

O-296-09

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS 2448343 AND 2448345

BY

MONSOON ACCESSORIZE LIMITED

TO REGISTER THE TRADE MARKS:

The logo for 'Monsoon Storm' features the word 'Monsoon' in a large, bold, cursive script font. Below it, the word 'Storm' is written in a smaller, clean, sans-serif font.

AND

MONSOON Storm

IN CLASSES 14, 18, 25, 26 AND 35

AND

THE CONSOLIDATED OPPOSITIONS THERETO

UNDER NOS 96083 AND 96115

BY

SUN 99 LIMITED

Trade Marks Act 1994

**In the matter of application nos 2448343 and 2448645
by Monsoon Accessorize Ltd
to register the trade marks:**

**Monsoon
Storm**

and

MONSOON Storm

**in classes 14, 18, 25, 26 and 35
and the consolidated oppositions thereto
under nos 96083 and 96115
by
Sun 99 Limited**

Background

1) On 3 March 2007 Monsoon Accessorize Ltd (MAL) applied to register the two trade marks above. Both applications were published for opposition purposes on 2 November 2007 with the same specification:

jewellery and imitation jewellery; earrings, necklaces, bracelets, anklet chains, brooches, rings, precious stones, watches and clocks;

bags, tote bags, handbags, shoulder bags, shopping bags, sports bags, duffle bags, bum bags; bags and cases for carrying products for babies, infants, children and expectant mothers; cosmetic bags, luggage, holdalls, rucksacks, backpacks, satchels, travel bags, briefcases, luggage; wallets, purses, credit card holders; articles made of leather or made of imitation leather; umbrellas and parasols; clothing for dogs, cats, collars, leads, bags and blankets for dogs and cats;

articles of clothing, headgear, neckwear, swimwear, beachwear, footwear, nightwear, underwear, lingerie, sportswear, rainwear, footwear, shoes, boots, trainers, gloves, capes, mittens, scarves, hats, caps, hosiery socks, shawls, ponchos, bandanas and belts for wear,

hair ornaments, hair pins, hair slides, hair ribbons, braids, ribbons, lace, embroidery and badges;

the bringing together, for the benefit of others, of a variety of goods, namely clothing, footwear, fashion wear, headwear, neckwear, lingerie, underwear, jewellery, imitation jewellery, watches, clocks, bags, purses, wallets, handbags, clothing for pets, luggage, belts, rucksacks, backpacks and fashion accessories, enabling customers to conveniently view and purchase those goods in a retail store, by mail order, from a catalogue, or Internet website and a television shopping channel.

The above goods and services are in classes 14, 18, 25, 26 and 35 (respectively) of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 4 February 2008 Sun 99 Limited (Sun) filed notices of oppositions against the two applications. Sun's oppositions are based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). In relation to the first two grounds it relies upon two trade mark registrations.

- ❖ United Kingdom registration no 2116673 of the trade mark **STORM**. The application for registration was made on 26 November 1996 and the registration process was completed on 15 May 1998. The trade mark is registered for the following goods and services:

articles made of precious metals or coated therewith; articles made of imitation precious metals or coated therewith; jewellery, imitation jewellery; ornaments; watches, clocks; ornaments incorporating watches or clocks; parts and fittings for all the aforesaid goods; all included in Class 14;

luggage, purses; wallets; billfolds, umbrellas, parasols, walking sticks; parts and fittings for all the aforesaid goods; all included in Class 18;

jeans being articles of clothing; articles of clothing made from knitted textile fabrics; knitted articles of clothing;

designing, preparing, modifying and adapting designs for; watches and clocks; adults' and children's clothing of all types including headgear and footwear an made from natural and synthetic fibres; bags and luggage; eyewear including sunglasses; umbrellas, wallets, parasols.

Sun claims that it has used the trade mark in relation to all of the above goods and services in the five year period ending with the date of the publication of MAL's applications, 2 November 2007.

- ❖ Community trade mark registration no 2369502 of the trade mark **STORM**. The application for registration was made on 23 December 2002 and the

registration procedure was completed on 17 June 2003. The trade mark is registered for the following goods:

spectacles; sunglasses or glasses adapted for eye protection purposes; spectacle frames; lenses and filters for making spectacles or sunglasses; cases, chains and accessories for spectacles, sunglasses and contact lenses; cameras; light filters; low vision aids; magnifiers and sight testing equipment; optical appliances and apparatus; parts and accessories for all of the foregoing; all included within class 9;

motor cars, motor cycles, caravans, lorries, buses and coaches; and other vehicles for transportation by land;

articles fashioned of or coated with precious metals or imitation precious metals; jewellery and imitation precious metal; jewellery and imitation jewellery; ornaments and objects of art; watches; clocks; ornamental articles containing watches and clocks; watch straps; parts and fittings for all of the aforesaid; all included within class 14;

articles made from leather, imitation leather or from plastics or rubber not included in other classes; luggage; sports bags; purses; handbags; ruck sacks; cases; briefcases; bags; wallets; billfolds; umbrellas; parasols; belts; walking sticks; whips; riding stocks and harnesses; horse brasses and saddlery; parts and fittings for all of the above; all included within class 18;

leather jackets and leather trousers.

The above goods are in classes 9, 12, 14, 18 and 25 (respectively) of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

3) Sun claims that its trade mark is similar to those of MAL and that the respective goods are similar or identical to the goods and services of its registrations, with the exception of the class 12 goods. Consequently, there is a likelihood of confusion and registration of the trade marks would be contrary to section 5(2) of the Act, which 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.”

4) In relation to the grounds of opposition under section 5(3) of the Act, Sun relies on its United Kingdom trade mark. It states that all of the goods and services of the applications would take unfair advantage of or be detrimental to the distinctive character or reputation of its earlier trade mark. It states that it has built up a considerable goodwill in the United Kingdom in the areas covered by the specification of the applications “and wishes to protect investment”. Section 5(3) of the Act states:

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

5) Sun claims that it has used its trade mark in respect of all of the goods and services listed in the specification of registration no 2116673. It states:

“It has been used as a brand and applied directly to the manufactured articles or in literature for the services and on a broad range of marketing/advertising materials.”

Sun claims that the use commenced in 1998. It claims that use of the trade marks of MAL would be contrary to section 5(4)(a) of the Act which states:

“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”.

The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as

distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

6) MAL filed counterstatements. It requires proof of use of Sun's United Kingdom trade mark registration. It states that it is the owner of five United Kingdom registrations for the trade mark MONSOON; the goods and services of the registrations fall in classes 14, 18, 25, 26 and 35. MAL states that the MONSOON trade mark has been used throughout the United Kingdom and the European Union for over 30 years in relation to the products and services covered by its registrations. MAL claims that it has acquired a substantial reputation in goods and services supplied under the MONSOON trade mark by virtue of its use in over 300 retail stores in the United Kingdom. MAL denies that its trade marks are similar to that of Sun. It denies that the goods of the earlier registrations are identical or similar to the goods of its applications. MAL puts Sun to proof in respect of its claims in respect of the reputation of its STORM trade marks. MAL states that it is aware of the existence of 14 registered United Kingdom and Community trade marks that consist of or include the word storm that cover, inter alia, clothing. It claims that some of these trade marks are in use in the United Kingdom and that it will file evidence to this effect. MAL seeks dismissal of the oppositions.

7) Both parties filed evidence. They were advised that they had a right to a hearing and that if neither party requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing nor filed written submissions.

Evidence of Sun

8) In considering the evidence of Sun there are distinct material dates. In respect of the reputation and goodwill that is claimed the material date is the date of the applications, 3 March 2007¹. In respect of the proof of use the period that has to

¹ A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20, 1993. This was the subject of consideration by the Court of First Instance in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07. In that judgment the CFI stated:

"50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off,

be considered is the five year period ending on the date of the publication of the applications, 3 November 2002 to 2 November 2007².

that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.”

I apply the reasoning of the CFI, *mutatis mutandis*, in relation to the Act. So the material date is the date of the applications for registration. However, if there had been use of the trade marks by MAL prior to the dates of application this would have to be taken into account. It could establish that it was the senior user, that there had been common law acquiescence or that the existing position should not be disturbed and so use would not be liable to be prevented by the law of passing-off. (See *Croom’s Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.)

² Section 6A of the Act reads:

“(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

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

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

9) The evidence of Sun consists of a witness statement by Mr Steve Sun. Mr Sun is the founder, owner and sole director of Sun. Mr Sun states that he started the company in 1985 and has built up a successful high fashion, design and manufacturing company under the STORM brand, a brand that he started to use in 1987.

10) Exhibited at SS-1 are copies of invoices from Sun issued between 2003 and 2008, invoices emanating from after 2 November 2007 will not have a bearing upon the case. Mr Sun states that these invoices relate to and are representative of sales made in respect of watches and jewellery. The invoices are made out to Optimum Gifts Ltd of Derby, Panache of Bolton, Retro Time of Leeds, Gimikko Ltd t/a Storm of Birmingham and Debenhams Retail PLC. The products on the invoices are identified as being STORM items. Certain of them are identified as necklaces, bracelets, bangles, earrings, rings, pendants, cufflinks, studs, beads and cameras. The majority of the goods have no description of their nature. However, by cross-referencing the names of the products with the material exhibited at SS-7 it is possible to identify the names of watches that were sold with the material periods: EXTATIA, PIRELLO, NEW REFLECTOR, AZUZA, VESSENCE, SAXEN, REMI, GELIQUE and DIAZ. The e-mail address on the letterhead is given as info@storm-uk.co.uk.

11) Exhibited at SS-2 are copies of invoices dated 26 February 2003 and 15 May 2003 from Sun to TK Maxx. Mr Sun states that these invoices are in respect of STORM branded clothing. The goods are identified as t-shirts and jeans but no reference to STORM appears in relation to the goods. At the bottom of the invoices the following appears:

“STORM Branded Cabinets are sold on the understanding that only STORM products will be displayed in them.”

The exhibit also includes copies of invoices which bear the legend “Thank you for ordering from the official STORM website”. The invoices bear the names STORM and STORMWATCHES.COM at the top. Mr Sun states that these are representative of sales of STORM branded clothing made through Sun’s website. None of the invoices bear either the name or the address of the purchaser. All

(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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

of the invoices are for STORM jeans. All of them emanate from after 3 March 2007, all but 5 of them emanate from after 2 November 2007.

12) Mr Sun states that exhibit SS-3 contain copies of invoices issued between 2003 and 2008, which are representative of sales made in respect of STORM branded clothing directly to retailers during this period. The invoices prior to 2 November 2007 are to:

- ❖ Pythagoras Concepts t/a Storm - 27 November 2002 - 1 "LADIE WITH STORM BOTTOM".
- ❖ Pythagoras Concepts t/a Storm - 19 March 2003 – 8 t-shirts.
- ❖ Pythagoras Concepts t/a Storm - 19 March 2003 – 8 t-shirts.
- ❖ Gimikko 2 Ltd - 10 April 2007 - 30 LM8 shirts, 24 t-shirts.
- ❖ Fred On Line 321 – 18 April 2007 – for 36 jackets, 12 "cyclones", 12 vests, 24 cotton tops, 36 shirts, 12 jeans, 36 t-shirts.
- ❖ Pythagoras Concepts t/a Storm - 18 April 2007 - 24LM8 shirts, 24 t-shirts.
- ❖ Fred On Line 321 – 17 May 2007 – for 24 jackets, 18 "cyclones", 30 vests, 24 cotton tops, 42 shirts, 36 t-shirts, 12 jeans.
- ❖ Inspiria Ltd t/a Storm – 30 May 2007 – for 30 LM8 shirts and 24 t-shirts.

