O-348-09

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION 885033

IN THE NAME OF MIP METRO GROUP INTELLECTUAL PROPERTY GBMH & CO. KG

FOR PROTECTION IN THE UK OF THE TRADE MARK:

IN CLASSES 3, 9, 21, 24, 25, 26 & 27

AND

IN THE MATTER OF OPPOSITION NO 71427 BY

HACKETT LIMITED

TRADE MARKS ACT 1994

In the matter of international registration 885033
in the name of MIP Metro Group Intellectual Property GmbH & CO. KG
for protection in the UK of a trade mark in classes 3, 9, 21, 24, 25, 26 & 27

and

In the matter of opposition No 71427 by
Hackett Limited

Background

1. MIP Metro Group Intellectual Property GmbH & Co. KG ("MIP") is the holder of an international registration ("IR") numbered 885033. MIP designated the UK for protection of its IR on 25 January 2006. The IR also has an international priority date of 24 August 2005. The trade mark, together with the goods for which it seeks protection in the UK (and which are the subject of the opposition), is shown below:

Class 03: Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; preparations for body and beauty care; soaps; perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants; essential oils; cosmetics; skin creams; lotions for cosmetic purposes, preparations for shaving purposes and aftershaves; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; shoe polish, make-up; cleansing tissues containing cosmetic lotions.

Class 21: Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs, shoe shine kits; dishrags, dishtowels and glassware towels (for household purposes).

Class 24: Woven materials and textile goods, not included in other classes; table and bed linen; quilts, net curtains, curtains, decoration

curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).

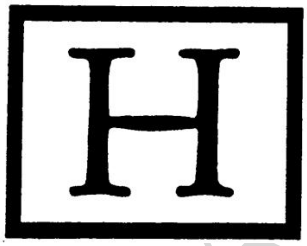
Class 25: Headgear, in particular shower caps; shoes, in particular beach shoes, clothing; eye masks (for sleeping).

2. On 20 November 2006 Hackett Limited ("Hackett") opposed the protection of the IR in the UK. Hackett bases its opposition firstly on grounds under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act") relying on its earlier trade mark (detailed below) which is registered in classes 3, 14, 18 & 25. Opposition is also made under section 5(4)(a) of the Act because it claims to have used a sign corresponding to its trade mark since at least 1994. The details of Hackett's earlier trade mark are:

UK registration: 2183456

Filing date: 2 December 1998

Registration date: 14 July 2000



Class 03: Aftershaves.

Class 14: Cufflinks; clocks; silverware and men's jewellery.

Class 18: Leather and imitations of leather, and goods made of these materials; bags.

Class 25: Clothing and headgear.

3. It should be noted that the opposition is directed only at the goods in classes 3, 21, 24 & 25 of the IR (as detailed earlier). It should also be noted that Hackett's earlier mark was registered before the period of five years ending on

the date of publication of the IR[1]. The proof of use provisions contained in section 6A of the Act therefore apply[2]. In view of this, the earlier mark may only be taken into account in these proceedings to the extent that it has been used or that there are proper reasons for non-use. Hackett claims to have used its mark in relation to:

> "(a) Aftershaves;
> (b) Cufflinks;
> (c) Goods made of leather and imitation leather; bags;
> (d) Clothing
>
> And other goods including the following:
>
> Eau de toilette, sunglasses, ophthalmic frames, collar stiffeners, business card holders, key rings, tea measuring spoons, photographic frames, money clips, travelling bags, umbrellas, sticks, luggage, bags, cases, holdalls, briefcases, wallets, coin purses, card holders, attaché cases, key cases, towels, travelling rugs, handkerchiefs, scarves, belts, ties and braces."

4. MIP filed a counterstatement denying the grounds of opposition. MIP also put Hackett to proof on its claim to have used its mark to the extent set out above.

5. Both sides filed evidence, I will return to this shortly. It should be noted that parts of Hackett's evidence have been granted confidentiality from third parties and so the public version of this decision will contain redactions in relation to the confidential evidence. Neither side requested a hearing. Both sides filed written submissions.

6. It should further be noted that this is the second substantive decision in these proceedings, the first having been set aside by the Registrar due to a procedural irregularity. That being the case, a decision by a different hearing officer is required. I hereby give the following decision based on the facts of the case as outlined in the statement of case and counterstatement, and after taking into account the evidence filed, the submissions made, and the relevant jurisprudence.

[1] MIP's mark was published on 18 August 2006 and Hackett's earlier mark completed its registration procedure on 14 July 2000.

[2] Section 6A of the Act was added to the Act by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

The evidence

Hackett's evidence

7. The evidence comes from Mr Mark Owens, Hackett's Marketing Director. Mr Owens provides two witness statements both of which are dated 30 November 2007. I will begin with the longer of the two.

8. Mr Owens describes Hackett as "a classic British clothing and accessories brand". The business started on a small scale on a stall in West London in 1979. It opened its first shop in 1983. Mr Owens states that the business has grown through a mixture of sales from its own retail outlets, through company-owned concessions, and through trade with wholesale customers (independent retailers).

9. As a result of funding from a majority shareholder (Alfred Dunhill) Hackett opened a flagship store in Sloane Street, London in October 1992. Mr Owens says that this cemented its "premium brand position". He states that today[3] there are 12 Hackett stores throughout the UK and 2 concessions. He states that turnover in the period ending 31 March 2006 was just over £20 million. He states that Hackett stores and concessions deal almost exclusively with its own label products. This means use of the trade mark HACKETT and, also, use of what he refers to as the "boxed H logo" (a reference to Hackett's earlier trade mark).

10. Reference is made to Exhibit MO18 which is an autumn/winter catalogue from 2006. Mr Owens states that this exemplifies how Hackett markets and promotes itself as a prestige clothing brand, characterized by a concept of "Britishness", British pursuits and sports such as equestrianism, polo and rugby. He states that these concepts have been re-enforced by sponsorship activities with the rugby player Jonny Wilkinson, the GT1 Aston Martin Racing Team, the London Rowing Club and British Army polo. He states that the image he describes has been consistently portrayed over the last fifteen years. Reference is made to further catalogues from 1994-2006 and a promotional postcard distributed in Hackett stores in 1996 (exhibits MO1, MO3, MO6-M014 & MO16-MO18).

11. Mr Owens states that during the year ending 31 March 2005, Hackett extended its range by entering into a licensing arrangement for men's grooming products with the Boots Company PLC ("Boots").

12. Mr Owens then discusses the use of the boxed H logo which he states was first used in the UK in 1993. He refers to a "to whom it may concern" letter he obtained from the "Fashion Editor at Large" of Esquire Magazine. In this letter it is commented that:

[3] His evidence is given on 30 November 2007.

"Hackett has been one of the foremost British clothing/accessories brand for over two decades and that it's boxed H branding is recognized in the field of men's clothing, accessories and grooming products as an iconic symbol of the Hackett brand."

13. Mr Owens refers to examples of use of the boxed H logo in several of the exhibits to his witness statement. He states that Hackett choose not to over-expose the logo but use it in a discrete way. In some of the examples referred to I can see that the logo is used at the end of the various brochures or at the bottom of some of the included pages. Reference is made to Exhibit MO28 which contains photographs of stickers bearing the boxed H logo which Mr Owens states are used to seal bags or wrapping tissues that carry the goods sold (he states that this has been done since 2002). The boxed H logo also appears on the caps of its aftershave bottles (see exhibit MO29) and later evidence shows that it is applied to certain goods (cufflinks, socks, baseball caps).

