

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2150775B
by Mr & Mrs Aldridge of Harborne, Birmingham to register
a trade mark in Class 18**

**AND IN THE MATTER OF Opposition thereto by Max
Mara Fashion Group S.r.l. under No 50039**

1. On the 14 November 1997, Mr and Mrs Aldridge applied to register a trade mark consisting of the words PENNY BLACK and a device (as shown below).



2. The application was originally made in Classes 9 and 25. Some of the goods in the application were deemed by the examiner to be proper to Class 18. Class 18 was subsequently added to the application and “bags, belts and wallets” were transferred to that class. The application was subsequently divided and the remaining goods separated out. This opposition is limited to the application to register the mark for “bags, belts and wallets.”

3. The Class 18 section of the original application was published for opposition on the 18 November 1998. On 17 February 1999, Max Mara Fashion Group S.r.l. of Italy filed Notice of Opposition. The grounds of opposition are as follows:

“1. *The opponent is the registered proprietor of the following trade mark registration:*

*No 2000788 - trade mark PENNYPLUS - Classes 18 and 25
(hereinafter the PENNYPLUS trade mark).*

2. *The trade mark applied for is similar to the PENNYPLUS trade mark and covers goods which are identical or similar to the goods covered by the PENNYPLUS trade mark. Consequently, there exists a likelihood of confusion on the part of the public and registration of the trade mark applied for would be contrary to the provision of Sections 5(2)(b) of the Act.*

3. *The opponent is also the registered proprietor of the following trade mark registration:*

No 1407596 - trade mark PENNYBLACK - Class 25
(hereinafter the PENNYBLACK trade mark).

4. *The trade mark applied for is identical or similar to the PENNYBLACK trade mark and covers goods which are similar to the goods covered by the PENNYBLACK trade mark. Consequently, there exists a likelihood of confusion on the part of the public and registration of the trade mark applied for would be contrary to the provisions of Section 5(2)(b) of the Act.*
5. *The opponent has made substantial use of the PENNYPLUS trade mark and the PENNYBLACK trade mark in the United Kingdom in relation to the goods covered by the PENNYPLUS trade mark and the PENNYBLACK trade mark and has acquired extensive goodwill and reputation in the PENNYPLUS trade mark and the PENNYBLACK trade mark in relation to goods for which they are registered.*
6. *Use of the trade mark applied for would be prevented by virtue of the law or "passing-off" in view of the extensive use of the PENNYPLUS trade mark and the PENNYBLACK made by the Opponent and registration of the trade mark applied for would be contrary to the provisions of Section 5(4)(a) of the Act."*

4. The opponent's PENNYBLACK trade mark is registered under No 1407596 with effect from 7 December 1989 in respect of:

"Articles of clothing for women; capes, rain coats, jackets, skirts, trousers, shorts, waistcoats, bush-shirts, shirts, jump-suits, dresses, knitted articles of clothing, sweaters and cardigans, bathing suits, bathrobes, belts, gloves, caps, scarves and foulards: all included in Class 25."

5. The opponent's PENNYPLUS trade mark is registered with effect from 31 October 1994, in respect of:

Class 18

Articles of luggage, bags, briefcases, handbags, rucksacks, holdalls, travelling bags and trunks, key fobs, card cases and holders, wallets and purses; all being articles made of leather or imitations of leather; umbrellas and parasols.

Class 25

Jackets, skirts, dresses, shirts, trousers, shorts, blouses, t-shirts, coats, rain-coats, belts, cardigans, pullovers, stockings, underwear, hats and caps, shoes, sandals, boots, nightwear, swimwear."

6. The applicants subsequently filed a counterstatement denying the grounds of opposition and pointing out that they had already registered the mark applied for in Class 3. The counterstatement included the following:

“The registration of the mark applied for would not be contrary to Section 5 of the Trade Marks Act 1994 as alleged by the opponents. Penny Black’s main business is fragrance/cosmetics (Trade Mark Class 03). Additional trade marks applied for act as “Free Gift with Purchase” promotions of the fragrance range. Therefore there can be no confusion of the public.

The Penny Black trade mark is both a word and a device, which is visually totally different to the PENNYPLUS (word only) trade mark and the advertising campaign will enforce this perception. We would confirm that a search was carried out for the Penny Black name or similar in Class 18 prior to application and the application only proceeded on the basis that there were no Penny Black name or similar in Class 18.