All of the products appearing on the above invoices are described as STORM products. Further copies of the invoices to TK Maxx exhibited as part of SS-2 are included in SS-3. Mr Sun states that the exhibit also contains copies of royalty bearing out-licensing agreements for the STORM trade mark in the United Kingdom granted to Outrage Clothing Limited on 18 June 2003 in respect of men's clothing. A copy of the agreement is exhibited. The agreement covers both the United Kingdom and the Republic of Ireland and grants an exclusive licence in relation to the manufacture, distribution and sale of certain STORM branded goods. The goods covered by the agreement are men's casual wear, being: t-shirts, jumpers, shirts, knitwear, sweatshirts, "waist jackets", jackets, coats, trousers, jeans and casual shorts. The minimum royalties payable are £30,000 for year 1, £100,000 for year 2, £150,000 for year 3 and £200,000 for the fourth year of the agreement. Mr Sun states that the exhibit also contains copies of invoices issued to Outrage Clothing in respect of the royalty payments. The invoices dated 30 June 2003 and 4 November 2003 are made out to Outrage Clothing. The other invoices, for 28 June 2004, 10 August 2004, 12 October 2004, 24 December 2004, 22 May and 23 May 2006, are addressed to Brand Alliance Ltd, which has the same address as Outrage Clothing. Mr Sun states that the licence agreement with Outrage Clothing required close quality control by him and he frequently visited the company's Basildon offices to review samples and look at proposed designs. Mr Sun states that from 2003 to 2006 (inclusive) Sun non-exclusively licensed the right to design and manufacture and sell STORM branded clothing to Gimikko Limited. The licensee concentrated on making and selling women's clothing under the STORM brand. These products were sold through STORM franchised stores operated by Gimikko Limited and

independent retailers. Included in the exhibit are two photographs taken in 2005 of a franchised store in Birmingham's Bull Ring Centre. Mr Sun states that the shop and all the products on display, including the clothing, are branded with the STORM logo. (Mr Sun refers to the granting of a licence to McGregor International Limited on 18 February 2008, this is outside of all of the material periods.)

13) Exhibited at SS-4 is a copy of a licence agreement between Sun and Totes Isotoner (UK) Ltd dated 8 December 2004. The licence relates to umbrellas and covers the United Kingdom, the Republic of Ireland, Sweden and France. It relates to the use of the trade mark STORM, it is an exclusive licence. The licence ran from 8 January 2005 and was initially for a period of three years. Mr Sun states that Sun exercises close quality control. Copies of the royalty invoices are included in the exhibit, included with these are details of products sold by Totes in the United Kingdom for the periods October 2007 to December 2007 (1,773 units sold) and January 2006 to March 2006 (1,352 units sold) (the details for January 2008 to March 2008 are outside the material periods). Copies of catalogues for 2005, 2006 and 2007/2008 are exhibited, these show the prominent use of STORM on and in relation to umbrellas.

14) Mr Sun states that exhibit SS-5 contains representative invoices issued between 2005 and 2008 relating to the sale of luggage, bags, wallets and purses in the United Kingdom. Certain of the invoices are outside the material dates, others are for sales outside of the United Kingdom; such sales can, if the trade mark is upon the goods or the packaging of the goods, represent genuine use within the United Kingdom. The invoices were issued by DSL Licensing Ltd. Mr Sun states that DSL are exclusively licensed to use the trade mark STORM. The licence agreement is exhibited, it covers casual and formal bags, wallets, holdalls, weekend bags for men and woman. It is an exclusive licence in relation to the United Kingdom and the Republic of Ireland. It relates to the trade mark STORM. The agreement commenced on 8 April 2004 and ran for an initial period of 3 years. The agreement was extended for a further year. On 27 September 2007 the agreement was amended. The original list of goods was deleted and DSL was granted exclusive rights in relation to formal and casual men's and ladies' bags and soft structured executive bags and non-exclusive rights in relation to weekend bags and backpacks (in both cases without wheels). The details of the invoices, within the material dates, are as follows:

2 November 2005	Storm Australia	24 wallets
14 October 2005	Dalibor Kubik Czech Republic	32 wallets
29 September 2005	James Beattie Plc	3 holdalls
29 September 2005	James Beattie Plc	3 holdalls
30 May 2006	TK Maxx	Despatch cases, commuter cases, lap top cases, weekend holdalls,

		satchel bags, toiletries bags – 1107 or 2214 items in all (above the quantities appears the word pairs, consequently, the uncertainty as to the number of items arises).
9 May 2006	Voisins Department Store, Jersey	Ladies: satchels, handbags, mini bags, clutch bags, hip bags, backpacks, purses, wallet/purses. Mens: despatch, satchels. 84 or 168 items in all (above the quantities appears the word pairs, consequently, the uncertainty as to the number of items arises).

There are also two pages of invoice no 723841 for TK Maxx but no indication as to the date to which the purchases relate. The exhibit also includes royalty invoices from Sun to DSL. (The emboldened text indicates that the goods were sold outside of the United Kingdom.)

15) Exhibited at SS-6 is a copy of a licence agreement between Sun and Blue Gem (Sunglasses) Limited dated 18 December 2001. The agreement relates to the manufacture and sale, on a non-exclusive basis, of sunglasses and related accessories, such as sunglass cases and chains, under the trade mark STORM. The licence was for an initial period of twelve months. Mr Sun states that the exhibit includes copies of catalogues created and produced by Blue Gem between 2003 and 2008 but no such catalogues are included in the exhibit. Royalty invoices, some with royalty calculators, are included in the exhibit. For the month of October 2007 1,892 units were sold, in July 2006 3,562 units, in August 2006 2,726 units, in September 2006 1,481 units, in October 2005 1,069 units, in November 2005 687 units, in December 2005 1,086 units, in July 2004 4673 units, in August 2004 10,592 units, in September 2004 1,256 units, in October 2004 9,303 units, in November 2004 5,742 units, in December 2004 19,437 units.

16) Exhibited at SS-7 are samples of advertising that Sun has placed in magazines, tube stations, bus shelters, buses, clubs and bars both in London and in regions of the United Kingdom. Mr Sun states that Sun's expenditure on promotion and advertising rose from around £400,000 in 2004 to £700,000 in 2007. The advertisements falling within the material periods are galley proofs and there is no indication as to where they were placed. The advertisements are

for watches and jewellery. There are handwritten annotations upon the galley proofs. However, some of these appear to be in contradiction to the printed date of the galleys eg Attitude Storm bears a galley date of 6 October 2008 whilst 2007 has been handwritten upon it.

17) Mr Sun states that exhibited at SS-8 are selected screenshots from Sun's website showing STORM branded products available on the website and also from retail outlets between 2003 and 2008. The screenshots have the year(s) from which they emanate written in hand. Some of the pages are annotated 2007/2008 and so may emanate from after the material periods. The pages annotated with periods prior to this show t-shirts for men and women, vest tops for women, bags, umbrellas, wallets, sunglasses, satchel bags for men and handbags.

18) Copies of pages from catalogues showing STORM products are exhibited at SS-9. There bear handwritten annotations as to from when they emanate. Some of them emanate from 2007/2008 and so may emanate from after the material periods. The STORM Accessories catalogue for 2004/2005 shows shoulder and scoop bags for women, satchel and despatch bags for men, wallets, weekend holds, toiletries bags, lap top trolley bags. The STORM bags and accessories catalogue for 2005/2006 shows various bags and wallets. The sunglasses catalogue is annotated 2008 and so emanates from after the material dates. Further catalogues are for 2007/2008 and so could relate to a period after the material dates. Various pages with the annotation 2007 show sunglasses. A catalogue for the sunglass collection for 2005 is exhibited, pictures of spectacle frames are annotated with the year 2004, pictures of sunglasses are annotated with the year 2003. A catalogue bearing the copyright year of 2007 and an annotation to the same effect shows earrings, pendants, bangles, rings, bracelets, cufflinks, tag necklaces. A catalogue bearing the copyright year of 2006 and an annotation to the same effect shows bracelets, earrings, necklaces, cufflinks, rings and tag necklaces. Further pages annotated 2004 and 2003 show various items of jewellery including chains, pendants, bracelets and rings.

19) Mr Sun states that exhibit SS-10 contains a representative sample of advertising for the STORM brand put out in London or received from fashion reviews. Parts emanate from 2008 and so after the material periods. A picture from the London Underground annotated 2007 shows an STORM advertisement but it is not possible to ascertain what it is advertising. An extract from *Wedding Ideas* for 18 June shows what appears to be a pair of earrings. Pages from *Closer* for 22-28 February 2003 show a holdall/weekend type bag. Pages from *New Woman* for November 2002 show a necklace. Pages from *Snoop* for November 2002 show a holdall for men. Pages from *Snoop* for October 2002 show a pair of sunglasses. An extract from *Optician Magazine* for October 2002 refers to STORM eyewear. Pages from the *Sunday Mirror* magazine for sometime in October 2002 show a pair of sunglasses. The exhibit includes a page relating to the MTV Europe Music Awards for 2007. It refers to STORM's sponsorship in 2006. It states that MTV delivered 1,081 STORM branded

“promos” on MTV United Kingdom and a total of 5,007 branded “promos” across the MTV family of channels. Mr Sun states that Sun has advertised the STORM brand on MTV television channels. The exhibit is completed with three monochrome photocopies of pages relating to STORM products, there is nothing to indicate from when the pages emanate.

20) Exhibited at SS-11 are copies of pages from Sun’s accounts. They show expenditure for advertising and exhibitions to be as follows (all for the years ending 31 March):

2003	£434,714
2005	£466,140
2007	£619,766

21) Mr Sun states that Sun has an in-house design and marketing department comprising of four people based in London that does design and consultancy work. He states that the department produces design information and designs for in-house manufacturing, as well as doing design work and related consultancy for Sun’s joint venture partners, manufacturers and licensees of its STORM trade mark. He states that all of this work is provided to the outside world under the STORM brand. Mr Sun states that Sun also buys in such services when its own resources or competence are stretched. He states that the end result is a collaborative effort between the outside designer or marketing company and Sun. He states that this is intended to yield new and cutting edge designs for products and store design/layouts. Mr Sun states that Sun does not usually make a charge for the design consultancy as it is more beneficial to recover the investment through enhanced royalties from the licensees. He states that, however, a limited fee paying service is provided by Sun in parallel to this. Mr Sun states that Sun make a modest charge for this based on a fixed price for a project or on an hourly rate, as agreed with the customer.

22) Mr Sun states that Sun has issued revocation proceedings in relation to Community trade mark registration no 2141604 of the trade mark STORM. Sun has entered a co-existence agreement with the proprietor of METAL STORM, Community trade mark registration no 2511467. Mr Sun states that Sun has launched revocation actions for non-use in respect of Community trade mark registration no 217471 for the trade mark STORM, Community trade mark registration no 4540282 for the trade mark STORM (stylised) and STORM CLAD and STORM – F.I.T., Community trade mark registration nos 1549153 and 252361 respectively.

Evidence of MAL

23) This consists of a witness statement by Mr Charles Henry Edward Jennings. Mr Jennings is a trade mark attorney whom is acting for MAL in these proceedings.

24) Mr Jennings states that there are a considerable number of trade marks on the registers of the United Kingdom and the Community consisting of or containing the word STORM covering clothing and accessories, details of these registrations were given in MAL's counterstatement. He states that, in addition, there are numerous trade marks and names consisting of or containing the word STORM in current use in relation to clothing and accessories. Mr Jennings submits that in relation to articles of clothing and related accessories STORM is descriptive and in common use, as with storm coat, and is used to suggest that clothing and related accessories are either storm proof or suitable for use to combat stormy weather conditions. Exhibited at CHEJ1 is a printout from Dictionary.com which defines storm coat as "an overcoat, usually of a water repellent fabric, lined with material serving as insulation against very cold weather, often having a fur collar". The source of the reference is given as *Random House Unabridged Dictionary*.

