

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2239210  
BY STYLEWISE (UK) LTD  
TO REGISTER THE TRADE MARK:**



**IN  
CLASS 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No 51743  
BY BERLUTI SA  
BASED UPON THE EARLIER TRADE MARK:  
BERLUTI**

**TRADE MARKS ACT 1994**  
**IN THE MATTER OF application no 2239210**  
**by Stylewise (UK) Ltd**  
**to register the trade mark:**



**in class 25**

**and**

**IN THE MATTER OF opposition thereto under no 51743**  
**by Berluti SA**

**Background**

1) On 13 July 2000 Stylewise (UK) Ltd applied to register the above trade mark. The application was published on 6 September 2000 with the following specification:

*ladies/mens jumpers, trousers, t-shirts, jackets, shirts, shorts, sweatshirts, blouses, skirts*

The goods are in class 25 of the International Classification of Goods and Services.

2) On 17 November 2000 Berluti SA filed a notice of opposition to this application.

3) The opponent is the proprietor of Community trade mark registration no 479683 for the trade mark **BERLUTI**. This trade mark is registered, inter alia, in respect of the following goods:

*clothing, in particular braces, clothing gloves, clothing belts; footwear, in particular boots, half-boots, shoes, sandals, soles for footwear, boot uppers, uppers and welts for footwear, tips and fittings of metal for footwear; headgear for wear.*

The above goods are in class 25 of the International Classification of Goods and Services. The registration also includes goods in classes 3, 18, 21 and 34 of the International Classification of Goods and Services. The opponent's trade mark was filed on 23 February 1998 and registered on 27 July 1998.

4) The opponent states that the respective trade marks are similar and encompass identical goods and, therefore, there is a likelihood of confusion. Consequently, registration of the trade mark in suit would be contrary to section 5(2)(b) of the Act. The opponent seeks an award of costs.

5) The applicant filed a counterstatement in which the ground of opposition is denied. He states that the respective goods are different. He states that the respective trade marks will be pronounced differently. He also seeks an award of costs.

6) Only the opponent filed evidence. After the completion of the evidence rounds the parties were advised that it was considered that a decision could be made without a hearing.

However, the parties were advised that they retained their right to a hearing. Neither party requested a hearing so I will make a decision after a careful study of the papers.

### **Opponent's evidence**

7) The opponent furnished various witness statements in relation to the use of the trade mark BERLUTI. Berluti make and sell men's shoes. Berluti is at the very top end of the market. Ready-to-wear shoes start at around £320 and bespoke shoes go up to £1500. The business was begun in 1895 in Paris by Alessandro Berluti. It continued working from its sole premises in Paris until May 1998. In that month a shop was opened in Conduit Street in London. Berluti only supplies shoes from its two shops. It is currently part of the LVMH group, which owns such brands as Louis Vuitton, Moët and Hennessy. BERLUTI shoes have been the subject of various articles in the British press and have been advertised in certain periodicals and newspapers. All the evidence points to a very expensive brand which cultivates an elite and to some extent eccentric image. To certain of the very wealthy and style conscious, as well as its customers, BERLUTI will no doubt be known. There is, however, nothing in the evidence to suggest that BERLUTI shoes would be known to many of the male population at large; the male population at large, of course, by shoes. There is nothing in the evidence to suggest to me that the brand enjoys the sort of general fame that expensive brands such as Louis Vuitton and Versace enjoy; brands that can be afforded by few but are still known by many, like Rolls Royce. In his statement Mr DeBelle de Montby states that for the years 1998, 1999 and 2000 the annual average spending on advertising was £47,000. In the two years before the filing of the application in suit, 1998 and 1999, the total sales were £209,439 and £410,700 respectively. Mr DeBelle de Montby states that sales for the year 2000 exceeded £575,000. There is no indication of how much of this figure relates to the period prior to 13 July 2000.