The registration of the mark applied for would not interfere with the legitimate conduct by the opponents business. The applicant has been registered in Category 3 since August 1997 and is due to launch the fragrance range in August 1999 and have received orders from a significant number of stores.

The Category 18 trade mark is to be used for products directly linked to the Category 3 range. We believed it to be advisable to secure the said trade marks prior to the sale of any products.”

Section 5(1) & (2)

7. Sections 5(1) and (2) of the Act are as follows:

“5-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

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

8. The relevant date in these proceedings is the 14 November 1997, the date of the application for registration. The opponent’s trade marks PENNYBLACK and PENNYPLUS have effect from dates earlier than the date of the application. They therefore qualify as “earlier trade marks” under Section 6 of the Act. Because the matter has to be determined at the relevant date, use by either side after the relevant date is, in principle, irrelevant to the outcome of this

opposition.

9. I approach the matter taking account of the following guidance from the European Court of Justice (ECJ) in Sabel BV v Puma AG (1998 RPC 199 at 224), Canon v MGM (1999 ETMR 1) and Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV (1999 ETMR 690 at 698) and Marca Mode CV v Addidas AG & Others (2000 ETMR 723):

- 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/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;
- 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 therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components;
- e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;
- f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it;
- g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2);
- h) but if the association between the marks results in a likelihood that the average consumer will wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the Section;
- i) A positive finding of a likelihood of confusion is required; even where the earlier mark enjoys a reputation with the public, it is not sufficient to find that confusion cannot be ruled out because of a likelihood of association.

10. Although the decisions of the ECJ call for a “global appreciation” of the likelihood of confusion it is clear from the wording of Section 5 of the Act that it is the similarities between the earlier and later trade marks coupled with the identity or similarity between the respective goods which is determinative of the likelihood of confusion. The existence of the applicants’ registration of the same mark in Class 3 is therefore irrelevant to the likelihood of confusion between the opponent’s registered marks in Classes 18 and 25 and the mark the applicants

now seek to register for goods in Class 18.

11. One of the applicants, Mr Jason David Aldridge, filed a witness statement in which he states that the PENNY BLACK plus device mark was “first used commercially in the UK in early 1997 and has been used continuously since that time”. It appears from the remainder of the witness statement and the exhibits thereto that the use referred to was in relation to fragrances and, more recently and on a smaller scale, watches. Further, the public launch of the applicants’ fragrance products actually occurred sometime during 1999 (after the relevant date), although there were earlier preparations for use within the trade. The result of this use cannot have tested whether there is a likelihood of confusion as a result of the applicants’ use of their PENNY BLACK plus device mark in relation to different goods, namely ‘bags, belts and wallets’. The applicants’ use of their mark in relation to ‘fragrances’ and ‘watches’ is therefore also irrelevant.

12. It is well established that the tribunal should consider what will happen if the applicants’ make normal and fair use of their trade mark in respect of all or any goods within the specification included in their application. No reliance should be placed on the distinguishing effect of added matter or the particular circumstances of the applicants’ business as means of avoiding confusion. The reason for this is that once a trade mark is registered, there is nothing to prevent the registered proprietor from using the mark in different ways to those envisaged at the time of the application. Further, a trade mark can be licensed to third parties or assigned altogether. Licensees and, particularly assignees, would not usually be bound by the applicants’ intentions at the time of the application.

13. Consequently, the fact that the applicants proposed to use their PENNY BLACK plus device trade mark in relation to “give away” bags in connection with their primary trade in fragrances, is also irrelevant. As is the fact that they intend to identify themselves as a British company in their promotional material (whereas the opponent is not a British company).

14. It is clear from the ECJ’s decision in the case of Lloyd Schuhfabrik Meyer and Co GmbH that the distinctiveness of the earlier mark is a relevant factor in assessing the likelihood of confusion and thus the scope of protection of the earlier trade marks. In that case the ECJ 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 has coming from a particular undertaking, and thus to distinguish those goods or service from those of other undertakings (see, to that effect, Judgement of May 4, 1999 in Joined Cases C/108/97 and C/109/97 Windsurfing Chiemsee v Huber Attenberger (1999) E.C.R. I/0000, paragraph 49).

23 - In making that assessment, accounts should be taken, in particular, of the inherent characteristics of the mark, including 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 marks; the proportion of the relevant section of the public of 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).”