14. Reference is made to Hackett's target consumer. This is said to be high spend consumers. Mr Owens states that the average customer spend per visit to a Hackett store is just under [redacted]. He states that it has a loyal customer base. Turnover figures are then supplied. Figures dating back to 1993 are given (£3,673,000 at that point). For recent years, it is sufficient to record that in the last five years (2002-2006) the turnover has been between £18 and £20 million per year. It is stated that turnover comes from sales at its own stores[4], through its concessions (Harvey Nicholls in Edinburgh and London and historically at Selfridges and Liberty's in London), through wholesale sales to retailers throughout the UK, through sales of grooming products by Boots under license, through its mail order sales service, and through Internet sales.

15. Mr Owens then provides further information about its stores which he says are in carefully selected prime locations such as Jermyn Street and Old Bond Street, in London. The concessions have, he says, always been in high-class department stores. Photographs of some of its store fronts are shown in MO27. They show the boxed H logo in a secondary manner at each end of the HACKETT name. He then lists a range of goods (mostly clothing) which he recalls being sold at HACKETT stores since he began working there (in 2001).

16. Reference is made to Hackett's wholesale customers. A table in MO24 gives a figure for such sales in the four year period March 02- March 06. The sales have ranged from [redacted]. He states that its catalogues are distributed to its wholesale customers so bringing the boxed H logo to their attention.

[4] Eight in London, two in airports (Stansted and Heathrow), one in York and one at Bicester Village (which I understand is a retail park).

17. Exhibit MO35 contains extracts from Hackett's license agreement with Boots who sell HACKETT and boxed H branded goods. Boots sell aftershave, eau de toilette and shampoos/conditioners under this license. For the year September 2004-September 2005 just over [redacted] in sales of which aftershave represented [redacted] sales.

18. Mr Owens refers to the distribution of catalogues which he says is one of Hackett's important marketing tools. He describes them as high quality catalogues. He states that in 2001 Hackett had a database of approximately. 50,000 customers in the UK to whom catalogues were sent. The database now includes 23,000 names in the UK due to the database being updated. Catalogues are also distributed in stores and to over 5000 wholesale customers across Europe (80 are in the UK). Reference is made to the various brochures/catalogues in MO1-MO21. He states that in these, the boxed H logo is used on clothing, footwear and headgear as well as accessories and ancillary products.

19. Reference is then made to Internet sales which commenced in November 2004. In this first year, UK Internet sales equated to just over [redacted]

20. Exhibit MO23 provides information about the "retail mix" of goods sold through Hackett stores. Clothing typically generates [redacted] of sales and accessories the rest. Accessories are categorized as belts, bags, caps, scarves, wallets, gloves, cufflinks, fragrances, sunglasses, towels, shoes, underpants, nightwear, socks, umbrellas, braces, handkerchiefs and collar bones. He adds that the boxed H logo is physically applied to certain goods such as cufflinks, socks and baseball caps.

21. In relation to the goods that MIP seeks protection for, in comparison to Hackett's goods, he highlights that perfume is now sold as a unisex product, that certain beauty product suppliers sell aftershave, that certain grooming products are sold in kits with other grooming products, and that certain clothing brands also sell goods such as towels and textile products. Evidence is provided in Exhibits MO31-34 & 36 in support of these propositions.

22. Mr Owens then makes reference to MIP's business. He notes from MIP's website (an extract is provided in MO37) that it is a large retail group in a cash and carry environment. He contrasts this type of business with Hackett's and suggests that this could cause damage to Hackett's business. He provides further opinions on the various grounds of opposition, but, as this is essentially opinion/submission rather than evidence of fact, I do not intend to summarise this further. I will, of course, take it into account.

23. Mr Owens' second witness statement is provided to show the use of Hackett's mark in the five years prior to the date of publication of the IR. It is fair to say that much of this evidence is similar in nature and duplicative of the evidence already described above. It does though provide detailed breakdowns of sales of individual goods including sales of individual goods that actually have the boxed H logo depicted on them. To illustrate the latter sales, sales figures of cufflinks, scarves, socks and baseball caps are provided, I note that the highest annual totals in terms of unit sales were [redacted] respectively. I note, also, Mr Owens' statement that the mark has been used in the relevant five year period on:

> "Shirts, jackets, trousers, casual shirts, knitwear, polo shirts, rugby shirts, shorts/swimwear and accessories."

24. Also of additional note is the fact that none of the stores/concessions previously listed were recent openings, the most recent being in 2002. I do not intend to summarise this second witness statement further.

MIP's evidence

25. This comes from Mr Lars Hoffman of Metro AG ("Metro") – MIP is Metro's trade mark holding company. Mr Lars explains that Metro have a number of sales divisions one of which is a cash and carry business branded Makro in the UK. He states that they are a wholesale business and, therefore, do not sell to end consumers. He states that the product line under the IR is aimed at the needs of "HoReCa" businesses (hotels, restaurants and catering businesses).

26. He provides an example of the use of the IR in relation to shower gel. He states that the goods will only be sold in Makro. He states that the goods will, for example, be used by hotel groups and, for this reason, it is important to maintain quality. He states that the channels of trade between Makro and Hackett are different.

Hackett's reply evidence

27. This comes from Mr Guy Heath of the firm Nabarro LLP. Mr Heath has conduct of this matter on behalf of Hackett. Mr Heath's evidence is not evidence of fact but is merely submission. I do not intend to summarise it here but will, of course, take it into account.

Proof of use

28. As stated in paragraph 3, the proof of use provisions apply to Hackett's earlier mark. This, though, relates only to the grounds of opposition under sections 5(2) and 5(3) of the Act. The relevant legislation reads:

> **"6A Raising of relative grounds in opposition proceedings in case of non-use**
>
> (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, …
>
> …
>
> (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…"

29. The question is, essentially, whether there has been genuine use of the mark and, if there has been, for what goods? The relevant period for this assessment is the five year period ending with the date of publication of MIP's application, namely 19 August 2001 to 18 August 2006.

30. The leading authorities on the principles to be applied in determining whether there has been genuine use of a mark are the judgments of the European Court of Justice ("ECJ") in *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 ("*Ansul*") and *Laboratoire de la Mer Trade Marks* [2006] F.S.R. 5 ("*La Mer*"). From these judgments, the following points are of particular importance:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);

- the use must be 'on the market' and not just internal to the undertaking concerned (*Ansul*, paragraph 37);

- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);

- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);

- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);

- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);

- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);

- there is no requirement that the mark must have come to the attention of the end user or consumer (*La Mer*, paragraphs 32 and 48);

- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*La Mer*, paragraph 34);

-the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*La Mer*, paragraph 44).

31. I only need to consider the matter from the perspective of the goods for which the mark is registered, namely

> **Class 03:** Aftershaves.
> **Class 14:** Cufflinks; clocks; silverware and men's jewellery.
> **Class 18:** Leather and imitations of leather, and goods made of these materials; bags.
> **Class 25:** Clothing and headgear.

32. And then, only from the perspective of Hackett's statement of use, namely:

> "(a) Aftershaves;
> (b) Cufflinks;
> (c) Goods made of leather and imitation leather; bags;
> (d) Clothing
>
> And other goods including the following:
> Eau de toilette, sunglasses, ophthalmic frames, collar stiffeners, business card holders, key rings, tea measuring spoons, photographic frames, money clips, travelling bags, umbrellas, sticks, luggage, bags, cases, holdalls, briefcases, wallets, coin purses, card holders, attaché cases, key cases, towels, travelling rugs, handkerchiefs, scarves, belts, ties and braces."

33. It is clear from the evidence that the mark has been used. Although the sign HACKETT is likely to be regarded as the primary sign of trade origin, there are a number of examples of the boxed H logo being used in many of the various catalogues that have been issued. It has also been used on store fronts, and it has also been used on stickers placed on bags and wrapping tissue for the goods. Whilst it can be argued that this represents use in relation to a retail service rather than use in relation to the goods, Mr Owens states in his evidence that the goods sold are almost exclusively own brand goods. It is, therefore, reasonable to assume that the use in catalogues and on the store fronts will contribute to indicating the trade origin of the goods themselves. There is also use, physically, on some of the actual goods.

