

O-117-05

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2346146  
BY XIAOQIAN YU  
TO REGISTER A TRADE MARK IN CLASS 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 92341  
BY INTERNATIONAL STARS S.A.**

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by Xiaoqian Yu to register a Trade Mark in Class 25**

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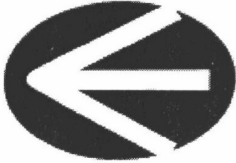
**BACKGROUND**

1. On 29 October 2003 Xiaoqian Yu applied to register the following trade mark in Class 25 for a specification of “Clothing, footwear, headgear” –



2. The application was subsequently published in the Trade Marks Journal and on 5 March 2004 International Stars S.A. filed a Notice of Opposition under Section 5(2)(b) of the Act on the grounds that the mark applied for is similar to the following earlier trade marks owned by the opponent which cover identical or similar goods and there exists a likelihood of confusion on the part of the public –

<b>Trade Mark No.</b>	<b>Mark</b>	<b>Date Registration Effective</b>	<b>Relevant Specification of goods</b>
United Kingdom Registration No. 1137360	ENERGY	18 July 1980	<b>Class 25:</b> Articles of outerclothing; knitted articles of clothing; but not including tights, leotards, stockings, socks or pantyhose, or any goods of the same description as any of these excluded goods.

<p>European Community Registration No. 444026</p>		<p>9 January 1997</p>	<p><b>Class 25:</b> Clothing, footwear, headgear.</p>
<p>European Community Application No. 2993160</p>		<p>23 December 2002</p>	<p><b>Class 25:</b> Clothing, headgear and footwear.</p>
<p>United Kingdom Registration No. 2169441</p>	<p>ENERGY TOPDECKS</p>	<p>15 June 1998</p>	<p><b>Class 25:</b> Dress coats, trousers, over coats, half coats, rain coats, mantles, jeans, blouses, jumpers, cardigans, sport shirts, polo shirts, suits, skirts, jackets, blazers, shorts, sweaters, T-shirts, socks, gloves, hats and caps, belts; shoes, boots, slippers and sandals; articles of outerclothing, footwear, headgear; but not including hosiery, pantyhose, tights and stockings and similar goods.</p>

3. The applicant filed a Counterstatement denying the grounds of opposition. While the applicant admits that the respective goods are identical or similar, it denies that the trade marks are similar.

4. The opponent did not file evidence and the applicant's evidence is in the form of a witness statement by Mitchell Willmott dated 2 November 2004. Both parties have asked for an award of costs in their favour.

5. The matter came to be heard on 6 April 2005 when the applicant was represented by Mr Willmott of The Trade Marks Bureau and the opponent by Mr Hodgkinson of Marks & Clerk.

#### **APPLICANT'S EVIDENCE**

6. Mr Willmott is the trade mark consultant employed by The Trade Marks Bureau (the applicant's advisors in these proceedings).

7. Mr Willmott explains that the applicant has not used the mark applied for prior to the relevant date for these proceedings (29 October 2003) and he adds that, as the opponent has not filed any evidence of use, the Registrar has only the prima facie case to consider. He draws attention to the examination report issued on behalf of the Registrar and the Preliminary Indication letter of the Hearing Officer.

8. The applicant contends that the overall impression of the respective trade marks is distinctively different so that the average consumer is unlikely to confuse and associate the trade marks in question.

9. Mr Willmott submits that it is not uncommon for the letter 'E' to be used in a particular stylisation in respect to clothing, footwear and headgear and in support he refers to Exhibit MW1 to his statement, which, he states, shows that different stylised representations of the letter 'E' have been accepted for registration by the UK Trade Marks Registry and the OHIM in respect of the relevant goods.

10. Mr Willmott goes on to refer to Exhibit MW2 to his statement, a search report that was also completed on the Marquesa Trade Mark Search System that consists of existing trade marks that contain the term ENERGY or ENERGI that have been accepted for registration by the UK Trade Marks Registry and the OHIM in respect of clothing and/or footwear and headgear.

11. Mr Willmott concludes that the average customer for the goods will have already come into contact with other trade marks that contain the word ENERGY/ENERGI or the letter 'E'. He contends that the word ENERGY/ENERGI does not possess a high distinctive threshold and the respective letter "E"s need to be considered with regard to their particular stylisations rather than with regard to the letter "E" at large, as single letter marks without any degree of stylisation are not distinctive.