8) The opponent included in his evidence witness statements, by Rachel Lubbock, Timothy Clarke and Frank Spurrell, where the persons expressed a view as to the likelihood of confusion. As Millett LJ stated in *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 expert witnesses "are experts in the market, not on confusing similarity". He also stated: "In the end the question of confusing similarity was one for the judge. He was bound to make up his own mind and not leave the decision to the opinion of the witnesses". In so far as the evidence of the opponent goes to the issue of likelihood of confusion I take no cognisance of the opinions of the witnesses of the opponent. Ms Lubbock, Mr Clarke and Mr Spurrell also stated, as expert witnesses I presume, that it is not unusual in the United Kingdom for proprietors of luxury brands to sell both clothing and footwear bearing their brand name.

### **Submissions of the opponent**

9) The opponent states that the assessment of the likelihood of confusion requires a global assessment. He states that the average consumer for the goods in question will be the prospective purchaser of clothing items. The opponent states that there is nothing to suggest that the applicant's goods are intended for sale to specialist customers whose level of knowledge will be higher than the average.

10) The opponent states that there is a high degree of visual and phonetic similarity between

the respective trade marks. He states that in oral use that the emphasis is likely to be at the beginning of the trade mark and the ending is likely to be slurred. The opponent states that both trade marks are surnames but that their surname meaning is not likely to be obvious to the average consumer, since they are both foreign words. He states that, consequently, the consumer is not likely to be able to distinguish the two trade marks by reference to their respective meanings. He states that there is a strong likelihood that confusion will arise between the two trade marks, taking into account imperfect recollection and the fact that the trade marks will not be seen side-by-side in most situations.

11) The opponent states that his reputation should be taken into account. He states that although the specification of his registration lists specific items of clothing it is registered for clothing at large. He states that the respective goods are identical.

12) The opponent states that the onus lies with the applicant to demonstrate why the application in issue should be accepted. The opponent states that he “has been put to considerable expense in compiling its evidence to support its opposition to this application and submits that an aggravated award of costs in these proceedings is appropriate”.

### **Applicant’s submission**

13) The applicant submits that when the public or trade see both labels side by side it will be evident that the respective trade marks are not related. He also states that the respective product range is totally different.

### **Preliminary issue**

14) In his submissions the opponent submitted that the onus in these proceedings rests on the applicant. This is not the case. Under the 1994 Act the onus in opposition proceedings lays with the opponent. Mr Simon Thorley QC, sitting as the appointed person, stated in *React Trade Mark* [2000] RPC 285:

“The burden of proof in an opposition such as this lies on the opponent. It is for the opponent to show that the relevant likelihood of confusion exists.”

The applicant can be passive and do nothing, it is for the opponent to prove his case. Quite often passivity is the only realistic course of action for the applicant as he may well have no relevant evidence to file.

### **Likelihood of confusion**

15) Section 5(2)(b) of the Trade Marks Act 1994 states that a trade mark shall not be registered if because:

“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.”

16) Section 6(1)(a) of the Act defines an earlier trade mark as:

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

17) The trade mark upon which the opponent relies falls within the parameters of section 6(1)(a) and is, therefore, an earlier trade mark.

18) In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG* page 224, 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; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* page 84, paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG* page 224;
- (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; *Sabel BV v Puma AG* page 224;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* page 132, paragraph 17;
- (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; *Sabel BV v Puma AG* page 224.

## Comparison of goods

19) The goods encompassed by the respective trade marks are as follows:

### Earlier registration

*clothing, in particular braces, clothing gloves, clothing belts; footwear, in particular boots, half-boots, shoes, sandals, soles for footwear, boot uppers, uppers and welts for footwear, tips and fittings of metal for footwear; headgear for wear*

### Application in suit

*ladies/mens jumpers, trousers, t-shirts, jackets, shirts, shorts, sweatshirts, blouses, skirts*

20) The specification of the earlier registration includes clothing at large. The use of the phrase “in particular” does not limit the specification to the itemised goods. All the goods of the application in suit are articles of clothing. The goods of the specification of the earlier registration must, therefore, encompass all the goods of the application in suit.