34. This use cannot be said to be internal to the proprietor. Neither is it merely token use for the purpose of preserving the registration. The sales quantum, the majority of which is to the general public, seems to represent a real business interest. Whilst clothing (men's clothing) may be the core of the business, information has been provided on Hackett's "retail mix" and the sales figures for its "accessories" are not insignificant. I have no doubt that all of this constitutes

genuine use in accordance with the principles set out in the above case-law. I find that genuine use has taken place for a wide range of goods within the relevant period. I must, of course, consider what a fair specification would be which reflects the use that has taken place. As a starting point, I will begin by recording on which goods use has taken place and why I come to these conclusions. Listed against the relevant classes this would be:

Class 3 Use shown on: aftershaves

This is the only term in the specification. There is clear use of this through Hackett's licensee Boots and through its own stores.

Class 14 Use shown on: cufflinks

Again, there is clear use in relation to cufflinks. Although there are other types of goods listed in the class 14 specification, I can see nothing in the evidence relating to any other form of jewellery or silverware. Mr Owens does not mention any other specific form of use. Whilst in its statement of use (in its "other goods" paragraph) there are some goods which could be classed as silverware (such as key rings) no evidence is provided in support.

Class 18: Use shown on: wallets, passport holders and attaché cases, all being made from leather or imitations of leather; bags.

Mr Owens focuses in his evidence on bags, wallets, passport holders, leather belts and attaché cases. Leather belts (the sort referred to by Mr Owens) are not in class 18 (they are in class 25) so have not been considered here. All the other goods have been sold (although to a much lesser extent than clothing) and so are included, although, given that the specification as registered (with the exception of bags) relates to goods of leather or imitation leather then such a limitation must be reflected.

Some further items that could fall in class 18 are also listed in its "other goods" statement of use paragraph. However, some of these (umbrellas for example) do not fall within the goods as registered so cannot be considered. Furthermore, there is little by way of evidence to support genuine use on any other goods.

Class 25: Use shown on: shirts, jackets, trousers, formalwear, ties, casual outerwear, casual trousers, casual shirts, knitwear, polo shirts, rugby shirts, shorts, swimwear, belts, scarves, ties, socks, hats, baseball caps; all for men

The above terms are taken from Mr Owens' evidence. When making his claims in evidence he cross-refers to examples of use in the various

catalogues, to the retail-mix sales evidence, and he provides further detailed information in relation to some of the products. I have included certain forms of headgear in the above. Whilst it could be argued that no form of headgear should be included because (despite the term headgear being listed in the registered specification) only "clothing" is listed in the statement of use, I consider that the term clothing covers headgear so the claim should also be taken this far.

35. Taking into account the relevant case-law[5], the resulting specifications should be fair – they should not be overly broad but neither should they be pernickety. With the exception of class 25, the goods on which I have found genuine use should be the relevant goods for the opposition. I come to this view because, in class 3, aftershaves (the goods used) are the only goods as registered. In class 14, although the registered specification includes silverware and jewellery, I have found no use on any of these wider goods and cufflinks is a subcategory of jewellery/silverware. In class 18, although some goods made of leather (or imitations of leather) have been used, the term "goods made from leather" would be far wider and overly broad compared to the goods on which the mark has been used.

36. The position is different in class 25. This is because such a wide range of goods have been used across a number of different categories and subcategories. Whilst there may be some exceptions, the trade of Hackett will be regarded, essentially, as a clothing supplier, albeit for men. It is not necessary to specifically list clothing accessories such as scarves and belts because these would fall within the general category of clothing. For these reasons, the specification as registered is acceptable subject to a limitation to being for men. In view of the above, the goods to be considered in relation to the earlier mark will be:

Class 3: Aftershaves

Class 14: Cufflinks

Class 18: Wallets, passport holders and attaché cases, all being made from leather or imitations of leather; bags.

Class 25: Clothing; headgear; all for men

[5] See, for example *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32, *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 & *Animal Trade Mark* [2004] FSR 19 .

The section 5(2)(b) ground of opposition

Legislation and the relevant authorities

37. Section 5(2)(b) of the Act states:

> "5.-(2) A trade mark shall not be registered if because –
>
> (a) ……..
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

38. When reaching my decision I have taken into account the guidance provided by the ECJ in a number of judgments germane to this issue, notably: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). The above judgments set out the primary principles to be applied in matters such as these; I will refer to them, where relevant, in more detail later.

The average consumer and the purchasing act

39. As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who this is. The goods covered by the respective specifications cover a wide range of products none of which strike me as being specialist or niche products. They are, in the main, general consumer items. I note that MIP target trade buyers and they argue that this means that confusion is not likely given that Hackett target retail consumers. However, matters must be assessed on a notional and objective manner, not reflective of a particular marketing strategy which may only be temporary[6] (and which, in any event, is not reflected in the specifications). Given that the goods are general consumer items, the average consumer will, therefore, be a member of the general public. Individual products covered by the specifications will have a range of prices e.g. some types of clothing may be sold very cheaply whereas others could have a much higher price tag. However, none strike me, from a general point of view, as being of the highest degree of

[6] See, for example, the judgment of the Court of First Instance ("CFI") in *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 147/03

expenditure and consequent consideration at the point of purchase. It seems to me that the reasonably observant and circumspect average consumer (see *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V*) will be the one to consider in this case. I accept, though, that there will be degrees of variance in this dependant on the particular goods.

40. In terms of the purchasing act, most of the goods will be self-selected from a shelf, online, or from a catalogue, so making this a visual act of purchase. This is certainly the case in relation to clothing[7]. This means, potentially, that any degree of visual similarity/dissimilarity may play a more significant role in the assessment of a likelihood of confusion than oral similarity/dissimilarity. Other goods may, however, have slightly different considerations. For example, aftershave may be selected from a shelf or it may be located behind a counter so requiring oral request. Here the visual and oral aspects of similarity/dissimilarity will have an equal role to play.

Comparison of the goods

41. Despite its initial claim that all the goods it opposes are identical or similar to those of its earlier mark, Hackett concedes in its written submissions that some of the goods set out in the IR are dissimilar to the goods of its earlier mark, namely:

> **Class 3:** Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; shoe polish
>
> **Class 21:** Shoe shine kits, dishrags, dishtowels and glassware towels (for household purposes).
>
> **Class 25:** Shower caps; eye masks (for sleeping).

42. A ground of opposition under section 5(2) can only succeed if the goods are similar[8]. As Hackett have conceded that the above goods are not similar then it is unnecessary to comment further on them in relation to this ground of opposition. This leaves the following goods of the IR relevant for comparison:

> **Class 03:** preparations for body and beauty care; soaps; perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants; essential oils; cosmetics; skin creams; lotions for cosmetic purposes, preparations for shaving purposes and aftershaves; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic

[7] See, for example, the judgment of the CFI 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.

[8] See, for example, the ECJ's judgment in *Waterford Wedgwood plc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-398/07

purposes; nail polish;, make-up; cleansing tissues containing cosmetic lotions.

Class 21: Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs,; dishrags, dishtowels and glassware towels (for household purposes).

Class 24: Woven materials and textile goods, not included in other classes; table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).

Class 25: Headgear; shoes, in particular beach shoes, clothing.

43. The goods covered by Hackett's mark (after taking into account the proof of use provisions) are:

Class 3 – Aftershaves

Class 14 – Cufflinks

Class 18: Wallets, passport holders and attaché cases, all being made from leather or imitations of leather; bags.

Class 25: Clothing; headgear; all for men

44. All relevant factors relating to the goods in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23 of its judgment:

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

45. Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant in the assessment of goods/services similarity:

"(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."