15. The opponent’s PENNYBLACK mark is not descriptive of clothing, belts or of any of the other goods for which it is registered. It consists of the name of a famous historical stamp and its use as a trade mark for unconnected goods appears to me to imbue the mark with high distinctive character *per se*.

16. The opponent’s PENNYPLUS mark appears to me to be somewhat less distinctive. It is not descriptive of any of the goods for which it is registered but, considered in relation to clothing and bags etc, I believe that it is likely that the average consumer would take the mark as a female forename (rather than the name of the coin), conjoined with the word “Plus.” Female forenames are commonly used in the female clothing market and the suffix -PLUS is not particularly distinctive.

17. Has the distinctive character of these trade marks been significantly enhanced as a result of the opponent’s use of them? The opponent filed three declarations in evidence from Luigi Maramotti, who is Vice President of the opponent company. The opponent also filed a statutory declaration by Robert Paul Wilson, who is the Managing Director of Robert Danieli Limited. This company has been the opponent’s UK agent and distributor since 1982.

18. I have reviewed this evidence and I find as follows:

- a. The opponent’s PENNYBLACK mark was first used in the UK in 1983 and has been in continuous use in the UK since then;
- b. The use has been on a significant but not exceptional scale (bearing in mind the size of the clothing market); in the years 1994 to 1997 the opponent made between £600-700K worth of sales under the mark in the UK;
- c. There is evidence that the PENNYBLACK mark has been advertised in fashion magazines such as ELLE and MARIE CLAIRE since at least 1989;
- d. The PENNYBLACK mark has been used almost exclusively in relation to articles of clothing;
- e. There is also some evidence that the mark has been used on a very small scale in relation to belts for clothing;
- f. The PENNYPLUS mark was first used in the UK in 1998, after the relevant date in these proceedings.

19. My conclusions from this evidence are as follows:

- a) The distinctive character of the trade mark PENNYPLUS has not been enhanced by

any use of that mark in the UK prior to the relevant date;

b) The distinctive character of the trade mark PENNYBLACK had not been significantly enhanced by the unexceptional scale of use of the opponent's mark in the UK prior to the relevant date.

20. The latter point may not be highly significant because, as I have already noted, the trade mark PENNYBLACK has, in my view, a highly distinctive character *per se*.

21. With these findings in mind I turn to the comparison of the respective trade marks, starting with the opponent's PENNYPLUS trade mark. The mark is registered for goods which are substantially identical to the goods listed in the application under opposition. As far as the similarity between the respective marks is concerned, I note that, to the eye, although the effect of the device in the applicants' mark cannot be discounted, it is plainly subsidiary to the words PENNY BLACK. It is often said that in the case of composite trade marks "words speak louder than devices". That is definitely the case here.

22. The words PENNY BLACK and PENNYPLUS have a degree of visual similarity because they both start with the word PENNY. The similarity begins and ends there. There is no greater similarity to the ear. Conceptually, I find the marks to be very different. The applicants' mark is bound to bring to mind the name of the famous postage stamp. The mark PENNYPLUS has no discernable concept other than that it may bring to mind the name of someone called "Penny".

23. I have reached the clear view that, even considered in relation to identical goods, there is no likelihood of confusion between the marks PENNY BLACK plus device and PENNYPLUS. The visual, aural and conceptual differences between these marks outweighs the relatively limited visual and aural similarity. In reaching this conclusion I have not overlooked the possibility of confusion arising from defective recollection. However, I consider that the PENNY BLACK plus device mark is unlikely to be the subject of imperfect recollection because the name PENNY BLACK has such a clear conceptual identity.

24. Nor do I believe that the average consumer who is aware of the differences between these marks would be confused through association. I do not consider the common element in the trade marks (Penny) to be sufficiently distinctive to drive the average consumer to the expectation that any two marks containing this word must identify goods originating from the same undertaking.

25. The Section 5(2)(b) ground of opposition based upon the opponent's PENNYPLUS mark therefore fails.

26. The opponent's PENNYBLACK mark is a lot closer to the applicants' PENNY BLACK plus device mark. To the eye, the marks are virtually identical despite the presence of the "target" device in the applicants' mark. To the ear the marks are identical because the consumer is unlikely to give oral expression to the target device in the applicants' mark. Conceptually, the marks are also identical. The concept in both cases is clearly the name of the famous historical postage stamp. If these marks were used by unrelated undertakings for

identical goods, confusion would not only be likely, it would be inevitable. However, the goods at issue are not identical and the question I must therefore answer is whether the close similarity of the respective marks is sufficient, combined with any similarity between the respective goods, to give rise to a likelihood of confusion.