**21) Consequently, the respective goods are identical.**

## Comparison of signs

22) The signs to be compared are:

### Earlier registration:

**BERLUTI**

### Trade mark in suit:



23) The trade mark in suit appears to be in the form of a clothing label. I am of the view that in this case nothing turns upon this. The trade mark is to all intents and purposes a berlucci trade mark.

24) From the history of the opponent I know that BERLUTI is an Italian surname. Without this knowledge I would have presumed it was. It has the “flavour” of an Italian surname. The trade mark in suit also gives me the impression of an Italian surname. In my experience companies in the clothing field often give themselves Italian sounding names, even when they have no link to Italy. I believe that the average consumer is likely to consider both trade marks to be Italian surnames. Consequently they have a similar conceptual association. The consumer is readily able to differentiate between surnames that he knows through experience e.g. James and Jones. However, for foreign surnames, which are not famous, he has no basis for a clear discrimination between them. In this case I am of the view that the average consumer will simply have the “flavour” of an Italian surname.

25) The earlier registration is likely to be pronounced BUR- LOO-TEA. The trade mark in suit has two likely pronunciations: BUR-LOO-KEA or BUR-LOO-CHEA. Both trade marks commence with the same two syllables and end with the same vowel sound. The sole difference lays with the letters “t” and “cc”. It was established under the 1938 Act that the beginnings of words are more important in assessing similarity than the ends (*TRIPCASTROID* 42 RPC 264 at page 279). People tend to emphasise the beginning of words

and slur the ends. I consider that this is a reflection of human behaviour and so is not an issue that changes because of a change in trade mark acts. Therefore, it seems to me that this view is equally valid under the 1994 Act. It is also a position that the Community Trade Mark Office follows, for instance in decision no 1126/2000 - Official Journal 10/2000 at page 1506. Phonetically I consider that the respective trade marks are very similar.

26) The trade mark in suit is in lower case, the registration of the opponent in upper case. I consider that normal and fair use of the earlier trade mark will include use in title case and lower case. In a visual comparison of the respective trade marks, therefore, I believe that little turns upon the issue of the cases in which the respective trade marks are written. The trade mark in suit, as I stated above, appears to be in the form of a label. However, I feel that it is very much a word mark and so consider that little turns upon this. To all intents and purposes I believe that the visual comparison is between two word marks. The sole difference, word wise, between the two trade marks is the letters “cc” and “t”. Consumers seldom have the opportunity to compare trade marks side by side; they rely on their memories and so are prey to imperfect recollection. In this case the only conceptual “hook” upon which the consumer can hang onto is that of an Italian sounding surname, something that both trade marks share. Taking into account these factors I consider that the respective trade marks are visually similar.

**27) Consequent upon the above I find that the respective trade marks are similar; indeed, in my view, they are similar to a high degree.**

## **Conclusion**

28) The Trade Marks Act 1994, amongst other things, put into effect in the United Kingdom the European Union’s directive on trade marks. Consequently, the decisions of the European Court of Justice are binding upon me and are the ultimate form of authority upon which I rely.

29) I follow the position in *React Trade Mark* [2000] RPC 285 at page 288 and approach the issue of likelihood of confusion on the basis of a notional and fair use of the earlier registration, and then to compare that with a notional and fair use of the application in suit. I have to consider not only the goods upon which the opponent has used his trade mark but all those which are encompassed by his registration. That registration includes clothing at large and so includes all the goods of the application in suit.

30) In making a global assessment of the likelihood of confusion, according to the European Court of Justice, I need to take into account the following factors:

- that the average consumer is circumspect but seldom has the chance to compare trade marks side by side
- the nature of the goods – how careful and educated will be the purchasing decision
- whether the earlier trade mark is particularly distinctive either by nature or owing to the use that has been made of it
- the interdependency of goods and signs – a lesser degree of similarity between goods can be offset by a higher degree of similarity between signs and vice versa

31) In my experience clothing is usually purchased with some care; people are very brand conscious nowadays. The purchaser of clothing normally relies on his eyes to identify the brand, looking at the label. If he is ordering the clothing from a catalogue, rather than buying

it from a shop, he will still identify the trade mark visually. The oral impact of trade marks is, I believe, in relation to clothing far less important than the visual impact.