46. In terms of submission, MIP concedes that identical goods are involved in respect of aftershave and that a degree of identity exists in respect of clothing, the degree being to the extent that they both cover men's clothing. In relation to similarity, MIP argue that Hackett's claims are overly broad but it does not really say in detail why this is so. Hackett argue that certain of the goods are similar due to a similarity of purpose, for example when comparing fragrances with aftershave, or that they are all beauty/grooming products, or that they could all be used in a grooming kit. In relation to class 24, reference is made to the goods being made of the same material (as clothing) and which could also form a brand extension. In relation to class 25 it states that shoes and beach shoes will be sold through the same trade channels as other types of clothing. Much of Hackett's submissions are based on the comments made by Mr Owens in his evidence regarding trade channels etc.

47. In terms of my approach, if a term in MIP's specification falls within the ambit of a broader term in Hackett's specification then there must be a finding of identical goods. Furthermore, if a term in MIP's specification could include within its ambit a specific term in Hackett's specification then this will also be sufficient for a finding of identical goods even though there may be other goods within that broader term that are, potentially, only similar (or even not similar at all)[9]. I will make the comparison with reference to the goods for which MIP seeks protection. For clarity of presentation, I have broken the goods down into certain categories and will set out my findings in the following table:

[9] See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM*) Case T-133/05

MIP's term	Analysis
Category 1: Preparations for body and beauty care; cosmetics; skin creams; lotions for cosmetic purposes **Outcome: reasonably similar**	The closest product covered by Hackett's specification is aftershave. Aftershave performs multiple functions, namely: perfuming, closing the pores of the skin after shaving so as to prevent irritation, performing some form of skin soothing or moisturising function. Skin creams and lotions (MIP's terms) perform a similar purpose at least in relation to the soothing and moisturising function of aftershave. Such goods may also be perfumed. They may be of a similar nature and are sold through similar channels of trade. Although aftershave is a male product, there is no reason why creams and lotions are not also purchased by men. There is, therefore, no distinction to be made on gender lines. Some skin lotions may be regarded as a competitive product to aftershave in so far as they can both provide a moisturising/soothing function and both can also be perfumed. Such goods (and consequently the broad terms "preparation for body and beauty care" and "cosmetics"[10] as these broad terms will include such goods) have a reasonable degree of similarity.
Category 2: Cosmetic bath additives; soaps. **Outcome: A low degree of similarity.**	Again, Hackett's closest product is aftershave. In comparison, goods such as soap and bath additives have a different purpose (cleaning) and their nature is unlikely to be similar. The channels of trade are, however, similar to the extent that they may be sold in areas of a store dedicated to grooming products. They are unlikely, however, to be sold next to each other or in very close proximity. The users are the same, although, this can be said to be true of any consumer product no matter how different they may be. Where there are aspects of similarity, these strike me as being of a fairly superficial nature. All things considered, my view is that whilst there may be a degree of similarity, this must be of only a low degree.
Category 3: Essential oils **Outcome: A low degree of similarity.**	According to the Collins English Dictionary, essential oils are products used for perfuming (as well as for flavouring). They consist of a concentrated extract from a particular plant. There is, however, nothing in the evidence to inform me as to how and for what purpose they are sold to the general public as opposed to being

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

	sold to perfumery manufacturers. It may be possible that they can be purchased and then added to substances in the home to take advantage of their perfuming characteristics. For example, as aromatherapy products used to create massage oils, to add to bath water or to perfume the air. It seems unlikely, however, that an essential oil will be applied to the skin directly in the same way that an aftershave may. There may be a similarity in nature in terms that they are perfumed liquids, however, the methods of use, primary purpose (although both may perfume) are not particularly similar. I doubt that the channels of trade are particularly similar, there is no evidence to offset my doubt. It does not strike me that the respective goods will be competitive in the sense that one would choose an essential oil as an alternative to aftershave (or vice versa). Nor do I see that they are complementary in the sense that one is indispensible or important for the use of the other[11]. Overall, any aspects of similarity are, again, superficial. However, as both perform, to some extent, a perfuming function, I would not go so far as to say that there is no similarity. All things considered, my view is that whilst there may be a degree of similarity, this must be of only a low degree.
Category 4: Lipsticks; make-up; nail polish; Cotton swabs for cosmetic purposes. **Outcome: No similarity.**	Goods such as these are most often (although not exclusively) associated with women rather than men. Such goods are for application to a certain part of the body to make it look (the user believes) more attractive as opposed to giving the user a pleasant aroma. The nature of these goods is different to aftershave as are the methods of use. The goods can in no way be said to be competitive or complimentary. Mr Owens provided some evidence to show beauty product manufactures (Lancombe, Clinique & Channel) producing aftershave. I note, though, that Channel's fame is more to do with perfume and that Lancombe's aftershave is sold under the "Hypnose Homme" name, so I do not find this evidence to be particularly compelling. In any event, even though both sets of goods could be classed as grooming/beauty products, the strong differences highlighted above mean that the products should not be

[11] See, for example, *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06.

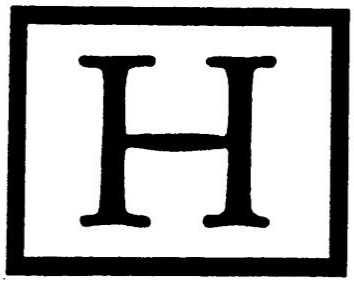
	regarded as similar. Even if I am wrong on that then such goods would posses only a very low degree of similarity.
Category 5: Dentifrices **Outcome: No similarity.**	A dentifrice is a product for cleaning the teeth. The primary purpose is, therefore, different to aftershave and this is also undoubtedly true in relation to the nature and methods of use. The goods may be sold in a similar (although not the same) area of a store, although they are unlikely to be sold next to each other or in very close proximity. I do not see any competitive or complementary relationship between a dentifrice and an aftershave. Overall, I come to the same view as the preceding category in that there is no real similarity and even if I am wrong on that there would only be a very low degree of similarity.
Category 6: Cleansing tissues containing cosmetic lotions. **Outcome: A low degree of similarity.**	A cleansing tissue, even one containing a cosmetic lotion, has a primary purpose of cleansing or cleaning. This creates a different purpose to an aftershave. The natures of the respective goods are different as are the methods of use. I see no real competitive or complementary relationship. There is a slight similarity because a secondary purpose of a cleansing tissue containing lotion may be to provide a moisturising function which may also be regarded as one of the purposes of aftershave. This creates some, albeit a small degree of similarity. Overall I consider there to be a low degree of similarity.
Category 7: Perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants **Outcome: Identical/similar to a reasonably high degree**	The closest product covered by Hackett's mark is, again, aftershave. I have already described the characteristics of this product. Some consumers may buy it purely for its perfuming function. As such, I consider that it should be counted as a "perfuming product" so this term in MIP's specification is identical. Of the specific types of perfuming products listed in MIP's specification, whilst they may not be identical to aftershave, and whilst some may be regarded as female products rather than male products, the nature, methods of use and channels of trade are all highly similar. In Mr Owens' evidence, he refers to unisex perfumes and provides some examples from the trade – this, therefore, blurs the distinction that can be made between male/female products. The similarities highlighted also apply, albeit to a lesser