12. Mr Willmott submits that after taking into account that the common elements between the marks have a lesser distinctive character, the overall impression is sufficiently different to enable the average consumer to distinguish the marks, thus avoiding the likelihood of confusion and association.

13. This completes my summary of the evidence filed in this case. I turn now to the decision.

## DECISION

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

“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.”

15. An earlier right is defined in Section 6, the relevant parts state:

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

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

16. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

17. 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*;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, 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 B.V.*;
- (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*;
- (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*;

- (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*;
- (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*;
- (g) account should be taken 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 was registered; *Lloyd*;
- (h) 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); *Sabel BV v. Puma AG*;
- (i) but if the association between the marks causes the public to 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; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*.

18. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my considerations on whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. As I have no evidence to demonstrate use of the respective marks in the UK in relation to the relevant goods, I must compare the mark applied for and the opponent's registrations on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods covered within the respective specifications.

19. The applicant in its evidence and at the hearing drew attention to the examination report issued on behalf of the Registrar prior to the advertisement of the mark in suit, and also the preliminary indication letter of the Registrar's hearing officer which was issued following the filing of the opposition. However, these are, of course, no assistance in the current proceedings. I must consider the matter afresh in light of the evidence and submissions before me.

20. In its evidence the applicant has also drawn attention to search reports regarding different stylised representations of the letter "E" and also marks containing the term ENERGY or ENERGI, which have been accepted by the UK Registry and the OHIM in respect of the relevant goods. However, these are different marks from that applied for and no evidence has been filed to demonstrate use of these marks. This amounts to no more than 'state of the register' information. I am not assisted by this evidence and I am guided on this point by the following comments of Mr Justice Jacob as he then was in *British Sugar Plc v. James Robertson & Sons Ltd* [1996] RPC 281:

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

21. My decision involves a comparison of the applicant’s and opponent’s particular marks and must be made on its own merits.
22. I turn to a consideration of the respective goods covered by the application in suit and the opponent’s earlier registrations. The applicant has sensibly conceded that the goods of the application are identical or similar to those goods encompassed within all of the earlier marks cited by the opponent. It is obvious that the relevant goods are identical or closely similar.
23. Next, the comparison of the respective marks. At the hearing, Mr Hodkinson, on behalf of the opponent, made it clear that he believed the opponent’s strongest case to rest with its UK registration numbers 1137360 and 2169441 for the marks ENERGY and ENERGY TOPDECKS respectively. I agree and for practical purposes I shall limit the mark comparison accordingly.
24. The mark in suit consists of a highly stylised letter ‘e’ device above the obvious dictionary words ENERGY ZONE. The opponent’s “best case” registrations (see above) comprise the obvious dictionary word ENERGY (solus) and the words ENERGY TOPDECKS - the word TOPDECKS not comprising a dictionary word in its own right, but being a combination of the well-known words TOP and DECK. While the opponent’s earlier marks consist of an obvious dictionary word or a combination of dictionary words, they are fully distinctive in relation to the relevant goods and warrant a good penumbra of protection.
25. The guiding authorities make it clear that I must compare the marks as a whole and by reference to overall impressions. However, as recognised in *Sabel B.V. v. Puma A.G.* (mentioned earlier in this decision) in my comparison, reference will inevitably be made to the distinctiveness and dominance of individual elements. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how the marks would be perceived by customers in the normal course and circumstances of trade. I must bear this in mind when making the comparisons.
26. At the hearing Mr Hodkinson submitted that the dominant distinctive element of the respective marks is the word ENERGY. In particular, he submitted that the device element in the applicant’s mark was purely subordinate and that the word ZONE adds nothing to the underlying concept of the mark and does not give it a different sense. In support, Mr Hodkinson drew attention to the Court of First Instance decision of 6 October 2004 in joined cases T117/03 to T119/03 and T171/03: *New Look Ltd v. OHIM* which, he stated, supported the view that it is common for clothing to be sold under “sub-brands” and that both mark words ZONE and TOPDECKS would be seen as sub-brands of ENERGY. However,

regarding the Court of First Instance decision it is obvious that the “sub-brands” under consideration in that case were mere descriptions eg “SPORT”, “JEANS” and “COLLECTION”. It seems to me that neither the words ZONE, nor TOPDECKS fall into that category. Indeed, the word ZONE in the applicant’s mark is a distinctive element.