25) Exhibited at CHEJ2 are details of Community trade mark registration no 252361, for the trade mark STORM-F.I.T. The registration is in the name of Nike International Ltd. It encompasses goods in classes 16, 25 and 28. Also included in the exhibit are pages downloaded from the Internet on 15 October and 5 November 2008. These show various Nike Storm Fit products: a woman's cycling jacket, men's light packable suit, men's light trousers, waterproof jacket, short sleeve pullover, men's long sleeve pullover, short sleeve top, men's light jacket and men's cap. These products are being offered for sale with pounds sterling prices. The pages also show various over products using storm in their title: Storm Sunice Mens Lockley Waterproof Trousers, Storm Sunice Marnock Waterproof Jacket, Adidas ClimaProof Storm Cap, Storm Sunice Ladies Lily Waterproof Hooded Jacket, Storm Sunice Ladies Lulu Waterproof Trousers, Adidas ClimaProof Storm Bucket Hat, Blitz Sport Storm Kicker, Karrimor Women Storm 55 + 15 Rucksack, Blitz Sport Storm Shin & Instep, Karrimor Women Storm 55 - 75 Rucksack, Duck and Cover Mens storm jeans, Mountain Equipment Micro Jacket – Mens – Black/Storm, Columbia Opal Storm Jacket – Titanium – For Women. Reference to STORM jeans also appears with the web address of www.StormWatches.com/Jeans (this is the website of Sun).

26) Exhibited at CHEJ3 are details of United Kingdom trade mark registration no 1349155, for the trade mark STORMAFIT. The registration is in the name of Stormafit Limited. It is registered for articles of protective clothing, waxed jackets and cotton jackets in class 25. Pages from the website of Stormafit Leisure Limited (with the same address as Stormafit Limited) are exhibited. They were downloaded on 5 November 2008. The website advises that "Stormafit Leisure

began as a family business venture over 20 years ago when Roy and Jane Austin began offering wax jackets to a few selected retail outlets.” The products shown on the pages downloaded are all for men. They are: coats, jackets, body warmers, knitwear, shirts, belts, headwear, gloves, scarves and socks. They are all identified as being part of the Stormafit Leisure range or collection.

27) Exhibited at CHEJ4 are details of United Kingdom trade mark registration no 2416833, which is for a series of two trade mark consisting of the words ARCTIC STORM. The trade mark is registered for articles of clothing, headgear and footwear. It is in the name of Outdoor Leisure Limited. A page downloaded from the website curigwelshgifts.co.uk on 5 November 2008 shows an ARCTIC STORM women’s waterproof jacket. There is nothing to indicate whether this product is produced by the owners of the trade mark.

28) Exhibited at CHEJ5 is a page downloaded from the website johnnycocktail-clothing.co.uk on 5 November 2008. It shows a t-shirt which is described as Storm Trooper Che. The front of the t-shirt bears an image that morphs the face of Che Guevara with the face of a Star Wars storm trooper.

29) Exhibited at CHEJ6 is a page downloaded on 5 November 2008 from the website deneware.co.uk. It shows items of SAND STORM SAFARI luggage: champagne cooler, executive brief case, explorer bag, weekend bag, holder, work bag, shoulder bag and wash bag.

30) Exhibited at CHEJ7 is a page downloaded on 5 November 2008 from dracinabox.com. The purveyors of the products on the website describe themselves as “specialists in gothic and alternative wear”. The page exhibited shows a pair of Storm 5 Elevator boots, which are described as being “Storm Elevator Boot from Magic shoes with platform sole”.

31) Exhibited at CHEJ8 are pages from the website peterstorm.com downloaded on 5 November 2008. The website lists various items of clothing: over jackets, over trousers, hats, jackets, coats, pullovers, long johns, thermal socks and balaclavas. The website advises that the PETER STORM range of clothing was first sold in the early 1960s. The information in the printouts suggests that the clothing is designed for use in outdoor activities.

32) Exhibited at CHEJ9 are pages downloaded from the website sterlinghouse.co.uk on 5 November 2008. The pages show STORM CHASER winter gloves. The website appears to be aimed at those interested in cycling, camping and hiking.

33) Exhibited at CHEJ19 is a page downloaded from the website seasonsclothing.co.uk on 5 November 2008. It shows a product described as a Nike Storm yellow windrunner, which appears to be a jacket for men.

34) Exhibited at CHEJ11 are pages downloaded from the website accentclothing.com on 5 November 2008. It shows a product described as G-Star STORM ELWOOD. The visitor to the website is advised that “[i]n Deeptone and Raw denim this is a new twist on the traditional G=star Elwood with a looser baggy fit and new pocket details”. The product shown is a pair of jeans.

35) Exhibited at CHEJ12 are pages from the websites wildtrak.com and simplyhike.co.uk downloaded on 28 and 5 November 2008 respectively. The pages show Berghaus Storm overtrousers.

36) Exhibited at CHEJ13 are pages downloaded from the website theurbanshop.co.uk on 5 November 2008. These pages show Insight Johnny Storm faux leather jackets. The jacket is described as a bikers jacket.

37) Exhibited at CHEJ14 are pages downloaded from the Internet on 5 November 2009. These show a Barbour Storm half zip sweater and a DrunknMunky Storm jacket.

38) Exhibited at CHEJ15 are details of United Kingdom trade mark registration no 2447621, for the trade mark STORMSHIELD. It is registered for goods in classes 9, 11, 14, 18, 20, 21, 22 and 25. It is owned by The Outdoor Group Limited. Pages downloaded from the Internet on 1 December 2008 are included in the exhibit. Shown on these pages are a STORMSHIELD Equator watch, a Fulton “stormshield” golf umbrella and a Belstaff Stormshield waterproof jacket.

39) Exhibited at CHEJ16 are details of Community trade mark registration no 4905683, for the trade mark STORMLITE. It is registered for goods and services in classes 3, 5, 6, 8, 9, 11, 14, 16, 18, 20, 21, 22, 24, 25, 28 and 35. Included in the exhibit are pages downloaded from amazon.co.uk on 1 December 2008. These show the following STORMLITE products: long sleeve crew neck, zip neck, tent, mini HT (which appears to be torch of some kind), fleece jacket, watch, baseball cap, microfiber towel, gloves, socks, long johns and sleeping bags.

40) Mr Jennings submits that MAL’s trade marks are no more similar to Sun’s trade mark than any of the trade marks referred to in his evidence.

FINDINGS OF FACT ARISING FROM THE EVIDENCE OF SUN

41) The evidence has an impact on several aspects of the case of Sun:

- ❖ At the date of the filing of the applications has Sun established a reputation for the purposes of section 5(3) of the Act and if so in relation to which goods or services?

- ❖ During the material period for proof of use has Sun established genuine use of its United Kingdom trade mark and if so in relation to which goods or services?
- ❖ At the date of the filing of the applications has Sun established a protectable goodwill by reference to the sign STORM and if so in relation to which goods or services?
- ❖ As Sun has claimed a section 5(3) reputation does its trade mark become more distinctive through use in relation to the grounds under section 5(2)(b) of the Act.

42) To benefit from the provisions of section 5(3) of the Act the trade mark must be known by a significant part of the public concerned by the products or services covered³, which for the goods will be the public at large. The European Court of Justice (ECJ) in *General Motors Corporation v Yplon SA* stated how a party would establish this reputation:

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

Sun claims that it has the requisite reputation in respect of all of the goods and services encompassed by United Kingdom registration no 2116673. It has given no overall turnover figures for any specific products, or indeed a combined overall turnover figure. It has given no indications of the size of the various markets and its share in them. The invoices show sales to a limited number of retailers; there is no indication as to how widely the various goods and services were distributed. The promotional activities do not include radio advertisements and the only television advertisements were on MTV television channels (see below). There is no clear indication of press advertisements by the date of the filing of the applications. Exhibit SS-10 shows a very limited number of appearances of STORM products in advertorials. There is an absence of detail in relation to the advertising on the London Underground. Was it on the sides of escalators, in trains, on platforms? If on trains, how many trains and on what lines? If on escalators or on platforms, where? When were the advertisements placed? How long were they there? All of this information should be available to Sun as part of the contract for advertising on the London Underground. The London Underground is, obviously, not used regularly by the majority of people in the United Kingdom. The high point of Storm’s promotion is its sponsorship of the MTV Europe Music Awards in 2006. There is no indication of the number or demographic structure of the viewers of the “promos”. Taking into account that

³ *General Motors Corporation v Yplon SA* Case C-375/97 [2000] RPC 572.

MTV is a pop video channel not available on Freeview or terrestrial television, it is impossible to make inferences as to the penetration that the “promos” would have had. There is no indication as to what goods or services were being promoted. There is no indication as to the period of time during which the “promos” were run. There is nothing to indicate or infer how many persons who are potential purchasers of the goods and services know of the trade mark. **On the basis of the evidence before me I have no hesitation in finding that Sun has not established the requisite reputation in respect of section 5(3) of the Act and the claim under section 5(3) of the Act is dismissed.**

43) Sun’s Community trade mark registration, which is not subject to the proof of use provisions, encompasses all of the goods in classes 14 and 18 of the United Kingdom registration, which is subject to proof of use. Consequently, it is without purpose to consider the use of the trade mark in relation to goods in these classes, as the position is not changed by considering the matters under section 5(2)(b) in relation to these classes by reference to the Community trade mark rather than the United Kingdom trade mark.

44) Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

“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.”

45) The ECJ in *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01 stated :

“36. “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising

campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is 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.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.”

In *MFE Marienfelde GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-334/01* the CFI considered the practical application of the *Ansul* criteria:

“34 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is 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, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (*Ansul*, paragraph 43).

35 Concerning the extent of the use made of the earlier mark, account must be taken, in particular, of the commercial volume of all the acts of use on the one hand and the duration of the period in which those acts of use occurred, and the frequency of those acts, on the other.

36 In order to examine, in a given case, whether use of the earlier mark is genuine, an overall assessment must be made taking account of all the relevant factors in the particular case. That assessment implies a certain interdependence between the factors taken into account. Thus, a low volume of goods marketed under that trade mark may be compensated for by a high intensity or a certain constancy in time of the use of that trade mark or vice versa. Moreover, the turnover achieved and quantity of product sales under the earlier mark cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as

the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking exploiting the mark, and the characteristics of the products or services on the market in question. For that reason, the Court has held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39).

37 However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness.”

In *Kabushiki Kaisha Fernandes v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-39/01* the CFI stated:

“47. In that regard it must be held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned.”

In *La Baronía de Turis, Cooperativa Valenciana v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-323/03* the CFI stated:

“43 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is 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, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (*HIPOVITON*, cited above, paragraph 34; see also, by analogy, *Ansul*, cited above, paragraph 43).

44 Concerning the extent of the use made of the earlier mark, account must be taken, in particular, of the commercial volume of all the acts of use on the one hand and the duration of the period in which those acts of use occurred, and the frequency of those acts, on the other. Thus, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness (*HIPOVITON*, cited above, paragraphs 35 and 37).”

46) In relation to the class 42 services of the United Kingdom registration there are no turnover figures, no documentation as to any sales. Mr Sun refers to the services performed for in-house manufacturing. I cannot see how this can be

anything but internal use, which cannot establish genuine use of the trade mark. Mr Sun gives no details of what designing, preparing, modifying and adapting designs has taken place. There is no indication as to which specific goods the services have been applied. There is no detail or documentation as to the services that have been offered. There is nothing in the statement of Mr Sun that allows proper consideration as to whether the use of the trade mark is warranted in the market place, there is nothing to indicate the commercial volume and duration of the activities. In *Pan World Brands Ltd v Tripp Ltd (Extreme)* [2008] RPC 2 Mr Richard Arnold QC, sitting as the appointed person, stated at paragraph 36:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness’s evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness’s evidence.”