	extent, to deodorants. Deodorant is, however, a gender neutral item, so there is no distinction on gender lines that can be made at all here. All these goods are, in my view, similar to a reasonably high degree.
Category 8: Preparations for shaving purposes and aftershaves **Outcome: Identical**	Aftershave is clearly identical to aftershave. In relation to "preparations for shaving purposes", this would include aftershave within that terms ambit. This term is, therefore, also identical.
Category 9: Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs. **Outcome: No similarity.**	Hackett argue that these goods are similar to its aftershave because they are all items for grooming or they could be included in a grooming kit. It concedes, however, that any degree of similarity is low. MIP argue that this assessment is overly broad. The evidence provided on kit sales is not compelling. One is an example of a retailer who sells a range of aftershave (three are listed) and it also sells *Edwin Jagger* saving sets (the shaving sets do not appear to include aftershave). The other is from The Body Shop who sell a range of Body Shop products (fragrances, shaving, face care, hair and body etc) including gifts - a men's wash bag is shown (but its contents not listed). The only other evidence of combined products are Hackett's own goods, one of which shows a combined shampoo, conditioner & hair gel kit and another with body spray, body wash and washing apparatus (again, none appear to contain aftershave). There is no evidence that aftershave is sold in kit form with other goods. Whilst I cannot rule the possibility, it seems more likely that this will occur with more closely related goods e.g. aftershave in a kit with shaving foam and a razor. Irrespective of any of this, the goods under consideration have, in any event, differences in nature, purpose and method of use even if they could all be classed as grooming products. I doubt whether they would be sold anywhere close to aftershave. I see no real reason why kits/gift sets would be sold in closer proximity to aftershave other than if they were aftershave based gift sets. The goods do not compete nor do they complement each other in the sense described in the case-law (see footnote 11). The strong differences mean, in my view, that the products should not be regarded as similar. Even if I am wrong on that then such goods would posses only a very low degree of similarity.

Category 10: Headgear; shoes, in particular beach shoes, clothing; **Outcome: Identical**	The term clothing is common to both specifications and so is identical. The fact that Hackett's specification has been limited to menswear does not alter this fact given that MIP's specification includes menswear within its ambit (see *Gérard Meric v OHIM*). Headgear and shoes are terms that, in my view, also fall within the ambit of clothing (Hackett's term) and are, therefore, also identical.
Category 11: Woven materials and textile goods, not included in other classes Table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips). **Outcome: Not similar**	Hackett argue that these types of goods are often sold through the same trade channels as clothing. Evidence is provided from Mr Owens to suggest that certain high profile design brands (Ralph Lauren, DKNY, Calvin Klien, Tommy Hillfigger) also offer these types of goods. This may be true with certain high profile design brands, but this seems to me to be merely a brand extension into a quite different area of trade. This does not, of itself, necessarily make the respective goods similar. They are not similar in purpose, nature (even if similar material could be used) or method of use. They are not competitive or complimentary. I can see no real similarity.

Comparison of the marks

48. When assessing this factor I must do so with reference to the visual, aural and conceptual similarities between the respective marks bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, paragraph 23). The marks to be compared are:

MIP's mark	**Hackett's mark**
	

49. MIP's submissions focus on the differences between the marks created by the three lines either side of the box in its mark together with the presence of colour. Furthermore, it argues that the letter H that appears in both marks is low in inherent distinctiveness so making smaller differences more important and so making it easier for a distinction to be drawn between the two.

50. Hackett, on the other hand, argue that the additional lines on the side of the box in MIP's mark are insufficient to assist in distinguishing and that even if they were noticed they play only a background role. It argues that colour does not assist in distinguishing and, in any event, Hackett's mark being in black and white means that normal and fair use includes use in any colour. It adds that there is no real conceptual difference between the marks and that the marks would be pronounced the same, namely as "boxed H"/ "H in a box" or simply "H".

51. I must bear in mind the distinctive and dominant components of the marks. From a pure dominance perspective it seems to me that the dominant element in both marks is the letter H. It is certainly the element that is most likely to be focused upon in Hackett's mark given that the square boarder is fairly unremarkable. In MIP's mark, whilst the additional lines either side of the square do contribute to the mark's impact, the letter H is, at the very least, one of its dominant elements (I would say the most dominant element). The case-law, though, talks of the dominant and distinctive elements of a mark. This is relevant here in view of MIP's arguments regarding the distinctiveness of the letter H. In this regard, MIP highlights a number of marks on the register for stylized letter Hs and it also highlights the following extract from the registrar's examination practice on single letter marks:

> "Where a letter is not distinctive, a plain rectangular or oval border is unlikely to make the mark distinctive. However, a fancy or unusual border may be enough. Colour may also assist in providing the mark as a whole with the necessary power to individualise the goods/services of one undertaking."

52. I do not feel it necessary to say too much about the state of the register evidence. It has been held on a number of occasions that this is irrelevant[12]. In relation to the registrar's practice set out above, I note that the extract refers to letters which have been determined as being non-distinctive, not that all single letters are necessarily non-distinctive. Indeed, in the preceding paragraph of the examination practice it is stated that:

> "There is no bar to the acceptance of single letters as trade marks. Each case must be considered individually".

[12] See *British Sugar Plc v James Robertson & Sons Limited*

53. The above is consistent with the judgment of the CFI in Case T-23/07, *BORCO-Marken-Import Matthiesen GmbH & Co. KG v OHIM* where it was stated:

> "45. The refusal, as a matter of definition, to accept that single letters can have any distinctive character, stated without reservation and without undertaking the examination based on the facts, mentioned in paragraph 39 above, is contrary to the wording of Article 4 of Regulation No 40/94, which ranks letters as being among the signs, capable of being represented graphically, of which a mark may consist, provided that such signs are capable of distinguishing the goods and services of one undertaking from those of other undertakings."
>
> and
>
> "52. The Board of Appeal was not therefore entitled to rely, as against the registration of the letter 'α', on the argument relating to the availability of signs, since that argument in no way precludes the need for an examination as to whether, on the facts, the sign at issue is capable of identifying the product or service in respect of which registration is sought as originating from a particular undertaking and of distinguishing that product or service from those of other undertakings."

54. There can be no automatic rejection of single letters possessing distinctive character. Nor can the limited availability of letters be a significant factor. The matter must be assessed on its own merits. There is no evidence of fact as to why the letter H will not distinguish or why it would not be seen as a distinctive element of the mark. As far as I am aware, it is not a letter which has any meaning or even a suggestive quality in relation to any of the goods of either mark. I note from the registrar's examination practice that the letter H is given as an example of a non-distinctive letter in relation to footwear because this letter is a width fitting – however, MIP have not even argued this point let alone filed any evidence to support it. The letter H as a width fitting is not, in my view, a notorious fact of which I can take account. In my view, the average consumer will attach distinctiveness (in a trade origin sense) to the letter H that appears in each of the respective marks. I do not say that it has the strongest or highest degree of inherent distinctiveness, but it is distinctive none the less.

55. This leads me to the view that the letter H, as represented in each of the marks, forms one of the dominant and distinctive elements in the marks, indeed, it is likely to be seen as the most dominant and distinctive element. In any event, the degree of similarity is not increased or decreased by the distinctive character of elements in a mark[13]. It is still, though, a whole mark comparison which must be made as I do not consider that the other elements would be completely

[13] Case C-235/05 P *L'Oréal SA v. OHIM* [2006] ECR I-57,

negligible (in the terms set out in *Shaker di L. Laudato & Co. Sas*) in the overall impression that they convey.

56. In terms of the visual similarity between the marks, it is clear that both contain a prominent letter H. The letter is presented in a very similar (although unremarkable) font – the plainness of the letter is shared. Both marks have a square or rectangular boarder which presents a further point of similarity – both marks, therefore, contain a boxed H. There is a clear point of difference though given that MIP's mark has three thick lines either side of its rectangular box. This will certainly be noticed on a side by side comparison. Although not negligible, the additional lines are only part of the border of the mark and the concept of imperfect recollection may have a role to play here (I will return to this). In terms of colour, Hackett's mark (the protected earlier mark) is registered in respect of its shape and configuration, it is not registered with regard to colour. This means that any later mark, even if it has colour as an aspect of it, cannot escape a finding of identicality or similarity based on the identicality or similarity of the configuration between the respective marks. The issue of colour is, therefore, not relevant[14]. In my view, the differences between the marks are insufficient, from a visual perspective, to counterbalance the similarities. I view the marks as having a good deal of visual similarity.