27. In this respect I note that in the case of Canon the ECJ stated that:

“22 - It is, however, important to stress that for the purposes of applying Article 4(1)(b), even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods and services covered. In contrast to Article 4(4)(a), which expressly refers to the situation where the goods or services are not similar, Article 4(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar.

23- 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 end users and their methods of use and whether they are in competition with each other or are complementary.”

28. The opponent’s earlier PENNYBLACK trade mark is registered for, *inter alia*, “articles of clothing for women”, a number of individual items of clothing and “belts”. The whole of the specification is qualified by the words “all included in Class 25”. At the date of the application for registration, the Registrar classified belts for use with clothing in Class 25.

29. The applicants’ seek registration of their mark for ‘bags, belts and wallets’. I note that these items were originally applied for in Class 25 and were transferred to the current application in Class 18 as a result of the examiner’s advice. It appears that, at the date of application, ‘leather shoulder belts’ were classified in Class 18. Belts for use with clothing were (and still are) classified in Class 25. I am therefore doubtful that the applicants were given the correct advice as far as the classification of “belts” is concerned.

30. Ms Lane submitted that the specification on the form of application as originally filed limited the applicants’ ‘bags, belts and wallets’ to goods in the nature of clothing accessories. The Class 25 specification was originally as follows:

“Clothing, headgear, footwear, accessories: bags, belts, wallets, key-rings, watches.”

31. I do not intend to attach any significance to the fact that the application was originally made in Class 25. The applicants are representing themselves and cannot be expected to be intimately familiar with the classification system. I am fortified in this view by the judgement of Laddie J in Altecnic Limited v Reliance Water Controls Limited, 20 November 2000, in which the learned Judge decided that the class or classes of an application cannot have a decisive bearing on the scope of protection sought. Further, although it is true that goods such as handbags and belts are classified as clothing accessories, the same description does not lend itself so readily to goods such as wallets, key-rings and watches. I therefore take the view that, on a fair reading of the applicants’ original specification, the ‘bags, belts and wallets’ that

ended up in the divisional application before me are not limited to clothing accessories.

32. The applicants' specification is not limited to goods "all included in Class 18" in the way that the opponent's earlier registration is so limited. When the applicant's applied to add class 18 to their original application they were doing so on the examiner's advice. The applicants plainly had no intention of limiting their claim to 'belts' to 'leather shoulder belts'. I do not therefore believe that it would be right to give any weight to the Registrar's classification of the applicant's claim for 'belts' in determining the identity or similarity between the respective goods. The applicants' 'belts' must therefore be regarded as identical to the 'belts' for which the earlier trade mark is protected in Class 25. Even if I am wrong about this, the respective goods must be considered to be at least very similar with the result that there is a likelihood of confusion if the respective marks are used normally and fairly in respect of 'belts'.

33. The next question is whether any of the goods in the opponent's Class 25 specification are similar to "bags" in the applicants' specification. The opponent relies upon the registration of its mark for clothing. It seems to me that the nature of clothing and bags is different, although they could be made from similar materials. A bag has a different purpose to an article of clothing. However, certain bags (in particular, handbags) are commonly sold through the same channels as articles of clothing. The users of such bags would be the same as the users of the clothing. No one would buy a bag as an alternative to an article of clothing, so the goods are clearly not in competition. However, certain types of bags (again mainly handbags) are designed to complement certain articles of clothing. As the opponent points out, these items are often sold as part of the same co-ordinated and matching range.

34. These considerations are not true of all types of bags. For example 'toiletry bags' are not commonly marketed on the basis that they co-ordinate with clothing. Nor would such bags usually be sold through the same trade outlets. I do not regard these types of bags as similar goods to clothing.

35. With this distinction in mind, I invited Mr and Mrs Aldridge at the hearing to specify the sorts of bags for which they actually sort protection for their trade mark. Mr Aldridge gave me the following list:

Toiletry bags, make-up bags, fragrance pouches, beach bags, travel bags, sports bags, record bags, CD bags and carrier bags.