There is nothing to suggest that I should or could disbelieve the statement of Mr Sun. I accept it for what it is. However, owing to the lacunae and the lack of detail, the statement does not show what services in relation to which goods have been supplied, it does not show the value of the services, it does not show the duration for which the services have been supplied. The evidence does not satisfy the onus under section 100 of the Act to establish genuine use of the trade mark by reference to the criteria set out by the ECJ and the CFI in relation to the class 42 services. **Consequently, the class 42 services will not be considered in relation to the section 5(2)(b) grounds of opposition.**

47) This leaves the class 25 goods of the United Kingdom registration to be considered, to wit:

jeans being articles of clothing; articles of clothing made from knitted textile fabrics; knitted articles of clothing.

Exhibit SS-2 contains copies of invoices for clothing. Mr Sun states that the invoices relate to STORM branded clothing. As this statement has not been challenged, I accept this statement. The first set of invoices are dated 26 February 2003 and 15 May 2003, they are all directed to TK Maxx. They are for jeans, t-shirts and goods described as ML1 Logo Stitches White. The first invoice is for 517 items and the second is for 1,280 items. The second set of invoices emanate from sales for Sun’s website. A number of these emanate from after 2 November 2007, the ones from on or before this date (6 in number) are all for jeans; from the sizes it would appear that they are for men. Each invoice is for one pair of jeans. The product is described by reference to

STORM. The name and address of the purchaser does not appear on the invoices. More invoices are exhibited in SS-3, details of which I have given in paragraph 12 above. There are 8 invoices within the material date to 4 separate undertakings. They emanate from 2002 (1 invoice), 2003 (2 invoices), and 2007 (5 invoices). The goods covered by the invoices are: 160 t-shirts, 84 LM8 shirts (whatever these are), 60 jackets, 30 cyclones (whatever these are), 42 vests, 78 shirts, 24 pairs of jeans, 48 cotton tops and 1 "LADIE WITH STORM BOTTOM" (whatever that is). Pythagoras Concepts and Inspiria both trade as STORM but the undertakings are being charged on the invoices and there is nothing to indicate that this use is only internal use. Also included in SS-3 is a copy of a licensing agreement between Sun and Outrage Clothing Limited. The agreement covers both the United Kingdom and the Republic of Ireland and grants an exclusive licence in relation to the manufacture, distribution and sale of certain STORM branded goods. The goods covered by the agreement are men's casual wear, being: t-shirts, jumpers, shirts, knitwear, sweatshirts, "waist jackets", jackets, coats, trousers, jeans and casual shorts. A licence agreement is a preparation for use rather an evidence of use itself⁴. It does not show upon what goods the trade mark that has been licensed has actually been used. In this case the licence also covers use outside of the jurisdiction, the Republic of Ireland. Such use can represent genuine use if the trade mark has been affixed to the goods or to the packaging in the United Kingdom solely for export purposes. There is no evidence in relation to sales to the Republic of Ireland and if there were sales to the Republic of Ireland if the goods were exported from the United Kingdom and if they were exported from the United Kingdom if the trade mark was affixed to the goods or the packaging. Mr Sun has exhibited copies of invoices for royalty payments. There is no doubt that goods sold under the trade mark by the licensee would be with the permission of the proprietor, as long as they fell within the remit of the licence. However, there is no evidence to show what goods were actually sold under the licence and in what jurisdiction they were sold. Mr Sun also refers to a non-exclusive licence granted to Gimikko Limited in respect of manufacture and sale of women's clothing under the STORM trade mark. There are no details of what goods were sold on the basis of this agreement. Photographs of a franchised shop in Birmingham's Bull Ring Centre are exhibited, these were taken in 2005. Mr Sun states that all goods in the shop were sold under the STORM logo. Some clothes can be seen in one of the photographs but it is not possible to discern the nature of the clothing. Exhibit SS-8 consists of what Mr Sun describes as selected screenshots from Sun's website showing STORM branded products available on the website and also from retail outlets between 2003 and 2008. The screenshots have the year(s) from which they emanate written in hand. Some of the pages are

⁴ See *Philosophy Inc v Ferretti Studio Srl* [2003] ETMR 8, Gibson LJ:

"18 Mr Arnold submits that the two matters relied on by the Master did not enable the Master properly to find genuine use. He says of the licence agreement that it neither constituted, nor was evidence of, genuine use or use at all in the United Kingdom within the relevant five-year period and that at best it constituted a preparation for use. I add at once that Mr Edenborough very properly conceded that the licence in itself could not constitute genuine use."

annotated 2007/2008 and so may emanate from after the material periods. The pages annotated with periods prior to this show t-shirts for men and women and vest tops for women.

48) I do not doubt that from 3 November 2002 to 2 November 2007 the trade mark STORM was used in the United Kingdom by Sun or with the permission of Sun. To decide if Sun has shown genuine use in relation to the class 25 goods of its registration it is useful to decide exactly what goods are encompassed by the specification. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 Jacob J stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

So it is a matter of how the trade will interpret the specification, rather than the average consumer of the products. The class 25 specification is for:

jeans being articles of clothing; articles of clothing made from knitted textile fabrics; knitted articles of clothing.

Jeans are jeans. For the average consumer the word knitted is likely to evoke images of woollen pullovers and bobble hats. However, in the trade knitted is by no means limited to goods in which the stitches can be clearly made out. Virtually any clothing item can be made from knitted fabric, as opposed to woven fabric. Indeed the two types of material are alternatives.

49) I have no idea what cyclones, LM8s, a ladie with storm bottom or M1 logo stitches white are. So these needs must be excluded from my considerations. The other goods upon which there is clear evidence of use are jeans, t-shirts, jackets, vests/vest tops, shirts, cotton tops. It is not possible to identify the nature of the shirts and jackets but taking into account the tenor of the rest of the evidence and the terms of the licence agreement with Outrage Clothing Limited, I infer that they are casual rather than formal garments. The invoices only give a very partial view of the number of items sold.

50) I must make an overall assessment must taking account of all the relevant factors in the case and I cannot make this on the basis of probabilities or suppositions. **Taking into account that there has been sales over a period of years within the material period and the licensing agreements I consider that Sun has established that it or those using its trade mark with its permission have created and preserved an outlet for the trade mark STORM in relation to various items of clothing.**

51) It is necessary to decide upon a fair description for the goods for which genuine use has been shown. I must not be over-panicky⁵. It is necessary to consider how the relevant public, which for these goods would be the public at large with children, describes the goods⁶. The CFI in *Reckitt Benckiser*

⁵ *Animal Trade Mark* [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a panicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

⁶ *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?"

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied

(España), *SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 stated:

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable

by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories."

52) Any specification cannot be outwith the parameters of the specification of the registration. *Articles of clothing made from knitted textile fabrics; knitted articles of clothing* encompass a very wide range of goods in class 25, those which are made of knitted fabric rather than of woven fabric or some other material. I do not consider that taking into account the limitations of the use shown that such wide ranging portmanteau terms are appropriate. Clothing is normally categorised in terms of gender. The jeans, by their sizes and the pictures from the website, appear to be for men. Vests appear to be vest tops for women, rather than a general item of underclothing. The t-shirts are designed for men and women. In relation to jackets, shirts and cotton tops I have no idea if they are designed for one or both genders. In the absence of this indication I do not consider that it can be reasonable to include them in a specification. If they are attributed to one or both genders this would be mere speculation. Consequently, on the basis of the evidence before me I consider that I can only nail down use, that is not the result of speculation, to jeans for men, vest tops for women and t-shirts. Taking into account the very limited nature of the goods I am not aware of a sub-category(ies) or limited category(ies) into which they would fit. To allow a specification for knitted articles at large would be contrary to the ratio legis for proof of use. It would also be perverse taking into account the breadth of these terms and the very limited natures of these goods. *Jeans* are already identified

in the specification, I will amend the specification to limiting them to being for men. In relation to the other goods I consider that the only way to satisfy the ratio legis is to identify the specific items. **Consequently, I find that Sun has proved genuine use of its STORM trade mark in respect of the following goods:**

t-shirts and vest tops for women, all made from knitted textile fabrics; jeans for men being articles of clothing.

The specification has had to be so limited owing to the deficiencies in the evidence of Sun. Under section 100 of the Act it is for it come up with the goods, I certainly cannot decide upon matters on the basis of guess work.

53) In order to succeed under section 5(4)(a) of the Act and the law of passing-off Sun must establish that it had a goodwill at the material date. How goodwill is to be established has been dealt with in several judgments⁷. *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* establishes that one cannot just follow a formula or demand certain predetermined requirements to be met.

54) Various of the goods for which Sun claims a goodwill are the subject of licensing agreements. Mr Sun exhibits copies of the following licences (I have quoted the part of each agreement that covers the ownership of goodwill):

❖ Outrage Clothing Limited in relation to various items of men's casual wear.

"All right title and interest in and to the Trade Mark and to all the reputation and goodwill associated with the Trade Mark throughout the Territory shall belong absolutely to Sun 99."

❖ Totes Isotoner (UK) Ltd in relation to umbrellas.

"All right title and interest in and to the Trade Mark and to all the reputation and goodwill associated with the Trade Mark throughout the Territory shall inure for the benefit of and belong absolutely to Sun 99".

❖ DSL Licensing Ltd in relation to casual and formal bags, wallets, holdalls, weekend bags for men and woman; later amended to formal and casual men's and ladies' bags and soft structured executive bags and non-exclusive rights in relation to weekend bags and backpacks (in both cases without wheels).

⁷ *South Cone Inc v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19, *Loaded BL O/191/02, Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* [2007] RPC 5 and *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat).

“All right title and interest in and to the Trade Mark and to all the reputation and goodwill associated with the Trade Mark throughout the Territory shall inure for the benefit of and belong absolutely to Sun 99”.

- ❖ Blue Gem (Sunglasses) Limited in relation to sunglasses and related accessories, such as sunglass cases and chains.

“All right title and interest in and to the Trade Mark and to all the reputation and goodwill associated with the Trade Mark throughout the Territory, including any reputation and goodwill as may accrue as a result of Blue Gem’s use of the Trade Mark, are reserved to and shall belong absolutely to Sun 99”

55) In *The Law of Passing-Off* (third edition) at 3-121 Christopher Wadlow writes:

“For the same reasons as previously, by identifying themselves respectively as licensor and licensee the parties have specified which of them is actually to win the goodwill generated in performance of the agreement, and which is to enjoy it on terms, and their decision should be given effect.”

The agreements referred to above are clear and specific, it is Sun that owns any goodwill that accrues from the activities of the above licensees. (Further clauses in the agreements reinforce this position.) Sun can rely on any goodwill generated by its licensees in relation to the use of the trade mark STORM.

56) The criteria for establishing genuine use are not the same as establishing goodwill. However, in the absence of any concrete and specific evidence in relation to the services for which Sun claims goodwill, the claim to goodwill would have to be dismissed. **In its statement of grounds Sun defines the extent of its goodwill by reference to its United Kingdom trade mark registration. Consequently, I have to consider any goodwill within this parameter. So the use of the trade mark in relation to sunglasses is outwith the pleaded case. Taking into account the statement of Mr Sun, promotional literature, royalty payment invoices, breakdowns of sales of goods in relation to royalty payments and invoices, I conclude that at the material date Sun had a goodwill in relation to umbrellas, watches, jewellery, luggage and wallets.**

57) The royalty invoices to Outrage Clothing appear to relate to the minimum annual royalty payments that were required; no accompanying breakdown of goods sold under the licence agreement is exhibited. In relation to considering the extent of the goodwill I am not constrained by the jurisprudence in relation to genuine use of a trade mark. However, there is still an onus upon Sun to establish the extent of its goodwill. Taking into account the nature of its licensing arrangements and the control that Mr Sun states that he exercised, it should not have been onerous to have exhibited much clearer evidence. **Again the extent**

of the goodwill that can be considered is restricted by the parameters of the pleaded case ie the specification of the United Kingdom trade mark registration. The establishment of goodwill is not a speculative exercise, it has to be based on the evidence presented. Taking these factors into account I do not consider that I can extend the range of goods for which a goodwill has been established beyond the specification that I have decided upon in relation to proof of use:

t-shirts and vest tops for women, all made from knitted textile fabrics; jeans for men being articles of clothing.