57. From an aural perspective, I consider it unlikely that the average consumer will attempt to pronounce the marks beyond the letter H. I consider the marks to be aurally identical.

58. In terms of conceptual similarity, there is no specific meaning beyond the presence of the letter H. Nevertheless, this does give both marks a conceptual (and shared) hook which will form part of the cue that the average consumer stores away for future recall. Therefore, to the extent that there is any conceptual meaning associated with the respective marks, this is identical.

59. The net effect of all this is that, overall, I consider there to be a reasonably high degree of similarity between the marks.

Distinctive character of the earlier trade mark

60. The distinctiveness of the earlier mark is another factor to consider because the more distinctive it is (based either on inherent qualities or because of the use made of it), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). From an inherent point of view, I have already commented that the letter H that appears in the earlier mark is distinctive, although, it is not highly so.

[14] See the decision of Mr Hobbs QC (sitting as the Appointed Person) in BL O-246-08 *MARY QUANT COSMETICS JAPAN LTD V ABLE C&C Co LTD*

61. The distinctive character of a trade mark can be assessed against a range of possible degrees. Some marks do a perfectly good or average job of distinguishing its goods from those of other undertakings whilst others do a very good job due, perhaps, to the mark being a highly distinctive unusual word or an invention of word. There are also others that fall at the lower end of the spectrum perhaps because they are allusive or suggestive of the goods or services in question or perhaps because they lack memorableness so making them less good at being recalled and remembered by the average consumer. Such marks may still be able to perform the essential distinguishing role but they must nevertheless be regarded as being of only low distinctiveness. The mark in question here falls, in my view, into the category of mark that whilst distinctive, its distinctiveness lies at the lower end of the spectrum. Whist a mark does not have to be imaginative, invented, or fanciful to be regarded as distinctive per se, the inherent quality of the letter H does not strike me as one which would be regarded by the average consumer as being particularly distinctive – it is fairly unremarkable. Much of my reasoning has focused on the letter H, however, I stress that the mark as a whole has been considered (the assessment being made in relation to the goods in question) but I do not consider that the plain boarder adds any significant distinctiveness.

62. In terms of the use made of the mark, as can be seen from my assessment in relation to the proof of use provisions, the mark has been used. Hackett say that its mark has a reputation and points toward the various pieces of information provided by Mr Owens in his evidence to support this. MIP say (although I note that this is in the context of a reputation under section 5(3)) that the nature of the mark as a sub-brand means that it could be overlooked and that the scale of use is not of sufficient magnitude or breadth (reference is made to repeat business so meaning that the customer base is not large). MIP also highlights that there is no marketing expenditure, that there is no evidence from the trade (although I note that Hackett did file a letter from Esquire magazine), that there is no evidence from the consumer and that there is no evidence as to market share.

63. The question must still be assessed with reference to the average consumer whom I have already found to be a member of the general public. The earlier mark must have taken on an enhanced degree of distinctiveness to an average consumer. As MIP say, Hackett have not identified the market share they possess but instead have simply provided its sales figures. On the face of it, it could be argued (indeed Hackett do) that the sales figures (£20million per annum) appear to be quite significant. However, without context it is difficult to gauge the true significance, particularly in a market which, self evidently, is extremely large. This can be exemplified by the fact that taking average customer spend into account [redacted]) this would equate to around [redacted] transactions (although I accept that this is a fairly rough approximation). Many of these transactions could, of course, be repeat purchasers (Hackett's evidence refer to its loyal customer base) so this will water down the degree of individual custom. On the other hand, there may be members of the public who have seen Hackett's

stores but without necessarily shopping in them. Whilst what I have discussed so far seems to be a business of reasonable size, it does not present an overwhelming case that a notional average consumer in the UK will know of the mark yet alone know of it so that it takes on an enhanced degree of distinctiveness.

64. The position is not helped by what appears to be a lack of extensive promotion/marketing to the public at large. In terms of promotion, the issuing of catalogues is (on Hackett's own evidence) said to be an important marketing tool yet the number of catalogues issued does not strike me as being particularly significant. There is no information provided on any other forms of advertising such as print, television or radio advertising which may have bolstered Hackett's position.

65. A further and significant problem for Hackett lies in the nature of the use of the boxed H logo. As discussed earlier in this decision, it is not the primary sign of origin and, as Hackett say in its evidence, the use of the sign is not overexposed. This has the effect that of those who have encountered the HACKETT brand (which I have already described as not overwhelming), it is not possible to infer that all of them will have noticed the secondary boxed H sign. This will create a significant watering down of the potential to show repute. Sales of goods actually branded with the boxed H do little to help the position as I do not consider them to be significant (the figures are set out in paragraph 23 above).

66. I note, though, that the fashion editor of Esquire states that the boxed H logo is an iconic symbol of the Hackett brand. What I must bear in mind though is that the fashion editor of a leading magazine is clearly in a position to know of the players and the trade marks used in the field, but the degree to which such a person can speak of a reputation with the public at large is less plausible. Such a person may be in tune with those with a specific interest in fashion but not necessarily with the perception of the general public. A similar view was expressed in *Dualit Ltd's (Toaster Shapes) Trade Mark Application* [1999] R.P.C. 890 at 898/9 where it was stated:

> "These, however, are people whose business it is to know the applicant's products and the products of other manufacturers in the market. The fact that they knew their job and could recognise the shapes as being those of the applicant's products does not seem to me to begin to show that "the relevant class of persons, or at least a significant proportion thereof, identify [the] goods as originating from a particular undertaking because of the trade mark". The relevant class of persons is not trade buyers such as these witnesses but customers".

67. I am also conscious that the geographical extent is not that great. Whilst there are a number of stores located in the London area (and some of these are

in airports), beyond this there are only stores in York, Bicester, Edinburgh and Essex. I accept that sales have also been made via Hackett's Internet site but these do not appear to count for a particularly large proportion of overall sales and are a fairly recent introduction. There are also wholesale sales which may mean that Hackett's goods may have been offered for sale in other establishments, however, although the quantum of wholesale sales has been provided, the nature of the subsequent retail of such goods in the UK has not been set out in evidence.

68. Balancing the above factors, whilst I accept that sales have been made and that some members of the relevant public will know of the boxed H logo, the evidence does not persuade me that the mark will necessarily be known by the notional average consumer in the UK to whom I must have regard. There is no enhancement of distinctive character.

Likelihood of confusion

69. It is clear that the relevant factors have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG,* paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused. The key submission from Hackett is that the marks have a strong degree of similarity with the core boxed H logo appearing in both marks and that its earlier mark has a reputation, all of which would cause confusion directly or, at the least, will cause the consumer to believe that the marks are variants of each other. MIP argue that the differences between the marks enable them to be distinguished particularly given the low degree of distinctiveness of the letter H, so meaning that even small differences are sufficient to avoid confusion. MIP also argue that the respective parties target different consumers (trade/retail), however, I have already dismissed this as being relevant (see my comments in paragraph 39).

70. I will deal firstly with the goods that are identical or highly similar in categories 7, 8 & 10 namely aftershave (and other shaving preparations), perfuming products (including perfume and deodorant), and clothing. I have found the marks to be similar to a high degree but the earlier mark has only a low degree of distinctiveness. I must bear in mind the concept of imperfect recollection given that consumers rarely have the chance to make direct comparisons between trade marks but must instead rely on an imperfect picture of them he or she may keep in mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.*) The nature of the purchasing act is also important and I have already found that at least a reasonable degree of care and attention will be utilised and that the goods are often self-selected by the eye (particularly in relation to clothing purchases).