36. It was obvious from what had already been said at the hearing, and Mr Aldridge accepted, that the applicants do not intend to use their mark in relation to a trade in carrier bags. The carrier bags upon which their trade mark will appear are merely used for the purpose of carrying the fragrances and other goods in respect of which the trade mark is to be used. I do not think that it would be right in these circumstances for me allow the applicants to amend their specification so as to specifically include 'carrier bags'.

37. Mr Aldridge also asked me to accept the application in respect of 'record bags' and 'compact disc bags'. I take these to be bags specifically adapted for carrying records or compact discs. I do not consider that the opponent's registration of PENNYBLACK in Class 25 provides any basis of objection to the registration of the mark for these goods because they

cannot be considered to be similar to the goods for which the earlier trade mark is protected. However, these goods do not fall within Class 18 according to the Registrar's current classification practice. These goods would be classified in Class 9 together with the CD's and records which they are adapted to carry. I understand that the Class 9 section of the original application has proceeded to registration. It is not therefore possible at this stage to transfer these goods to the Class 9 section of the original application. This is unfortunate but entirely the result of the applicants' lack of particularisation of the items listed in the original specification.

38. Of the remaining bags listed in the applicants' revised specification, Ms Lane objected to the registration of the mark in respect of 'travel bags', 'sports bags' and 'beach bags'. Ms Lane submitted that these are all properly classified as clothing accessories. In this respect she relied upon the opponent's registration of the mark PENNYBLACK in Class 25 in respect of articles of clothing and, in the case of 'beach bags', registration of the earlier mark for 'bathing suits'.

39. In making my assessment of the similarity of these goods, Ms Lane urged me to have regard to the evidence submitted by the opponent. Not surprisingly, the question of the weight to be attached to the evidence of trade and expert witnesses has been the subject of previous judicial comment. In Valucci Designs Limited v IPC Magazines Limited, 22 September 2000 (SRIS O/455/00), Mr Simon Thorley QC considered the weight to be attached to this sort of evidence. He stated:

"I have reminded myself as to the functions of an expert witness and particularly of the observations of Millett L.J. in the European Limited v Economist Newspaper Limited. [1998] FSR 283 at 291;

"The function of an expert witness is to instruct the Judge of those matters which he would not otherwise know but which it is material for him to know in order to give an informed decision on the question which he is called upon to determine. It is legitimate to recall evidence from persons skilled in a particular market to explain any special feature of that market of which the Judge might otherwise be ignorant and which might be relevant to the likelihood of confusion. It is not legitimate to call such witnesses merely in order to give their opinions whether the two marks are confusingly similar. They are experts in the market, not on confusing similarity in the end the question of confusing similarity is one for the Judge. He was bound to make up his own mind and not to leave the decision to the opinion of the witnesses."

Whilst that observation was made in relation to evidence as to confusion, it is important in this case on reputation as well in that it directs attention to the necessity to have regard to the expertise of the deponent in question so that the relevant Judge can be informed as to matters within the trade which he would otherwise be ignorant of. Weight can only be attached to an expert's opinion when it is an opinion which

a. Is based upon his experience

- b. *Is explained in sufficient detail so that the Court can comprehend the reason why the expert holds that opinion and can assess by reference to the explanation the weight that is to be attached to it.”*

40. Mr Robert Wilson is, I have already explained, the Managing Director of the company that has been the opponent’s UK distributor since 1982. The relevant parts of his evidence are as follows:

“ Clothing accessories have always been available in the PENNYBLACK range. Following on from the popularity of clothing accessories, it was decided to introduce a separate range of clothing accessories to be manufactured and sold under the label PENNYPLUS. The range of pieces sold under the trade mark PENNYPLUS has included belts, purses, bags, shoes, scarves and jewellery.

The importance of accessories to complement a clothing collection is evidence by the fact that the trade mark PENNYBLACK PLUS is now used by Max Mara Fashion Group S.r.l in relation to an expanded range of accessories and this is now produced and shown to me marked Exhibit RPW 1 a catalogue illustrating the accessories range for the United Kingdom for the year 2000. The accessories listed in the catalogue are as follows:

- Ž Parkers (2 styles)*
- Ž Belts with and without wallets (7 styles)*
- Ž **Handbags (23 styles)** (my emphasis)*
- Ž Shoes (23 styles)*
- Ž Scarves and wraps (20 styles)*
- Ž Jewellery, including necklaces and earrings (8 styles)*
- Ž Purses (2 styles)”*

41. Mr Wilson does not say how long he has personally been associated with the UK company. He claims that “clothing accessories have always been available in the PENNYBLACK range”. However, he does not say what clothing accessories were available before November 1997 (the relevant date of these proceedings). The only support for the claim is a small number of invoices for belts in Exhibit LM 3 to Mr Maramottis’ first declaration.