27. On behalf of the applicant, Mr Willmott drew my attention to the decision of Mr Hobbs Q.C., the Appointed Person in Cardinal Place (BL O/339/04), in which it was stated that the word PLACE had a qualifying effect on the word CARDINAL, so that CARDINAL PLACE had locational perceptions and recollections, as opposed to the word CARDINAL which, in itself, has ecclesiastical perceptions and recollections. Mr Willmott submitted that the additional word ZONE within the mark in suit, had an important qualifying effect. However, it was conceded at the hearing that the words ENERGY ZONE, in combination, do not possess any obvious perception.

28. I go to a visual comparison of the respective marks. As mentioned above, the applicant’s mark contains additional distinctive elements to the opponent’s earlier marks. Nevertheless, it seems to me that the word ENERGY is highly prominent and arguably dominant within all marks. It is, of course, the only element within registration number 1137360. This common element (the word ENERGY) is obvious to the eye and is also fully distinctive in relation to the opponent’s goods. Furthermore, the combinations E ENERGY ZONE, ENERGY ZONE and ENERGY TOPDECKS do not have any obvious perceptions or recollections which would strike the customer and draw his/her attention away from the perceptions or recollections of the word ENERGY. In my view there is overall visual similarity between the respective trade marks in their totalities.

29. In relation to the aural comparison of trade marks used in respect of articles of clothing, I agree with the view expressed by the Registrar’s hearing officer in the matter opposition thereto by Update Clothing Limited under number 45787 (BL O/258/98) when he said:

“There is no evidence to support Ms Clarke’s submission that, in the absence of any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection of goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely *primarily* on visual means to identify the trade origin of clothing, although I would not go so far as to say that aural means of identification are not relied upon”.

30. This view was supported on appeal to the appointed person *REACT Trade Mark* [2000] 8 RPC 285 lines 22 to 26) and in the CFI decision *New Look v. OHIM* (mentioned earlier) at paragraph 50 which states:

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



31. The above views are, in addition to being appropriate to clothing, relevant to footwear and headgear where purchasing considerations are similar.

32. In relation to oral use of the mark in suit the highly stylised letter “e” device could possess less impact in that the mark may be referred to as ENERGY ZONE – “words speak louder than devices”. In any event, it seems to me that the considerations applying to visual similarity are also relevant to aural similarity. The word ZONE is an obvious, striking and dominant element within the respective marks and the additional words ZONE or TOPDECKS do not lead to an obvious overall meaningful perception of the totalities. In my view there is overall respective similarity between the marks in their totalities.

33. Next a conceptual comparison of the marks. The word ENERGY possesses obvious meaning but it seems to me that the combinations ENERGY ZONE and ENERGY TOPDECKS, in totality, have no obvious connotation, perception or recollection. There is overall conceptual similarity in that in the distinctive word, ENERGY is common to the marks, and that would be recollected by the customer.

34. In my considerations I must also consider the relevant customer for the goods, which, in these proceedings, are the public at large. The relevant goods are often necessities as well as being fashion items and are sold through a wide variety of outlets and at a wide range of prices. They are usually purchased with a reasonable degree of care eg as to size colour, appearance, function, and after a visual reference.

35. I now go to the global appreciation of the likelihood of confusion. The goods are identical and/or closely similar. Notwithstanding that there are obvious differences in the marks, particularly on a side-by-side comparison I must take into account my earlier finding that the common element, the word ENERGY is a highly prominent and dominant element within the marks. Furthermore, it is inherently fully distinctive and deserving of a good penumbra of protection. In their totalities the marks are visually, aurally and conceptually similar, in particular as the words ENERGY ZONE and ENERGY TOPDECKS do not possess any obvious perceptions or recollections in their totalities. Bearing in mind that the customer for the goods is the public at large, it is my view that the applicant’s mark would capture the distinctiveness of the opponent’s earlier trade mark in notional, fair use in the market place and that there is a likelihood of confusion to the relevant public.

36. In reaching a decision in relation to the likelihood of confusion I have particularly borne in mind the following comments of the European Court of Justice in *Canon*:

“Accordingly, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive” (see *Sabel*).

37. The opposition under Section 5(2)(b) of the Act is successful.

## **COSTS**

38. The opponent is entitled to a contribution toward its costs. I order the applicant to pay the opponent the sum of £1,500 which takes into account the fact that the opponent did not

file evidence in these proceedings. 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 26<sup>th</sup> day of April 2005**

**JOHN MacGILLIVRAY  
For the Registrar  
The Comptroller-General**