58) Consequent upon my findings in relation to the claim to a reputation under section 5(3) I find that the distinctiveness of the trade mark of Sun cannot be considered to have been enhanced through use in relation to any goods or services.

Likelihood of confusion – section 5(2)(b) of the Act

Average consumer, nature of purchasing decision and standard for likelihood of confusion

59) The average consumer for all goods and services is deemed to be reasonably well informed and reasonably circumspect and observant. The class 14 goods of both parties are purchased by the public at large. Products such as precious stones and goods of precious metal, owing to their cost, will normally be purchased with a good deal of care and circumspection. Items of jewellery and adornment in the class can also be of very low cost and can be purchased on impulse. The nature of the former goods will decrease the effects of imperfect recollection, the nature of the latter goods will increase the effects of imperfect recollection. For the most part the class 18 goods can be of both low or high cost, there is nothing in their nature that dictates the cost. In considering the goods I have to consider their nature not any particular marketing strategy. They are goods that are generally not bought on a frequent basis (although I believe that some females do purchase handbags and purses on a weekly basis); consequently, it is likely that some care and consideration will be taken in the purchase. The care and consideration might mitigate the effects of imperfect recollection but this would be balanced by the infrequency of the purchasing increasing the effects of imperfect recollection. Consequently, the potential effects of imperfect recollection are not likely to be either at the highest or the lowest levels. The Community trade mark of Sun includes various riding accoutrements, they are likely to be purchased with a good deal of care and consideration and in relation to such goods the effects of imperfect recollection are likely to be diminished. The class 26 goods of the applications can all be items of very low cost and bought on impulse; there is not likely to be a careful and considered purchasing decision arising from the nature of the goods. The effects of imperfect recollection are likely to be increased in relation to such

goods. In my experience there is a good deal of brand consciousness in relation to articles of clothing; articles of clothing are often judged more by the name upon them than any other criteria. I consider that articles of clothing will be bought with a good deal of interest in the brand and, consequently, the effects of imperfect recollection are likely to be lessened. The class 35 services of the applications are effectively retail services for a variety of items in classes 14, 18, 25 and 26. Sales by mail order, through catalogues, through the Internet or via a television shopping channel are likely to present the trade mark clearly and constantly to the customer, so diminishing the effects of imperfect recollection. In a shop environment the name of the undertaking may only be on the signage outside and on the till receipt, consequently, there is less reinforcement of the message of the trade mark and the effects of imperfect recollection are likely to be increased. The class 9 goods of Sun's Community trade mark registration are not relevant to the outcome under section 5(2)(b) of the Act (see below re similarity of goods and services) so I do not need to say anything about them here.

60) All of the goods and services are likely to primarily purchased by reference to labels rather than by oral communication. In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* Joined cases T-117/03 to T-119/03 and T-171/03 CFI stated:

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

Consequently, the visual similarity or dissimilarity will, potentially, have greater effect than the oral similarity or dissimilarity.

Comparison of goods and services

61) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade⁸”. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning⁹. Consideration should be given as to how the average consumer would view the goods or services¹⁰. The class of the goods and services in which they are placed is relevant in determining the nature of the goods¹¹. In assessing the similarity of goods and services it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary¹². In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed¹³. In considering the class 35

⁸ *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

⁹ *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

¹⁰ *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use”

¹¹ *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

¹² *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

¹³ He considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(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.”

specification of the applications I take into account the judgment of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

62) The only possible coincidence between the class 9 goods of Sun's Community trade mark registration and the goods of the applications lies between spectacle cases, in Sun's registration, and the class 14 goods of the applications. However, owing to the goods encompassed by Sun's Community trade mark in class 14 is not necessary to pursue this line of analysis and so I will take no further note of the class 9 goods of the Community trade mark registration.

63) All of the class 14 goods of the applications will fall within the parameters of the class 14 goods of Sun's community trade mark registration. (Precious stones needs must be a part of jewellery and so fall within *parts* of the Community trade mark registration.) **Consequently, the respective class 14 goods are identical.**

64) **All of the class 18 goods of the applications, will fall within the parameters of the class 18 goods of Sun's community trade mark registration with the exception of *clothing for dogs, cats and blankets for dogs and cats*. (The other items for dogs and cats will be covered by the general terms *bags and articles made from leather*.) So the respective goods, with the exception mentioned, are identical.** As indicated Sun's Community trade mark registration, through its various portmanteau terms, will cover collars, leads and bags for cats and dogs. So Sun's specification covers goods for cats and dogs. All of the goods under consideration here will be sold in pet shops or in discrete areas of supermarkets or department stores. Being goods for canines and felines they are likely to have the same channels of trade and arrive in shops through the same distributors. The goods will all be bought by pet owners. The respective goods are not fungible, they are not in competition. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the CFI stated:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and

Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

The respective goods are not mutually dependent, nor do they have a symbiotic relationship, they are not complementary. Bags for cats and dogs could be of fabric, all of the goods of the application under consideration here are likely to be made of some form of fabric, so they could be made of the same material. None of the goods of the Community trade mark are used to clothe or act as bedding for cats and dogs; the uses of the respective goods are different. **Taking all of these factors into account I consider that there is a reasonable degree of similarity between the goods of Sun’s Community trade mark registration, in particular as far as it covers such goods as collars, leads and bags for cats and dogs, and clothing for dogs, cats, blankets for goods and cats.**

65) Subsequent to the proof of use findings and including the goods of the Community trade mark, the goods of Sun that have to be considered in class 25 are: *t-shirts and vest tops for women, all made from knitted textile fabrics; jeans for men being articles of clothing; leather jackets and leather trousers.* The goods of the application in class 25 are:

articles of clothing, headgear, neckwear, swimwear, beachwear, footwear, nightwear, underwear, lingerie, sportswear, rainwear, footwear, shoes, boots, trainers, gloves, capes, mittens, scarves, hats, caps, hosiery socks, shawls, ponchos, bandanas and belts for wear,

Goods can be considered as identical when the goods designated by the earlier trade mark are included in a more general category, designated by the trade mark application¹⁴. *Articles of clothing* will include all of the goods of the earlier registration and so must be considered to be identical.

¹⁴ See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05 paragraph 29:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

The above is a translation from the French. There is no variation in the judgment in French:

“29 En outre, des produits peuvent être considérés comme identiques lorsque les produits que désigne la marque antérieure sont inclus dans une catégorie plus générale visée par la demande de marque [arrêt du Tribunal du 23 octobre 2002, Institut für Lernsysteme/OHMI – Educational Services (ELS), T 388/00, Rec. p. II 4301, point 53], ou lorsque les produits visés par la demande de marque sont inclus dans une catégorie plus générale visée par la marque antérieure [arrêts du Tribunal du 23 octobre 2002, Oberhauser/OHMI - Petit Liberto (Fifties), T 104/01, Rec. p. II 4359,

points 32 et 33 ; du 12 décembre 2002, *Vedial/OHMI - France Distribution (HUBERT)*, T 110/01, Rec. p. II 5275, points 43 et 44, et du 18 février 2004, *Koubi/OHMI - Flabesa (CONFORFLEX)*, T 10/03, Rec. p. II 719, points 41 et 42].”

This is also the position of Professor Annand, sitting as the appointed person in *Galileo International Technology LLC v Galileo Brand Architecture Limited* BL 0/269/04:

“13. I agree with Mr. Onslow that the issue raised by this appeal is whether, when considering the test of identity for section 5(1), it is sufficient that goods or services overlap or must they be co-extensive. Like Mr. Onslow, I am unaware of any authority supporting a co-extensive test. Kerly’s Law of Trade Marks and Trade Names, 13th Edition, states at para. 8-10:

“... the goods or services must be the same as those the subject of the earlier trade mark. Although not explicit, it would seem that this provision can only sensibly be interpreted as prohibiting registration where there is an overlap of goods or services.”

A footnote indicates that such interpretation is in accordance with Article 13 of Council Directive 89/104/EEC. Although not expressly included, it is well established that the TMA must be read subject to Article 13, which provides:

“Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only.”

14. The equivalent to section 5(1) in Council Regulation (EC) No. 40/94 on the Community trade mark (“CTMR”) is Article 8(1)(a). Mr. Onslow referred me to two decisions of the Opposition Division of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (“OHIM”) concerning Article 8(1)(a) of the CTMR where identity of goods and services was found to subsist through overlaps in specifications. In *WALLIS*, Decision No. 1978/2004, identity was found inter alia between Class 14 specifications even though the contested CTM application covered additional goods in that class. The Opposition Division said:

“There is identity between the goods or services that are subject to comparison if they either have the same wording or can be considered synonyms. The identity is also found if the specification of the earlier mark includes a generic term that covers the specific goods of the contested application. Similarly if the goods specifically designated in the earlier mark are covered by a generic term used in the contested application, such goods are identical, to the degree that they are included in the broad category. Finally, in case that the goods in question overlap in part they are also to be considered as identical.”

A similar decision was arrived at in *PACE*, Decision No. 1033/2003. Again, the Class 41 services in the CTM application were wider than those in the earlier CTM registration. In addition, there was held to be identity between some of the applicant’s Class 42 services namely, “computer programming; providing of expert opinion”. The opponent’s registration was in respect of “consulting services related to improving and expediting product development, industrial research services, computer programming services” in Class 42. The Opposition Division observed:

“In particular, the applicant’s expression providing of expert opinion in class 42, is broad enough to encompass any consulting services registered by the opponent in class 42, which makes them equivalent to the extent that the one includes the other.”

15. The overlap test for identity of goods and services is also applied by the OHIM in connection with priority and seniority claiming under Articles 29, and 34 and 35 of the CTMR respectively. Indeed, it is recognised that partial priority claiming (i.e. where the subsequent application is for a

Beachwear, sportswear, rainwear, capes, shawls, ponchos, are all items of outer clothing, as are the goods of the earlier registrations. The respective goods could all be made of knitted textile fabrics and so have the same physical nature.

narrower or wider specification than in the application(s) from which priority is claimed) is a possibility under section 33 of the TMA, which speaks of a right of priority "for some or all of the same goods or services" in a Convention application.

16. I believe that overlapping specifications satisfy the test for identical goods or services in section 5(1) of the TMA. There is no necessity for such specifications to co-extend."

I do not consider that the judgment of Norris J is in *Budejovický Budvar, národní Podnik v Anheuser-Busch Inc* [2008] EWHC 263 (Ch) is in conflict with the above. In that case he stated:

"41. There is however one respect in which this appeal succeeds. AB's application for a declaration of invalidity extended to the whole of BB's registration in respect of "beer ale and porter; malt beverages;" (although its own registration related only to "beer ale and porter"). In his decision the Hearing Officer regarded it as obvious that in respect of "beer, ale and porter" the respective specifications encompassed the same goods (and the contrary has not been argued before me). He said:-

"The only possible area of contention is the description "malt beverages" in the mark in suit. The term covers all beverages made with malt, including "malt beers" and the like. Accordingly the specification of the registration that is the subject of these proceedings is covered in its entirety by the specifications of [AB's] earlier mark"

This is a determination of a mixed question of fact and law which I must approach with caution. But in my judgement this passage discloses an error of principle. AB's earlier mark covered only "beer, ale and porter". BB's included "malt beverages". The specification of AB's earlier mark simply did not cover entirely the specification of the mark in suit. It is necessary to decide whether "malt beverages" can only be "beer ale and porter", or whether "malt beverages" can include goods which are not identical with or similar to "beer ale and porter".