42. Mr Wilson further claims that “bags” have been sold being sold under the mark PENNYPLUS, but this claim is not particularised. The bags shown in exhibit RPW 1 under the mark PENNYBLACK PLUS (which I undersand to be a mark introduced after the relevant date) are all classified by Mr Wilson as “handbags.” I see nothing in Mr Wilson’s evidence which supports the proposition that ‘travel bags’, ‘sports bags’ or ‘beach bags’ should be considered to be clothing accessories.

43. Ms Lane invited me to attach weight to the evidence of Mr Maramotti, whose evidence goes somewhat further than that of Mr Wilson. He states:

“ Belts, handbags, brief cases, travelling bags and other types of bags, as well as wallets and purses are a natural extension to a fashion label. Many of the fashion

houses provide these goods under their trade marks and some examples of registrations in the United Kingdom provided by my United Kingdom Trade Mark Attorney are annexed and marked LM 4.”

44. Mr Maramotti appears to be based in Italy. His company's business in the UK appears to be conducted through a UK agent. There is no claim that Mr Maramotti himself has any relevant experience of the UK retail clothing market which would allow him to say that goods such as 'travel bags' and 'brief cases' are commonly sold along side clothing. He makes no such claim. What he says is that these goods, and the other goods he lists, are "a natural extension to a fashion label". The only reason he provides for believing this to be the case is the evidence of UK registrations of various well-known fashion marks in Classes 18 and 25.

45. Exhibit LM 4 contains details of registrations of trade marks such as VERSACE, ARMANI and DONNA KARAN, NEW YORK for a wide range of goods in Classes 18 and 25. Registration is not evidence of use. Thus the mere registration of these marks does not establish that they have been used in the United Kingdom in relation to the wide range of goods in Classes 18 and 25 for which they are registered.

46. Further, even if I were to accept that these marks have been used for the goods for which they are registered, I do not believe that this would assist the opponent in this case. There are no doubt a number of marks in the fashion trade that, whilst originating as a mark for a particular product, have become so well known that the proprietor has been able to diversify into a wide range of fashion goods. I take it that this is what Mr Maramotti means when he refers to a "fashion label". The opponent's PENNYBLACK mark is not in this category. Although it has been used for a significant length of time in the United Kingdom, and on a significant scale, the nature of the use has been almost entirely in relation to a range of clothes. There is some evidence that, prior to the relevant date, the opponent sold a small number of belts under the mark in the United Kingdom. However, the PENNYBLACK mark was, at the relevant date, overwhelmingly a trade mark for clothing. It was not a label under which a wide range of fashion goods had been sold or offered for sale.

47. The opponent may or may not be justified in considering itself to be a "fashion house." I understand that it has over 30 trade marks in use in the United Kingdom. Even if 'Max Mara' is a fashion house or fashion label, it does not necessarily follow that PENNYBLACK (or its other 30+ product marks) is a "fashion label". I do not accept that Mr Maramotti is justified in placing the mark PENNYBLACK in the same category as marks such as VERSACE and ARMANI.

48. There is a further point. In most cases expert witnesses are independent of the parties. In this case, the "expert" witnesses are an officer of the opponent company and the Managing Director of its UK distributor. For reasons which I believe to be obvious, the evidence of such witnesses should be given less weight than the evidence of an independent witness. I am prepared to accept some of the evidence of Mr Wilson in so far as he explains the sorts of goods sold as accessories to the opponent's PENNYBLACK clothing ranges. I have no difficulty in doing so because the sort of goods he particularises as clothing accessories (and which are relevant for the purposes of this case) are goods which I myself, based upon my own experience, would also have regarded as clothing accessories. I do not accept that Mr

Maramotti's evidence is sufficient for me to conclude that 'brief cases' or 'travelling bags' are properly classified as clothing accessories or are a natural extension of a trade in clothing.