71. Having considered all these factors, my finding is that there is a likelihood of confusion. Although there is a visual difference between the marks, and although visual considerations have more importance here, the differences which exist are effectively in the borders of the respective marks and when considered against the concept of imperfect recollection, this means that the average consumer may mistake one mark for the other. Even though some of the goods are not identical, they are close enough, all things considered, to be confused. This is so, even though (in relation to perfume) that one is a ladies product whereas aftershave is for men. The closeness of purpose means that to the average consumer this will simply represent a different but associated (in an economic sense) product range. I have considered the argument that smaller differences may do more to distinguish when the shared elements are of only low distinctiveness. However my view that the shared elements represent the dominant and distinctive elements of the marks mitigates against this proposition.

72. I should add that even if the average consumer was able to distinguish between the respective marks and realised that the marks did have presentational differences, it is my view that the average consumer will not put this down not to a separate undertaking being responsible for the variant version, but instead that the variant version is simply a different livery of the undertaking responsible for the other mark. This leads to what is often referred to as indirect confusion which is a level of confusion sufficient for refusal under section 5(2) (see *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*). I take support from this view from the judgment of the CFI in: *New Look Ltd v OHIM* where it was stated:

> "Nevertheless it is common in the clothing sector for the same mark to be configured in various ways according to the type of product which it designates. It is also common for a single clothing manufacturer to use sub-brands (signs that derive from a principal mark and which share with it a common dominant element) in order to distinguish its various lines from one another (*Fifties*, paragraph 49, and *BUDMEN*, paragraph 57). In the present case the conceptual content of the marks applied for may reinforce the consumer's perception of them as sub-brands of a mark NL. Even if the consumer were faced with only one of the signs in question, the separate perception of 'NL' in bold type, first, and then of the following word, which may evoke the idea of a certain style of clothing, might lead the consumer to identify it as a sub-brand of the mark NL. Moreover, the different written form of the letter combination 'NL' in the signs applied for as compared with that of the earlier trade mark NL could be perceived as a particular configuration of that mark. Accordingly, the conclusion of the Board of Appeal that the consumer may perceive the marks applied for as special lines originating from the undertaking which is the proprietor of the earlier trade mark must be upheld."

73. In relation to the goods in category 1 (skin lotions and wider terms that would cover this product), I extend the findings made in paragraph 71 & 72. It strikes

me, again, that the average consumer will simply see the mark as representing an associated product range particularly given that there is a reasonable degree of similarity between the relevant goods. Although the earlier mark has a degree of distinctiveness at the lower end of the spectrum, the reasonable degree of similarity between the goods together with the high degree of similarity between the marks is enough for me to conclude that there is a likelihood of confusion.

74. I turn to consider the position in relation to the goods in categories 2, 3 & 6, all of which I have found to be similar to only a low degree to the goods of the earlier mark. A small degree of similarity between the goods may be offset by a greater degree of similarity between the marks. This is an important point here because I have found the respective marks to be similar to a reasonably high degree. However, I have also found that the earlier mark only possesses a degree of distinctiveness at the lower end of the scale. A mark of a highly distinctive character is more likely to lead to a finding of confusion. This is an important point and applied to the case here is strikes me that in circumstances where the respective goods are not sold side by side or even particularly close to each other, where the respective goods do not compete or complement (in the sense described by the case-law), and where the earlier mark has only a low degree of distinctiveness and memorableness, then the average consumer is unlikely, therefore, to be confused notwithstanding the reasonably high degree of similarity between the marks. In all these circumstances, the strong degree of similarity between the marks is not enough, having regard to all the relevant factors, to offset the low degree of similarity between the goods. Therefore, I find that there is no likelihood of confusion.

75. There is no need to deal with the goods in categories 4, 5, 9 & 11 given that I have found them to be dissimilar (see my comments in paragraph 42). Whilst I gave a fall back finding in the event that I was found to be wrong on my assessment of goods similarity, such a finding was that the goods would be similar to only a very small degree. Given my findings in the preceding paragraph I cannot see how Hackett can be in any better position in relation to these goods (for similar reasons set out above) even if I am wrong on my primary assessment of goods similarity.

76. In summary, the opposition under section 5(2) succeeds, but only in relation to:

> **Class 3**: Preparations for body and beauty care; cosmetics; skin creams; lotions for cosmetic purposes; perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants; preparations for shaving purposes and aftershaves.
>
> **Class 25**: Headgear; shoes, in particular beach shoes, clothing.

The section 5(4)(a) ground of opposition

77. Section 5(4)(a) of the Act reads:

> "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, or
>
> (b) ……
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

78. I only intend to consider the position in relation to the goods on which Hackett have not succeeded (or by its own admission cannot succeed) under section 5(2) of the Act, namely:

> **Class 3**: Soaps; essential oils; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; make-up; cleansing tissues containing cosmetic lotions. Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; shoe polish.
>
> **Class 21:** Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs; shoe shine kits, dishrags, dishtowels and glassware towels (for household purposes).
>
> **Class 24:** Woven materials and textile goods, not included in other classes Table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).
>
> **Class 25:** Shower caps; eye masks (for sleeping).

79. There are three elements (often referred to as "the classic trinity") to consider in a claim for passing-off, namely: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

> "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."

80. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as follows:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first."

81. It should also be noted that to qualify for protection under the law of passing-off, the goodwill must be of more than a trivial nature[15].

82. In terms of the relevant misrepresentation, this relates to the deception of a substantial number of persons[16]. In relation to damage, it is also useful to consider the comments of Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 where he stated that the claimant must prove:

> "That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches."

[15] See the decision in *Hart v Relentless Records* [2002] EWHC 1984

[16] See the findings of the Court of Appeal in *Neutrogena Corporation and Ant. V. Golden Limited and Anr.* [1996] R.P.C. 473

83. In terms of submission, MIP highlight that although the mark may be used it does not follow that there is the requisite goodwill and it further highlights that there is insufficient similarity between the marks for a misrepresentation to occur and it repeats its submission that small differences are sufficient to avoid confusion/misrepresentation when the marks at issue have only a low degree of distinctiveness (reference is made to *Office Cleaning Services Ltd v Westminster Window and General Cleaners Ltd* [1946] R.P.C. 39). Hackett submit that its sign is a symbol of its goodwill and that the similarities between the sign and the applied for mark creates a real likelihood that a consumer will be deceived as to the origin of the goods.

Goodwill

84. From the evidence provided, I have little doubt that Hackett's business as a whole has a goodwill in the UK, a goodwill associated primarily with the retail sale of a range of men's clothing products and clothing accessories, and the actual clothing and accessories themselves. The goodwill, though, is predominantly associated with the sign HACKETT and this is the sign that represents the main vehicle for Hackett to bring its wares to the attention of members of the public or, in the language of *Reckitt & Colman Products Ltd v Borden Inc,* the "get-up" under which the goods or services are offered to the public. The boxed H logo is a secondary sign which, although it can also be said to contribute to the goodwill of Hackett, it effectively stands for or references the HACKETT name rather than acting as a real sub/secondary brand. Whilst this does not prevent Hackett from having a goodwill, part of which is associated with the boxed H logo, it is nevertheless an important factor to bear in mind when determining whether a misrepresentation will occur.

85. I have already mentioned the primary goods to which Hackett's goodwill relates. However, it is clear that sales of aftershave have been made, as have sales through its licensee Boots of aftershave and additionally eau de toilette and shampoos/conditioners. However, I do not consider the goodwill to be particularly strong here particularly given that the Boots sales have taken place for less than one year and I do not consider the sales as being particularly significant. The nature of the use described in the preceding paragraph is also relevant here in terms of the secondary nature described. Whilst the boxed H label may well be used on, for example, the cap of the aftershave, the primary sign is still HACKETT which is the sign displayed on the relevant label. Despite these reservations, the goodwill is more than trivial, so I will go on to consider whether the facts lead to any form of misrepresentation.