42. I do not consider that "malt beverages" can only be (and are therefore identical with) "beer ale and porter". The form of the specification would indicate that "beer, ale and porter;" is one category and "malt beverages" another, with possibly an overlap between the two. One is not simply an alternative description for the other."

In the above judgment Norris J was considering whether the respective goods could be described as being identical, not whether they should be considered to be identical. There is a deal of difference between stating that goods **are** identical and stating that they are considered to be identical.

If one did not follow the principles laid down by the CFI and Professor Annand considering similarity of goods in certain cases would become virtually impossible. If, for example, an earlier registration was for wedding dresses and an application for clothing one would have to consider the degree of similarity between the former goods and every potential product covered by the term clothing as there would be varying degrees of similarity and the global appreciation of the likelihood of confusion requires consideration of the degree of similarity between goods and/or services.

An applicant has plenty of time to amend a specification which includes a portmanteau term so that the term list goods which are of specific interest. If the applicant does not do so then it must expect to bear the consequences.

The respective goods will be found in the same shops, however, they are likely to be encountered in different areas of retail establishments. The goods have the same ultimate purpose, to clothe the body. They are likely to reach retail outlets by the same channels of trade; it is common practice for clothing undertakings to produce clothing across the spectrum. The respective goods are not fungible; I do not consider that they are in competition. It could be that certain of the goods of the applications could be bought to match the goods of the earlier registrations, or vice versa. In *Sergio Rossi SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-169/03* the CFI stated:

“61 In the present case, the applicant has failed to establish that, in terms of their function, the goods in question are complementary in this way. As is clear from paragraph 2.6.2 in Chapter 2 of Part 2 of the Opposition Guidelines, referred to in paragraph 35 above, OHIM appears to concede that the goods are aesthetically, and therefore subjectively, complementary in a way which is determined by the habits and preferences of consumers to which producers’ marketing strategies or even simple fashion trends may give rise.

62 However, the applicant has failed to demonstrate, during either the proceedings before OHIM or those before the Court, that this aesthetic or subjective complementary nature has reached the stage of a true aesthetic ‘necessity’ in the sense that consumers would think it unusual or shocking to carry a bag which does not perfectly match their shoes. The Court takes the view, first of all, that the search for a certain aesthetic harmony in clothing is a common feature in the entire fashion and clothing sector and is too general a factor to justify, by itself, a finding that all the goods concerned are complementary and, thus, similar. The Court observes, in addition, that the facts and evidence submitted by the applicant for the first time before the Court cannot, in the present case, call into question the lawfulness of the contested decision as shown in paragraphs 19 et seq. above.

63 Moreover, the fact that consumers regard a product as a complement of or accessory to another is not sufficient for them to believe that those products have the same commercial origin. For that to be the case, consumers would also have to consider it usual for those products to be sold under the same trade mark, which normally implies that a large number of the producers or distributors of the goods are the same.”

There is no evidence to show that there is a true aesthetic necessity. There is no symbiotic or mutually dependent relationship between the respective goods. The respective goods are not complementary. **Taking all of the above factors into account I find that *beachwear, sportswear, rainwear, capes, shawls, ponchos* are similar to a reasonable degree to the goods of the earlier**

registrations. (In considering whether the respective class 25 goods are complementary at all times I have borne in mind the judgment of the CFI in *Sergio Rossi SpA*.)

66) *Nightwear, underwear, lingerie* all share the common factor that they are not normally seen out in public. They could be of the same material as *t-shirts and vest tops for women* and so have the same physical nature. Both sets of clothes are worn and so serve the same general purpose. *Nightwear, underwear, lingerie* can be sold in stand-alone shops or in discrete parts of clothes shops and department stores. It is not uncommon for one undertaking to produce the complete spectrum of goods and so they could share the same channel of trade. Although both sets of goods are items of clothing they have well differentiated purposes. The respective goods are not fungible. Persons wearing outer garments will normally also wear *underwear* or *lingerie* (this is not the case with *nightwear*) however, in the terms of *Boston Scientific Ltd* I cannot see that there is a relationship that makes one set of goods indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking. **Overall I find that there is a low degree of similarity between *t-shirts and vest tops for women* and *nightwear, underwear, lingerie*.**

67) *Footwear, shoes, boots, trainers* and *hosiery socks* are all items of footwear. *Hosiery socks* could be made of knitted textile fabrics, all of the other goods could be made of leather. Consequently, the respective goods could be of the same material. These goods of the application all have the specific purpose of covering the feet and so have a discrete and alien purpose to the goods of the earlier registration in relation to the part of the anatomy that is covered. The respective goods are certainly neither fungible nor essential to each other; they are neither complementary nor in competition. *Footwear, shoes, boots, trainers* traditionally had stand-alone outlets. However, nowadays they are often found as part of general clothing shops. In department stores, clothes shops and supermarkets, however, they will be in discrete areas, as will *hosiery socks*. *Footwear, shoes, boots, trainers* are produced in specific factories and are likely to reach retailers by different channels of trade to the goods of the earlier registrations. **Taking into all account the above factors I consider that there is a degree of similarity between *footwear, shoes, boots, trainers* and *hosiery socks* and the goods of the earlier registration but it is at a low level.** (Taking into account the judgment in *Sergio Rossi SpA* I have not considered it necessary to consider a comparison with the class 18 goods of Sun's Community trade mark registration, there is no evidence to establish similarity between such goods and the class 25 goods of the applications.)

68) *Hats, caps, bandanas* are all items of *headgear* (which appears in the specification of the applications). None of the goods of the registrations are for wearing upon the head. The respective goods coincide in that they are items of clothing but items of clothing designed for different parts of the anatomy. The

respective goods could be made of the same material. Consequently, at a very general level the respective goods have the same nature and at the most general of levels have the same intended purpose, for the covering of the body. All of the goods could be found in clothes shops, however, they will be in discrete areas. The respective goods are not fungible and there is no essential relationship between them; they are neither complementary nor in competition. **Taking into all account the above factors I consider that there is a degree of similarity between hats, caps, bandanas and headgear and the goods of the earlier registration but it is at a low level.**

69) The considerations in relation to *neckwear, swimwear, gloves, mittens, scarves, and belts for wear* and the goods of the earlier registrations are very much the same as those in relation to *hats, caps, bandanas and headgear* and as a result the conclusion is the same. **There is a degree of similarity, at a low level, between neckwear, swimwear, gloves, mittens, scarves, and belts for wear and the goods of the earlier registrations.**

70) *Articles fashioned of or coated with precious metals or imitation precious metals* in the class 14 specification of Sun's Community trade mark will include *hair ornaments, hair pins, hair slides and badges* made of such materials. Consequently, the specification will encompass goods which are identical, save for the material of manufacture, to these goods in the class 26 specification of the applications. **Consequently, there is a high degree of similarity between hair ornaments, hair pins, hair slides and badges in the class 26 specification of the applications and the class 14 goods of Sun's Community trade mark registration.**

71) *Hair ribbons, braids, ribbons, lace* can all be used for adorning the hair and so have a similar function to the goods referred to in the paragraph above and so have the same users and intended purpose. They are of fabric rather than metal and so their physical nature is different. Owing to this different physical nature the respective goods are unlikely to share a common channel of trade. There is no essential relationship between these goods and the goods of the earlier registrations, they are not complementary. As they are used for adornment of the hair they could be fungible for the goods referred to in the paragraph above and so are in competition. Goods for the adornment of the hair that are of imitation precious metals could be found in the same area of a retail establishment as *hair ribbons, braids, ribbons, lace*. **Consequently, I find that hair ribbons, braids, ribbons, lace are similar to certain of the goods that would be encompassed by the class 14 specification of Sun's Community trade mark.**

72) I can see no coincidence within the parameters of the case law between *embroidery* and the goods of the earlier registrations. **I find that embroidery is not similar to any of the goods of Sun's earlier registrations.**

73) In *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-116/06* the CFI dealt with the similarities between retail services and goods:

“43 With regard, in particular, to the registration of a trade mark covering retail services, the Court held, in paragraph 34 of the judgment in *Praktiker Bau- und Heimwerkermärkte*, that the objective of retail trade is the sale of goods to consumers, which includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction, and that that activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the abovementioned transaction with the trader in question rather than with a competitor. The Court stated, in paragraph 35 of that judgment, that no overriding reason based on First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) or on general principles of Community law precludes those services from being covered by the concept of ‘services’ within the meaning of the directive or, therefore, the trader from having the right to obtain, through the registration of his trade mark, protection of that mark as an indication of the origin of the services provided by him.

44 The Court stated furthermore in *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above (paragraphs 49 and 50), that, for the purposes of registration of a trade mark covering services provided in connection with retail trade, it is not necessary to specify in detail the service(s) for which that registration is sought. However, the applicant must be required to specify the goods or types of goods to which those services relate.

45 In the first place, with regard to the assessment of the similarity of services consisting of ‘retail and wholesale of clothing, headwear, footwear, athletic bags, backpacks and knapsacks and wallets’ covered by the contested Community trade mark, on the one hand, and goods covered by the earlier trade mark, that is ‘clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags, wallets’, on the other, the Board of Appeal found, in paragraphs 18 to 23 of the contested decision, that there was a strong similarity between those services and goods on account of their nature, their purpose, their method of use, their distribution channels and their complementary nature.

46 With regard, first, to the nature, purpose and method of use of the services and products in question, it cannot be held that those services and products are similar.

47 Indeed – as also pointed out by the Cancellation Division in paragraphs 21 and 22 of the decision of 18 June 2004 – the nature of the goods and services in question is different, because the former are fungible and the latter are not. Their purpose is also different, since the retail service precedes the purpose served by the product and concerns the activity carried out by the trader for the purpose of encouraging the conclusion of the sales transaction for the product in question. So, for example, an item of clothing is intended in particular to clothe the person who purchases it, whereas a service linked to the sale of clothes is intended, inter alia, to offer assistance to the person interested in the purchase of that clothing. The same applies to their method of use, which for clothes means the fact of wearing them, whereas the use of a service linked to the sale of the clothes consists, inter alia, in obtaining information about the clothes before proceeding to buy them.

48 With regard, second, to the distribution channels of the services and the goods in question, it is correct, as rightly pointed out by the Board of Appeal in paragraph 22 of the contested decision, that retail services can be offered in the same places as those in which the goods in question are sold, as the applicant has also recognised. The Board of Appeal's finding that retail services are rarely offered in places other than those where the goods are retailed and that consumers need not go to different places to obtain the retail service and the product they buy, must therefore be upheld.

49 Contrary to what is claimed by the applicant, the fact that the retail services are provided at the same sales points as the goods is a relevant criterion for the purposes of the examination of the similarity between the services and goods concerned. In that regard, it should be pointed out that the Court has held, in paragraph 23 of *Canon*, paragraph 16 above, that, in assessing the similarity of the goods and services in question, all the relevant factors characterising the relationship between the goods or services should be taken into account. It stated that those factors include their nature, purpose, method of use, and whether they are in competition with each other or are complementary, meaning that it did not in any way regard those factors are the only ones which may be taken into account, their enumeration being merely illustrative. The Court of First Instance therefore concluded from this that other factors relevant to the characterisation of the relationship which may exist between the goods or services in question may also be taken into account, such as the channels of distribution of the goods concerned (*Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR II-0000, paragraph 37; see also, to that effect, *Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 65, upheld on appeal in *Case C-214/05 P Rossi v OHIM* [2006] ECR

I-7057; and Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 95).

50 Furthermore, contrary to the applicant's assertion, which is moreover unsubstantiated, that, as the majority of the goods are sold in supermarkets, consumers do not attach too much importance to the point of sale when making up their mind whether goods share a common origin, it must be held that, as contended by OHIM, the manufacturers of the goods in question often have their own sales outlets for their goods or resort to distribution agreements which authorise the provider of the retail services to use the same mark as that affixed to the goods sold.