49. I therefore propose to determine the similarity between 'travel bags', 'sports bags', 'beach bags' on the one hand, and articles of clothing on the other, by reference to my own experience. I understand a 'sports bag' to be a bag usually made of man-made materials in the nature of a holdall and used for carrying sports gear.

50. In my view, 'travel bags', 'sports bags' and 'beach bags' are different in nature to clothing. The respective uses are different although the users may be the same. There is no evidence that the goods are complementary. For example, there is nothing to suggest that it is usual for traders to offer travel bags, sports bags or beach bags that co-ordinate with articles of clothing in the way that handbags often do.

51. I would not normally expect to find a such bags for sale in a clothing shop. Ms Lane invited me to adopt what she called the "Selfridges test". She invited me to consider the average consumer's reaction to the sale of bags and clothing under the respective PENNYBLACK and PENNY BLACK plus device marks in a store such as Selfridges. I do not believe that it is appropriate to consider the range of goods that would normally be stocked by a department store in assessing whether particular goods share the same trade channels. Department stores stock an enormous range of products which, as the name suggests, are usually grouped together in the various departments within the store. If I am right so far I would not expect to find 'travel bags', 'sports bags' or 'beach bags' in the same section of a department store as clothing. Even in the case of a specialist sports shop, I would not expect to find 'sports bags' and 'sports clothing' on sale on adjacent shelves or in the same section of the store.

52. I do not therefore consider that 'travel bags', 'sports bags' or 'beach bags' are similar goods to articles of clothing (including bathing suits). The section 5(2)(b) ground of opposition cannot therefore succeed in relation to these goods.

53. Ms Lane submitted that 'wallets' were similar goods to articles of clothing and/or belts. Mr Wilson gives evidence that the opponent now markets a range of belts "with and without wallets". These are belts with money holding pouches. Are these goods covered by the opponent's registration of PENNYBLACK in Class 25? As I have already indicated, the opponent's registration in Class 25 is limited by the words "all included in Class 25". Although the classes listed in the form of application may not be decisive of the scope of protection sought, where a mark is registered with a qualification of this type the scope of protection is determined not only by the items listed in the specification but also by the goods the Registrar deemed appropriate to that Class at the relevant date - see Jacob J's comments in TREAT [1996] RPC Page 281.

54. The Registrar's practice at the relevant date was to classify belts in the nature of clothing in Class 25 whereas certain other belts fell in Class 18. Accordingly, a trouser belt with a built in pouch for storing money would have fallen in Class 25 at the relevant date (assuming such goods existed in 1989). It is debatable whether such goods are covered by the simple description 'belts'. Words in specifications should be given a meaning consistent with ordinary

language: Beautimatic v Mitchell (2000) FSR 267. I would not expect someone describing a belt with a built-in wallet to describe it simply as a 'belt'. Further, if one asked for a 'belt' solus one would not expect to be offered a belt with a built-in wallet. The issue is not clear cut but I think my starting point must be that the belts for which the earlier trade mark is protected are the sort of goods one would normally describe just as a 'belt'. To take the other view would result in a finding of similarity based upon a feature of belts that are not usual in those goods (in the UK at least) and which are not mentioned in the description of the item in the earlier registration.

55. The purposes of 'wallets' and (ordinary) 'belts' is plainly different. These goods are not complementary nor are they in competition with each other. The uses are different but the users of the respective goods is likely to be the same. The goods are similar in nature in the sense that they could both be categorised as 'leather goods'. I would not be surprised to find wallets for sale in a clothing shop and I would expect to find small leather articles such as belts and wallets being sold side by side in shops specialising in the sale of leather goods. The similarity between the respective goods is relatively slight.

56. In most cases the degree of similarity would not be enough to justify an adverse finding under section 5(2) of the Act, but as the ECJ makes clear in Canon, the closer the marks the less similarity required between the respective goods to bring about a likelihood of confusion. Further, the more distinctive the earlier mark the greater the likelihood of confusion. Viewed through the eyes of the average consumer, the marks at issue here are virtually identical and share a relatively high distinctive character. In these circumstances I have, not without some hesitation, come to the conclusion that the similarity between 'wallets' and 'belts' is sufficient to conclude that there is a likelihood of confusion, attributable in part to similarities between the goods.

57. The section 5(2) objection therefore succeeds in respect of 'belts' and 'wallets' but fails in respect of 'travel bags', 'sports bags' and 'beach bags'.