Misrepresentation

86. I must be satisfied that a substantial number of persons will believe that the goods (as identified in paragraph 78) sold by MIP under its mark are actually the goods of Hackett. In my assessment under section 5(2) some of the goods were found (or conceded) not to be similar so a likelihood of confusion was not possible. However, I note that there is no requirement in passing-off for the goods or services to be similar. In *Harrods Ltd v Harrodian School* [1996] RPC 697 Millett LJ stated:

> "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."
>
> and
>
> "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."

87. Looking firstly at the goods in classes 3 and 21 (as outlined in paragraph 78), it is fair to say that even where I found such goods to be dissimilar to aftershave, they are not in a completely different field of activity (other than shoe shine kits, dishrags, dishtowels and glassware towels which are, self-evidently, more distant). The goodwill, though, extends to other goods such as shampoos and conditioners (via Boots' sales). However, the goodwill generated through the Boots' sales seems to me to create only a very weak goodwill in relation to these goods which, as already highlighted, is watered down by the fact that Hackett's (including Boots) use of the boxed H logo is of a secondary nature essentially supporting the HACKETT name. There is a stronger goodwill in relation to its clothing (and retailing) sales, but it suffers the same problem with the boxed H logo functioning not as the primary sign of origin. There is, though, a greater gap in terms of trade between clothing and the goods in classes 3 and 21. Also, the sign is not, from an inherent point of view, particularly distinctive – although, it is not descriptive as per *Office Cleaning Services Ltd v Westminster Window and General Cleaners Ltd*.

88. I can only consider the prospective use of the applied for mark on a notional and fair basis. This would not include use in association with the word HACKETT. This is important because members of the public who may have encountered Hackett's boxed H logo will have done so in association with the HACKETT name. Without this primary sign being present it seems to me that members of the public will be less likely to assume that particular goods are the responsibility of Hackett, particularly when the goods involved are not those on which they

have previously encountered Hackett's wares. There is also a difference between Hackett's sign and the applied for mark (although I accept that there is a reasonably high degree of similarity). Taking all these factors into account, I do not believe that a substantial number of persons encountering MIP's mark in relation to the goods being considered will automatically assume that such goods are the responsibility of Hackett. Hackett are in no better position under section 5(4) than they were under section 5(2).

89. I also consider this to be the position in relation to the goods in classes 24 & 25 under consideration. The nature of Hackett's use and goodwill, together with the distance between the goods, leads me to conclude that a misrepresentation will not occur. Although this analysis includes goods from both sides being in class 25, the nature of eye masks and shower caps (MIP's terms) are quite different from the items of menswear to which Hackett's goodwill relates. Furthermore, whilst some manufactures may sell clothing and textile goods (see Mr Owen's evidence) the various factors do not combine to persuade me that a substantial number of persons will believe that such goods branded with MIP's mark will be taken as being the responsibility of Hackett. The ground under section 5(4) fails in relation to the goods indentified in paragraph 78.

The section 5(3) ground of opposition

Legislation and the relevant authorities

90. Section 5(3) of the Act reads[17]:

> "5-(3) A trade mark which-
>
> (a) 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 Community trade mark, 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."

91. The scope of Section 5(3) has been considered in a number of cases most notably: *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] FSR 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42, C.A. *Sheimer (M) Sdn Bhd's TM Application (Visa)* [2000] RPC 484, *Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (Ch), *Davidoff & Cie SA v Gofkid Ltd (Davidoff)* [2003] ETMR 42, *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd (Adidas-Salomon)* (C-408/01) & in *Intel Corporation Inc v CPM (UK) Ltd* ("*Intel*") (C-252-07). The ECJ has also now delivered its judgment in Case C-487/07, *L'Oréal SA v Bellure NV.* I will take these cases into account, and will refer to them and the principles that they enshrine, to the extent necessary, in my decision.

92. Again, I only intend to consider the position in relation to the goods on which Hackett have not succeeded (or by its own admission cannot succeed) under section 5(2) of the Act, namely:

> **Class 3**: Soaps; essential oils; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; make-up; cleansing tissues containing cosmetic lotions. Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; shoe polish.
>
> **Class 21:** Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs;

[17] Section 5(3) was amended by The Trade Marks (Proof of Use, etc) Regulations 2004 (SI 2004 No. 946) giving effect to the judgments of the ECJ in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* (C- 292/00) and *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* (C-408/01)).

shoe shine kits, dishrags, dishtowels and glassware towels (for household purposes).

Class 24: Woven materials and textile goods, not included in other classes Table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).

Class 25: Shower caps; eye masks (for sleeping).

Reputation

93. The earlier mark must have a reputation. In *Chevy* the ECJ stated:

> 24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.
>
> 25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
>
> 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
>
> 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.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation "in the Member State". In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation "throughout" the territory of the Member State. It is sufficient for it to exist in a substantial part of it.

94. In terms of reputation, the submissions identified earlier in relation to enhancement of distinctive character apply here. The question, though, is slightly different in that the mark must be known by a significant proportion of the

relevant public. The public concerned with the goods is the starting point for my assessment. None of the goods of the earlier mark are specialist in any way. They are items of clothing, certain leather goods, cufflinks and aftershave. In view of this, my assessment must be made from the perspective of the public at large.

95. The mark must be known by a significant part of the public at large and in a substantial part of (not necessarily throughout) the UK. Hackett's best case must lie with its clothing products. Although a different matter to the issue of enhanced distinctive character, the issues are similar and the analysis of relevant factors I gave earlier (paragraphs 62-68) are also relevant here. I do not intend to repeat my analysis. Whilst a finding here does not follow the event of my earlier finding, I nevertheless come to the view that the evidence does not persuade me that the mark is known to a significant proportion of the general public. In my view, the quantum and nature of custom is not sufficient, absent any evidence of a wider degree of promotion or advertising, particularly in circumstances where the sign is of secondary significance and consequently less impact, to meet the test set out in *Chevy*. Without a reputation this ground of opposition cannot succeed and it is hereby dismissed.

Conclusion

96. In view of my findings, the opposition to the goods set out in Hackett's statement of case succeeds, but only in respect of:

> **Class 3:** Preparations for body and beauty care; cosmetics; skin creams; lotions for cosmetic purposes; Perfumery products, scents of any kind, in particular perfume, eau de perfume, eau de toilette, deodorants Preparations for shaving purposes and aftershaves.
>
> **Class 25:** Headgear; shoes, in particular beach shoes, clothing;

97. The opposition fails in respect of:

> **Class 3**: Soaps; essential oils; dentifrices; cosmetic bath additives; lipsticks; cotton swabs for cosmetic purposes; nail polish; make-up; cleansing tissues containing cosmetic lotions. Bleaching and other substances for laundry use; cleaning polishing, scouring and abrasive preparations; shoe polish.
>
> **Class 21:** Appliances for body and beauty care, included in this class, water apparatus for cleaning teeth and gums, sponges; brushes, combs; shoe shine kits, dishrags, dishtowels and glassware towels (for household purposes).

Class 24: Woven materials and textile goods, not included in other classes Table and bed linen; quilts, net curtains, curtains, decoration curtains, eiderdowns, bedding (included in this class), blankets, sheets, bedspreads, duvets, bedcovers, pillow cases, plaids for furniture, textile towels, bath towels and sauna towels, textile washcloths, tablecloths, table mats (table linen) made of cloth or plastic, textile cleansing tissues, pillow slips, textile napkins, toilet seat covers (slips).

Class 25: Shower caps; eye masks (for sleeping).

98. None of this, of course, affects the goods that were not the subject of Hackett's opposition.

Costs

99. Both parties have achieved a measure of success. In the circumstances, I do not propose to favour either of them with an award of costs.

Dated this 4 day of November 2009

Oliver Morris
For the Registrar
The Comptroller-General