear; baby doll pajamas, bras, camisoles, chemises, dresses, headbands, lingerie, loungewear, pajamas, panties, robes, skirts, sleepwear, tank tops, headbands, shoes.

92. The application will proceed to registration in respect of the following goods only:

Class 3 Fragrances; perfumes; eau de toilette; body and beauty care preparations: body lotion: body cream; body cleaning preparations; body wash; shower gel; cosmetics; lipstick; eyeliner; mascara; and nail polish.

Class 14 Jewellery; jewellery articles; watches.

COSTS

93. As the parties have both been successful in roughly equal measure I do not consider that it would be appropriate to make an award of costs in either of their favour.

Date this 25th day of October 2018

S WILSON

For the Registrar

ANNEX 1

Date	Addressee	Total payable (Turkish Lira)	Country Issued
15/12/2017	KUIVIP GMBH	2,969.52	Germany
26/04/2017	PEARSON&SPECTER S.L.	103,807.48	Netherlands
31/03/2017	TJK UK	149,316.07	UK
14/06/2017	TJK UK	33,934.20	UK
14/06/2017	TJK UK	22,833.05	UK
14/06/2017	TJK UK	21,255.27	UK
14/06/2017	TJK UK	11,035.13	UK
14/06/2017	TJK UK	17,921.71	UK
14/06/2017	TJK UK	27,423.66	UK
14/06/2017	TJK UK	18,488.68	UK
14/06/2017	TJK UK	22,545.78	UK
14/06/2017	TJK UK	26,835.28	UK
14/06/2017	TJK UK	165,199.48	UK
14/06/2017	TJK UK	29,774.95	UK
14/06/2017	TJK UK	5,406.94	UK
14/06/2017	TJK UK	24,799.37	UK
14/06/2017	TJK UK	26,189.36	UK
14/06/2017	TJK UK	21,616.59	UK
14/06/2017	TJK UK	17,478.75	UK
14/06/2017	TJK UK	28,177.98	UK
14/06/2017	TJK UK	1,254.38	UK
14/06/2017	TJK UK	1,501.95	UK
14/06/2017	TJK UK	24,476.86	UK
21/04/2017	VERDAL S.R.L.	205,395.75	ITALY
21/04/2017	VERDAL S.R.L.	151,456.36	ITALY
28/04/2017	VERDAL S.R.L.	107,319.91	ITALY
08/05/2017	VERDAL S.R.L.	42,393.73	ITALY
18/05/2017	VERDAL S.R.L.	3,342.01	ITALY

18/05/2017	VERDAL S.R.L.	3,851.00	ITALY
18/05/2017	VERDAL S.R.L.	2,091.22	ITALY
18/05/2017	VERDAL S.R.L.	1,842.64	ITALY
26/05/2017	VERDAL S.R.L.	2,209.34	ITALY
05/06/2017	VERDAL S.R.L.	33,225.65	ITALY
15/06/2017	VERDAL S.R.L.	25,865.28	ITALY
23/06/2017	VERDAL S.R.L.	46,124.65	ITALY
20/07/2017	VERDAL S.R.L.	34,620.22	ITALY
31/03/2017	TJK UK	83,363.00	POLAND
15/06/2017	TJK UK	19,462.92	POLAND
15/06/2017	TJK UK	16,062.54	POLAND
15/06/2017	TJK UK	13,535.75	POLAND
15/06/2017	TJK UK	7,759.31	POLAND
15/06/2017	TJK UK	4,645.66	POLAND
15/06/2017	TJK UK	9,345.44	POLAND
15/06/2017	TJK UK	14,804.74	POLAND
15/06/2017	TJK UK	1,141.96	POLAND
15/06/2017	TJK UK	13,024.93	POLAND
15/06/2017	TJK UK	16,699.05	POLAND
15/06/2017	TJK UK	110,676.33	POLAND
15/06/2017	TJK UK	20,091.82	POLAND
15/06/2017	TJK UK	10,367.52	POLAND
15/06/2017	TJK UK	14,549.77	POLAND
15/06/2017	TJK UK	17,591.86	POLAND
15/06/2017	TJK UK	14,522.04	POLAND
15/06/2017	TJK UK	11,750.57	POLAND
15/06/2017	TJK UK	14,271.55	POLAND
15/06/2017	TJK UK	12,948.44	POLAND