Section 5(4)(a)]

58. I go on to consider the grounds of opposition under Section 5(4)(a) of the Act, which is as follows:

"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,

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."

59. The test to be applied is well established and was summarised by Mr Geoffrey Hobbs QC in WILD CHILD [1998] RPC 455. In order to succeed with an objection brought under this heading the opponent must show that, at the relevant date, it enjoyed a goodwill identified by

a distinctive indicia, that use of the mark applied for would have amounted to a misrepresentation (whether or not intentional) by the applicants resulting in damage to the goodwill of the opponent.

60. The opponent has established that it enjoyed a goodwill in the United Kingdom under the mark PENNYBLACK at the relevant date. At that date the mark was distinctive of the opponent's clothing. There is also some evidence in Exhibit LM 3 to Mr Maramotti's declaration that the opponent sold a small number of belts under the trade mark prior to the relevant date.

61. Ms Lane sought to persuade me that the copies of invoices which make up Exhibit LM 3 also supported the opponent's claim to have conducted a trade in handbags under the mark prior to the relevant date. However, she was only able to identify a single invoice dated 31 August 1992 for handbags. Unfortunately the invoice in question was copied in such a way as to obscure the code used by the opponent which signified the trade mark used in relation to the handbags. As the opponent accepts that it uses over 30 different trade marks in the UK, it is not established that the opponent had any trade in handbags under the mark prior to the relevant date. Even if it did, it was obviously just a very minor adjunct to its trade in clothing.

62. Ms Lane submitted that, in the event that I found that goods such as 'travel bags', 'sports bags' and 'beach bags' were not "similar" to the clothing items for which the earlier trade mark is registered, I should nevertheless find for the opponent under Section 5(4)(a). Ms Lane pointed out that there is no legal requirement in passing-off cases for the parties to operate in the same field of activity: Lego System Aktielskab and Another v Lego M. Lemelstrich Limited [1983] FSR 155. I accept this, but where the respective fields of activity are different the burden on the opponent/claimant to demonstrate that use of the later mark will result in a misrepresentation is that much greater.

63. In the recent case of South Cone Incorporated v Jack Bessant, Dominic Green-Smith, Kenwy Gary Stringer, 16 May 2001, Pumfrey J. stated that:

"There is one major problem in assessing a passing-off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case where this ground of opposition is raised the Registrar is entitled to be presented with evidence which should at least raise as a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (see Smith Hayden (OVAX) [1946] 63 RPC 97 as qualified by BALI [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on."

64. In the Lego case there was extensive evidence that the plaintiff's reputation extended to the goods of the defendant. There is no persuasive evidence before me that the opponent's reputation would extend to 'travel bags', 'sports bags' or 'beach bags'. In this connection I note that the opponent has no established reputation under the mark for sports clothing or

bathing suits. I do not think it is self-evident that the opponent's reputation under the PENNYBLACK is on such a scale that it would naturally extend to goods which I have found to be dissimilar to articles of clothing. I conclude that the opponent has no better case under Section 5(4)(a) than it has under Section 5(2)(b) of the Act.

65. The application can therefore proceed in Class 18 for a specification limited to:

Toiletry bags, make-up bags, fragrance pouches, beach bags, sports bags and travel bags.

66. If the applicants' wish the application to proceed for this limited specification they should file a form TM 21 within one month of the end of the period allowed for appeal of this decision limiting their application to the goods listed above. If they do not do so the application will be refused in full.

Costs

67. The opposition has succeeded in respect of 'belts' and 'wallets'. but has failed in respect of the restricted list of bags put forward at the hearing. Overall the opponent has been more successful than the applicants. However, I have taken into account the fact that the applicants were only given details of the opponent's registrations a day or so before the hearing. This basic information should have been provided much earlier, either with the Notice of Opposition or, at the very least, within the opponent's evidence- in-chief. The result appears to have been that the applicants were not aware that the opponent's mark was registered for 'belts' until just before the hearing. As the registration of the opponent's PENNYBLACK for 'belts' has played a significant part in the outcome of the opposition, I do not think that it would be appropriate to make an award of costs in the opponent's favour. Accordingly, I have decided that each party should bear their own costs.

Dated this 25th Day of September 2001

**Allan James
For the Registrar
The Comptroller General**