51 It was therefore correct, in paragraph 22 of the contested decision, to take into account, when comparing the goods and the services covered by the trade marks in dispute, the fact that those goods and services are generally sold in the same sales outlets (see, in that regard, *SISSI ROSSI*, paragraph 49 above, paragraph 68, and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 37).

52 Regarding, third, the complementary nature of the services and goods in question, found to exist by the Board of Appeal in paragraph 23 of the contested decision, it should be pointed out that, according to settled case-law, complementary goods are those which are closely connected in the sense that one is indispensable or important for the use of the other, so that consumers may think that the same undertaking is responsible for both (see, to that effect, *SISSI ROSSI*, paragraph 49 above, paragraph 60; *PAM PLUVIAL*, paragraph 49 above, paragraph 94; and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 48).

53 In that regard, it must be pointed out that the goods covered by the earlier mark, that is, clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags and wallets, are identical to those to which the applicant's services relate.

54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.

55 Furthermore, the relationship between the goods covered by the earlier trade mark and the services provided in connection with retail trade in respect of goods identical to those covered by the earlier trade mark is also characterised by the fact that those services play, from the point of view of the relevant consumer, an important role when he comes to buy the goods offered for sale.

56 It follows that, because the services provided in connection with retail trade, which concern, as in the present case, goods identical to those covered by the earlier mark, are closely connected to those goods, the relationship between those services and those goods is complementary within the meaning of paragraphs 54 and 55 above. Those services cannot therefore be regarded, as the applicant claims, as being auxiliary or ancillary to the goods in question.

57 Thus, notwithstanding the incorrect finding of the Board of Appeal to the effect that the services and goods in question have the same nature, purpose and method of use, it is indisputable that those services and goods display similarities, having regard to the fact that they are complementary and that those services are generally offered in the same places as those where the goods are offered for sale.

58 It therefore follows from all of the foregoing that the goods and services in question resemble each other to a certain degree, with the result that the finding in paragraph 24 of the contested decision that such a similarity exists must be upheld.”

74) Taking on board the findings above of the CFI, where the goods of the earlier registration are itemised by the services of the application, or where the term in the services specification encompasses goods of the earlier registrations, they are similar. So the following services of the applications are similar to the goods of the earlier registration:

the bringing together, for the benefit of others, of a variety of goods, namely clothing, fashion wear, jewellery, imitation jewellery, watches, clocks, bags, purses, wallets, handbags, luggage, belts, rucksacks, backpacks and fashion accessories, enabling customers to conveniently view and purchase those goods in a retail store, by mail order, from a catalogue, or Internet website and a television shopping channel.

75) This leaves the services relating to *footwear, headwear, neckwear, lingerie, underwear and clothing for pets*. As the goods to which the services relate are not covered by the earlier registrations there is no complementary relationship, applying the arguments of the CFI. However, the items of clothing will have the same channels of distribution as the clothing of the earlier registrations. *Clothing for pets* will have the same channels of distribution as certain of the class 18

goods of Sun's Community trade mark registration, which as discussed above will include goods such as collars, leads and bags for dogs and cats. **Consequently, there is a low degree of similarity between the services relating to the goods referred to above and the goods of the earlier registrations.**

76) In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 the ECJ stated:

"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 or services covered. In contrast to Article 4(4)(a), which expressly refers to the situation in which 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."

The court required evidence of similarity to be adduced. This finding has been reiterated by the ECJ and the CFI eg in *Commercy AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-316/07:

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

The above part of the *Canon* judgment has been more recognised in the breach than in the observance in this jurisdiction. Where non-technical or specialist goods are concerned it can be somewhat redundant to seek evidence of similarity. I do not, for instance, consider that it should be necessary to file evidence to show that shoes are often retailed in the same emporia as clothing. In this case the goods, with the exception of the goods for equestrian purposes, are all of an everyday type which the average member of the public will come across. (I have already decided that the average consumer is the public at large). The very nature of the average consumer suggests that evidence of similarity would be likely to be redundant. The absence of evidence of similarity is, therefore, not something upon which the case turns. However, I note that neither party made the least effort to state how or why it considered that the goods and services were similar or not similar. In its counterstatement MAL denied that any of the respective goods and services were identical or similar. It is difficult, where terms are rehearsed in the respective specifications, to credit such a statement. Sun simply asserted that all of its goods and services, with the

exception of the class 12 goods of its Community trade mark registration, were similar or identical to the goods and services of the application. It did not identify which goods were similar to which goods. Consequently, I have had nothing from the parties to substantiate their claims and counterclaims; unfortunately, a far too common situation in proceedings before the registrar. The parties must stand or fall by their concerted and complete silence in relation to the similarities or otherwise of the respective goods and services. Parties could do well to bear in mind the comments of Laddie J in *Dualit Limited v Rowlett Catering Appliances Limited* [1999] FSR 865:

“But proceedings before the Registry are not a dry run to test out the evidence to see which parts can be criticised so that the evidence can then be perfected for the purpose of the proper run before the High Court. It is important for parties to realise that the function of the Registry is to examine applications and to consider oppositions, and that they must put before the Registry the material which is to be relied upon in support of their cases. In my view, it is just as important that it is brought home to litigants that they must put the best evidence available to them before the Registry as it is to ensure that the appeal is a fair resolution of the dispute between the parties. It appears to me, therefore, that it is still necessary for the court to consider the issue of how important the evidence is, whether it could have been put in earlier and why it was not and the weight that evidence is likely to have at the appeal.”

Comparison of trade marks

77) The applications are for the trade marks **MONSOON Storm** and:



Sun's registrations are for the trade mark **STORM**.

78) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details¹⁵. 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 components¹⁶. Consequently, I must not indulge in an artificial dissection of the trade marks, although I need to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of

¹⁵ *Sabel BV v Puma AG* [1998] RPC 199.

¹⁶ *Sabel BV v Puma AG* [1998] RPC 199.

them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant¹⁷. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public¹⁸.

79) There is only one element of Sun's trade mark, STORM, there can be no dissection into distinctive and dominant components. MAL's trade marks consist of the word MONSOON (in a standard type face and a slightly stylised type face) and the word STORM. Owing to its length and the position in the trade marks I consider that the MONSOON element is more distinctive and dominant than STORM. STORM is a well known word and has an independent distinctive rôle in the two trade marks. MAL has not argued that its trade marks "hang together" in giving a unified concept ie having the concept of a storm during a monsoon. In its counterstatement MAL claims that MONSOON is a well-known trade mark in the United Kingdom, a statement which has not been supported by any evidence despite a claim that it would be. If MONSOON were a well-known trade mark in relation to certain goods this claim would almost be tantamount to an admission against interest, as it would militate against the trade marks "hanging together". In the absence of evidence of the fame of the trade mark MONSOON I will treat the trade marks of MAL on the basis of being virgin trade marks. It is well established that the meaning of that sign must be clear, so that the relevant public are capable of grasping it immediately, for its conceptual association(s) to have effect on the issues of similarity and likelihood of confusion¹⁹. I am not aware of there being a commonly used phrase MONSOON STORM (unlike phrases such as snow storm and sand storm) and there is neither argument nor evidence in relation to this matter. My own impression is to see two separate well-known words which are not joined to form a concept with an obvious meaning. I do not see MONSOON as a descriptor of STORM, if MONSOON was seen as being used epithetically then it would become subordinate to the noun it was describing, which would leave STORM as the more dominant and distinctive element. The STORM element of the stylised word trade mark is in a normal font

¹⁷ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

¹⁸ *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

¹⁹ See for instance the judgment of the CFI in *GfK AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-135/04:

"78. The Court cannot uphold the applicant's argument that the earlier mark refers to the concept of an autobus, and there is no need to take a view on OHIM's argument that a like reference characterises both signs. It is common ground that the services concerned have no link whatsoever with public transport. Even if it is indeed the case that the conceptual analysis of a sign is not invalidated by the fact that the meaning of that sign bears no relation to the services concerned, the fact remains that that meaning must be clear, so that the relevant public are capable of grasping it immediately (see, to that effect, Case T-292/01 *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel(BASS)* [2003] ECR II-4335, paragraph 54). In the circumstances, in view of the nature of the services in question, the relevant public will not spontaneously associate the word 'bus' with a means of public transport."

and so this element of the trade mark is not made visually different to the STORM trade mark of Sun. **Taking into account that I consider that the STORM element of the applications has an independent distinctive rôle, I consider that the respective trade marks have visual, phonetic and conceptual similarities and that consequently that the respective trade marks are similar.**

Conclusion in relation to likelihood of conclusion

80) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa²⁰. In this case there are goods that are dissimilar; in relation to such goods there can be no likelihood of confusion as the cumulative process requires some similarity. Outwith the dissimilar goods and services, the proximity of the respective goods and services runs the entire gamut from very low levels of similarity to identity.

81) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion²¹. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public²². In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings²³. MAL argues that STORM is non-distinctive for the goods for which it is registered. Under both the Act²⁴ and Council Regulation 40/94 of December 20,1993²⁵ there is a presumption of validity²⁶. MAL exhibits a

²⁰ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

²¹ *Sabel BV v Puma AG* [1998] RPC 199.

²² *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

²³ *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

²⁴ Section 72.

²⁵ Article 95.

²⁶ In *Republic Technologies (NA) LLC v Quelle Aktiengesellschaft* BL O/254/07 Mr Richard Arnold QC, sitting as the appointed person, stated:

reference to a “storm coat”. The reference appears to be from an American on-line dictionary. There is no evidence of use in the United Kingdom of this term. The value of this reference is further devalued as none of the goods of Sun’s registrations include coats. MAL submits that STORM is descriptive of clothing and related accessories that are storm proof or suitable for use to combat stormy weather conditions. It is difficult to see how such goods as jewellery, hair ornaments and lingerie would be storm proof or how in relation to them STORM would even be allusive. There is no evidence that STORM is a term of the art. At the worst in relation to certain goods for outdoor use it might be allusive to the properties of the product. (I note again that, anyway, there is a presumption of validity in relation to Sun’s trade mark.) Most of the evidence of use of STORM by other traders relates to use in relation to goods for outdoor use. (It is to be noted that virtually all of the evidence relates to the position over one year after the date that the applications were filed.) Two of the few exceptions is G-Star STORM ELWOOD jeans and DrunknMunky Storm jacket. SAND STORM is a well-known phrase and has its own meaning as does STORM TROOPER (CHE). MAL argues that other trade marks are more similar to Sun’s trade mark than its trade marks are. This is hardly a question that I can consider. It is an irrelevant matter, I have to consider the question of likelihood of confusion in relation MAL’s trade marks and Sun’s trade marks within the parameters of the facts and the case law. The use of by other trader of STORM within their trade marks is not indicative of whether STORM is distinctive or not for the goods of Sun. A similar argument was run before Floyd J in *Nude Brands Limited v Stella McCartney Limited and others* [2009] EWHC 2154 (Ch). Floyd J commented:

“29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c).”

I consider that STORM in relation to the goods of Sun’s earlier registrations is neither descriptive nor, generally, allusive. Even if one takes into accounts the

“17. I would add that, as the opponent accepts, the hearing officer correctly proceeded on the basis that the opponent’s mark is presumed to be validly registered and therefore must be assumed to possess or have acquired at least the minimum degree of distinctiveness required to justify registration in the absence of any attack on the validity of the registration. I consider that I was mistaken to hold the contrary in *Oska’s Ltd’s Trade Mark Application* [2005] RPC 20 at [39].”

use by other traders of trade marks including the word STORM, the nature of their trade and the nature of Sun's that has been shown, means that for the most part they are unlikely to have crossed. So the public will not have been educated into distinguishing between various STORM trade marks. Consequently, I consider STORM has a reasonable degree of inherent distinctiveness.