32) The trade mark BERLUTI does not allude to the goods encompassed by it. It may be an Italian surname but this does not make it inherently lacking in distinctiveness in the United Kingdom. To the average consumer I cannot see that it will be seen as anything other than a trade mark. It enjoys, in my view, a high degree of inherent distinctiveness.

33) The opponent has laid claim to a reputation to assist him. I have to consider this claim within the clothing and shoe market as a whole. As I have indicated in paragraph seven I do not consider that the trade mark of the opponent can claim to have a reputation which would assist him in relation to the issue of likelihood of confusion. He has a small and elite business. Both his advertising and turnover figures are, in the context of the industry, small. If he did have a reputation I do not see in this context of this case how this would assist him. I refer to my findings in decision BL 0/059/02 in relation to this issue of reputation:

“In *Sabel BV v. Puma AG* [1998] R.P.C. 199 the European Court of Justice held that:

“In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact the two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public.”

The judgement does not state that one can add additionally to the already particularly distinctive; it uses “either” and “or”. Under *Sabel* where a trade mark is particularly distinctive the reputation is not going to add anything to the consideration of likelihood of confusion. Reputation can make a mark distinctive where it was not before. Where a trade mark is particularly distinctive the reputation is not going to add anything to the equation. It strikes me that this interpretation is semantically correct as well as being logical. If the trade mark does not have a particularly distinctive character the public will differentiate between it and other trade marks by small differences. However, where the trade mark without nurture is not particularly distinctive it can develop and obtain a particularly distinctive character owing to its reputation. Consequently the natural reaction to focus on small differences falls away as the public see the trade mark, through its reputation, as a distinctive trade mark of the proprietor. Reputation can lead the public to see a trade mark as an indicator of the goods or services of one proprietor and one proprietor only despite a limited inherent distinctiveness; reputation can bring the trade mark, which before use only whispers its name, to shout “I am the goods of this particular proprietor”. The reputation is the alchemist that turns base metal into gold. A particularly distinctive trade mark is already gold, it does not need the alchemist’s art. This is the position as I see it in *Sabel*.

However, in *Canon* the European Court of Justice whilst approving the above finding from *Sabel* found that reputation could have a wider effect upon the global appreciation. The court stated that:

“the distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account when determining whether the similarity between the goods or



services covered by the two trade marks is sufficient to give rise to the likelihood of confusion.””

34) Identical goods are involved in this case, so reputation cannot assist the opponent as per *Canon*. I do not see that the trade mark of the opponent needs any assistance to fulfil its job as a trade mark, so reputation does not assist it as per *Sabel*. The opponent did not prove that he had a relevant reputation but if he had it would have been to no purpose in this case.

35) Ultimately this case rests on very simple issues. The goods are identical, the trade marks are highly similar, the public rely on imperfect recollection rather than comparing trade marks directly. **I have no doubt that there is a likelihood of confusion. The application is refused in its entirety.**

### **Costs**

36) The opponent requests aggravated costs. This request is founded on two bases. Firstly, he states that the onus is on the applicant in opposition proceedings and that the applicant has done nothing. As I pointed out this is incorrect. The onus lays with the opponent and the applicant does not have to do anything.

37) The opponent comments on the considerable expense in compiling the evidence. However, the evidence served no purpose and was not likely to do so. This is a straightforward case which did not require evidence. The evidence which the opponent compiled attempts to show that he enjoys a reputation. It fails to do so. As there was no necessity to file evidence and the evidence which was filed served no purpose I will not award any costs in relation to this evidence. Otherwise I see nothing special in this case that suggests that I should not follow the published scale of costs.

**38) The opponent having been successful is entitled to a contribution towards his costs and I therefore order the applicant to pay him the sum of £700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.**

**Dated this 14<sup>th</sup> day of October 2002**

**D.W.Landau  
For the Registrar  
the Comptroller-General**