82) In *Zero Industry Srl v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-400/06* the CFI was seised with similar claims:

“71 In addition, the weak distinctive character of an element of a compound mark does not necessarily imply that that element cannot constitute a dominant element since – because, in particular, of its position in the sign or its size – it may make an impression on consumers and be remembered by them (judgment of 16 May 2007 in Case T-491/04 *Merant v OHIM – Focus Magazine Verlag (FOCUS)*, not published in the ECR, paragraph 49). It should be added that, as regards the earlier marks, in so far as they comprise a single verbal element, the argument that that word has become common is not relevant for the purposes of the comparison of the signs at issue (see, to that effect, *Limoncello della Costiera Amalfitana shaker*, cited in paragraph 44 above, paragraph 37).

74 Third, as regards the applicant's claim that the earlier marks have weak distinctive character, it should be held that accepting that the earlier mark has a weak distinctive character does not prevent the finding in the present case that there is a likelihood of confusion. Although the distinctive character of the earlier mark must be taken into account when assessing the likelihood of confusion (see, by analogy, *Canon*, cited in paragraph 32 above, paragraph 24), it is only one factor among others involved in that assessment. Thus, even in a case involving an earlier mark of weak distinctive character, there may be a likelihood of confusion on account, in particular, of a similarity between the signs and between the goods or services covered (see judgment of 12 November 2008 in Case T-210/05 *Nalocbar v OHIM – Limiñana y Botella (Limoncello di Capri)*, not published in the ECR, paragraph 51 and the case-law cited).

75 In addition, granting excessive importance to the fact that the earlier mark has only a weak distinctive character would have the effect that the factor of the similarity of the marks would be disregarded in favour of the factor based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the signs at issue. Such a result would not, however, be consistent with the very nature of the global assessment which the competent authorities are

required to undertake by virtue of Article 8(1)(b) of Regulation No 40/94 (see *Limoncello di Capri*, cited in paragraph 74 above, paragraph 52 and the case-law cited). “

The position advanced by MAL is opposed to the judgment of the ECJ in *L'Oréal SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-235/05 P*:

“45 The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

83) The ECJ in *Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) v Shaker di L Laudato & C Sas Case C-334/05 P* stated:

“41 It is important to note that, according to the case-law of the Court, in the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29).

42 As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.”

84) In *Medion AG v Thomson multimedia Sales Germany & Austria GmbH Case C-120/04* the ECJ stated:

“30 However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

31 In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.

33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.”

85) I consider that this case is very much on a par with *Medion AG v Thomson multimedia Sales Germany & Austria GmbH*. The presence of the STORM element in MAL’s trade marks, which has an independent distinctive rôle, will lead the average consumer, taking into account the nature of the goods and services, to believe that the owners of MAL’s trade marks and the owners of Sun’s trade mark are economically linked at the very least, indeed that the goods are from the same undertaking. Owing to the strength of the link that is created by the STORM element I consider that likelihood of confusion will arise in relation to all of the goods and services of the applications that are similar, even where there is only a very low degree of similarity and where there will be a careful purchasing process.

86) The applications are to be refused under section 5(2)(b) of the Act in respect of all goods and services with the exception of *embroidery*.

Passing-off – section 5(4)(a) of the Act

87) I decided above that at the material date Sun had a goodwill by reference to the sign STORM in relation to umbrellas, watches, jewellery, luggage, wallets; t-shirts and vest tops for women, all made from knitted textile fabrics; jeans for men being articles of clothing. All of these goods fall within the parameters of the specifications of Sun’s registered trade marks. It is also established that there was a trade in relation to sunglasses by reference to the sign STORM; however, this use was outside the parameters of the claim to a reputation. MAL in its

counterstatements claimed that it had used the trade marks. It has furnished no evidence to support this claim. MAL in its counterstatements claimed that MONSOON was a well-known trade mark. It has furnished no evidence to support this claim; if it had this would not of itself have been a defence.

88) Although the use on sunglasses, owing to the nature of the grounds of opposition, cannot be considered of itself as being liable to prevent use of the trade marks of MAL, it can, and will, still be taken into account in forming a picture of the trade and reputation of Sun. This picture shows that use of Sun's trade mark, primarily through licence agreements, spans a breadth of goods. In my view they have a connection in that they can all be considered to be fashion items. They encompass the same sort of spectrum of goods as so-called designer brands. The basis of Sun's trade appears largely to link the brand with a variety of products which they do not manufacture. Indeed, there is nothing to suggest that Sun has any manufacturing capacity. So those who know of the STORM brand are likely to expect to see it used across the same area of goods as designer brands, indeed they may consider STORM to be such a brand. In my experience one sees designer brands across a product portfolio that often includes sunglasses, spectacle frames, perfumery, watches, bags and clothing; with the exception of perfumery very much the portfolio of Sun's goods.

89) MAL has commented upon the presence of other traders using trade marks including STORM, a matter with which I have dealt above. In relation to passing-off this issue was dealt with by Laddie J in *Associated Newspapers Limited and others v Express Newspapers* [2003] FSR 51:

“As Mr Watson implicitly accepts, there is no requirement in the law of passing off that the claimant's reputation has to be exclusive. There have been a number of cases where a claimant has succeeded even though he was not the only trader with a reputation in the mark.”

As I have commented above most of the use is outside of the sphere of Sun's use or is in relation to signs that are neither comparable to that of Sun or those of MAL's.

90) MAL submits that STORM is not distinctive for the goods upon which Sun uses it. In *Associated Newspapers Limited and others v Express Newspapers* Laddie commented upon the position of descriptive marks in passing-off actions:

“25. The jurisprudence to the effect that it is difficult if not impossible to succeed in a passing off action where the mark relied on is descriptive is based on the principle that no trader should be allowed to secure a monopoly over words which customers would regard not as an indication of origin but as merely descriptive of the type of goods or services being offered and which, for that reason, other traders are likely to want to use. Where a mark possesses the ability to convey to the customer an

indication of a particular trade origin for goods made available under it, it can be protected by passing off proceedings.”

(A particularly full exegesis of the law in relation to this matter can be found in *Radio Taxicabs (London) Ltd v Owner Drivers Radio Taxi Services Ltd* [2004] RPC 19.) Taking into account the nature of the goods in relation to which Sun has established goodwill I cannot see that STORM is descriptive.

91) Millet LJ in *Harrods v Harrodian School* [1996] RPC 697:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services”

In the same case Millet LJ held:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

The goods of MAL, with the exception of *clothing for dogs, cats, collars, leads, bags and blankets for dogs and cats; embroidery and badges*, occupy the same area of trade as those for which Sun has a goodwill. They share a field of activity, taking into account the pattern for brand expansion and the gamut of goods covered by designer labels. The common field of activity and the presence of STORM in the trade mark of MAL will lead to a misrepresentation to the public concerned.

92) Passing-off is not just about the end consumer²⁷, it can also occur with the trade. The trade is likely to be very aware of the licensing of trade marks, it is a common practice. Those who know of Sun will almost certainly know that this is the cornerstone of its business. Consequently, I consider that in the common field of activity the trade will be misled and deceived by the use of MAL’s trade marks into believing that there is a connection through some form of licensing agreement with Sun.

²⁷ See the judgment of Bankes LJ in *Ewing v Buttercup Margarine Co Ltd* [1917] 34 RPC 232:

"What does this matter if they intend to pass their goods on to the market as being of their manufacture with the intention that they shall retain their identity until they reach the retail purchasers? Or what does it matter that the business of the plaintiff at the present time is mainly confined to Scotland and parts of the North of England? All that seems to me to be perfectly immaterial."

93) In *Sir Robert McAlpine Limited v Alfred McAlpine Plc* [2004] RPC 36 Mann J considered the nature of damage in a passing-off action:

"20 When it comes to considering damage, the law is not so naïve as to confine the damage to directly provable losses of sales, or "direct sale for sale substitution". The law recognises that damage from wrongful association can be wider than that. Thus in *Ewing –v- Buttercup Margarine Limited* (1917) 34 RPC 232 Warrington L.J. said:

"To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of the goods I sell; the kind of business I do; the credit or otherwise which I might enjoy. All those things may immensely injure the other man, who is assumed wrongly to be associated with me."

In so saying, he was not limiting the kinds of potential damage to those listed by him. Rather, he was indicating that the subtleties of the effect of passing off extend into effects that are more subtle than merely sales lost to a passing off competitor.

In *Associated Newspapers Limited –v- Express Newspapers* [2003] FSR 909 Page 929. Laddie J cited this passage, referred to other cases and went on to say:

"In all these cases [that is to say, the *Clock Limited* case referred to above and *Harrods –v- Harroddian School* [1996] RPC 679], direct sale for sale substitution is unlikely or impossible. Nevertheless the damage to the Claimant can be substantial and invidious since the Defendant's activities may remove from the Claimant his ability to control and develop as he wishes the reputation in his mark. Thus, for a long time, the common law has protected a trader from the risk of false association as it has against the risk of more conventional goods for goods confusion."

The same Judge expressed himself more picturesquely, but equally helpfully, in *Irvine –v- Talksport Limited* [2002] 1 WLR 2355 at page 2366. Having pointed out the more familiar, and easier, case of a Defendant selling inferior goods in substitution for the Claimant's and the consequential damage, he went on to say:

"But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a Defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the Claimant's. In such a case, although the Defendant

may not damage the goodwill as such, what he does is damage the value of the goodwill to the Claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus Fortnum and Mason is no more entitled to use the name FW Woolworth than FW Woolworth is entitled to use the name Fortnum and Mason ...

"The law will vindicate the Claimant's exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity." (at p 2368)

In *Taittinger SA –v- Allbev Limited* [1994] 4 All ER 75 Page 88, Peter Gibson L.J. acknowledged that:

"Erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses."

The same view was expressed by Sir Thomas Bingham M.R. at page 93.

21 The damage which results must be as a result of a misrepresentation to a relevant part or section of the public. In the *Jif Lemon* case the relevant people were described as "prospective customers or ultimate consumers of the goods or services in question" by Lord Diplock and as the "purchasing public" by Lord Oliver. Mr Thorley realistically accepted that in this case the relevant public was not confined to people who are at the moment actually customers of Robert and Alfred. In doing so he acknowledged the possibility, which in my view exists in this case, that the misrepresentation, if any, would or might be received by a wider class than that. However, for Robert to succeed there must be people whose dealings in respect of Robert would somehow be affected by the alleged misrepresentation. Such people must be assumed to be "reasonably well informed and reasonably observant and circumspect". Per Chadwick L.J. in *Bach –v- Bach Flour Remedies Trademarks* [2000] RPC 513 and 534."

94) In this case I consider that damage will occur to Sun on the following bases

- ❖ The potential loss of further licensing opportunities to Sun.
- ❖ Diverting trade from Sun to MAL.
- ❖ Potentially injuring the trade reputation of Sun if the goods or services are of a lower standard than those provided by Sun or the licensees of Sun

- ❖ By the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business.
- ❖ Erosion of the distinctiveness of Sun's trade mark.

95) I find that Sun succeeds in relation to the claim under section 5(4)(a) of the Act in respect of all of the goods of the application with the exception of *clothing for dogs, cats, collars, leads, bags and blankets for dogs and cats; embroidery and badges.*

Overall Result

96) The applications are to be refused in respect of all of the goods and services with the exception of embroidery.

Costs

97) Sun having been successful is entitled to a contribution towards its costs. I order costs on the following basis:

Opposition fee x 2	£400
Preparing a statement and considering the statement of MAL	£600
Preparing evidence	£750
Total	£1,750

I order Monsoon Accessorize Ltd to pay Sun 99 Limited the sum of £1,750. 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 25th day of September 2009

**David Landau
For the Registrar
the Comptroller-General**