O-121-10

TRADE MARKS ACT 1994

And

THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

IN THE MATTER OF DESIGNATION NO 926043
IN THE NAME OF GIORGIO ARMANI S.P.A.

AND

OPPOSITION THERETO UNDER NO 71683
BY SUNRICH CLOTHING LIMITED

TRADE MARKS ACT 1994 and
THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

IN THE MATTER OF designation No 926043
in the name of Giorgio Armani S.P.A. and
opposition thereto under No 71683
by Sunrich Clothing Limited

Background

1.On 23 March 2007, an application was made seeking to extend protection of International Registration No. 926043 for the mark AX to the UK under the provisions of the Madrid Protocol. The application was originally made in the name of G A Modefine SA but it now stands in the name of Giorgio Armani S.P.A ("GA"). Following a subsequent amendment, the application seeks registration for specifications of goods and services in classes 9, 12, 14, 16, 18, 24, 25, 26, 28 and 35.

2. On 14 May 2008, Sunrich Clothing Limited (formerly Ice Imports Limited) ("SCL"), filed Notice of Opposition to the application on grounds under sections 5(2)(a), 5(2)(b) and 5(3) of the Act.

3. GA filed a counterstatement in which it denies the grounds of opposition.

4. Both parties filed evidence although what has been filed is largely submission rather than evidence of fact. Because of this, I do not intend to summarise what has been filed but will refer to it as necessary in this decision. Neither party requested to be heard but GA has filed written submissions in lieu of attendance at a hearing. I therefore give this decision after a careful review of all the papers.

Decision

5. In respect of each ground of opposition SCL relies on one earlier trade mark, this being No. 2334268 registered for the mark AXE in respect of *clothing for men and boys.*

6. An earlier trade mark is defined in section 6 of the Act, the relevant part of which states:

> "**6**.-(1) In this Act an "earlier trade mark" means –
>
> A registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks."

7. The mark relied on by SCL is an earlier trade mark within the meaning of section 6 of the Act. The earlier mark was registered on 9 January 2004 which is less than five years from the date of publication of the International Registration and therefore the proof of use provisions contained in section 6A of the Act do not apply.

8. As I indicated above, the opposition is brought under the provisions of sections 5(2)(a) and (b) of the Act and section 5(3). I will deal with each objection in turn.

The objections under section 5(2)

9. Section 5(2) states:

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

10. The question of identicality of marks was an issue in *LTJ Diffusion SA and Sadas Vertbaudet SA (SADAS),* Case C-291/00. Whilst the ECJ was considering, in this case, the provisions of Article 5(1)(a) of First Council Directive of 21 December 1988 (89/104/EEC), its guidance on identicality of marks was as follows:

> "54. In those circumstances, the answer to the question referred must be that Article 5(1)(a) of the directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

11. The Court had explained, earlier in its judgment, the considerations behind this guidance:

> "50. The criterion of identity of the sign and the trade mark must be interpreted strictly. The very definition of identity implies that the two elements compared should be the same in all respects. Indeed, the absolute protection in the case of a sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered, which is guaranteed by Article 5(1)(a) of the Directive, cannot be extended beyond the situations for which it was envisaged, in particular, to those situations which are more specifically protected by Article 5(1)(b) of the Directive."

12. In its Notice of Opposition, SCL gives no explanation of the basis for its claim that the respective trade marks are identical. Submissions made in its witness statements refer to the "similarity" of the respective marks which leads me to believe that its primary objection under section 5 of the Act is founded on section 5(2)(b). In any event, taking into account the comments made in the *SADAS* case, I do not consider the marks to be identical. The two marks differ in that the earlier mark

contains a letter E not present in the mark applied for. **That being the case the marks are not identical and the opposition based on section 5(2)(a) of the Act fails.**

13. I go on to consider the objection raised under the provisions of section 5(2)(b) of the Act. In determining the question under this section, I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R 77 and *Marca Mode CV* v *Adidas AG* [2000] E.T.M.R.723. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors: *Sabel BV v Puma AG,* paragraph 22;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question: *Sabel BV v Puma AG,* paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant –but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen B. V.* paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel BV v Puma AG,* paragraph 23;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG,* paragraph 23;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki v Metro-Goldwyn-Mayer Inc,* paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG,* paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG,* paragraph 26;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG,* paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically

linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* paragraph 29.

14. In essence the test under Section 5(2)(b) is whether there are similarities in marks and goods which, when taking into account all the surrounding circumstances, would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements and taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed.

15. Although its Notice of Opposition contains no such indication, in its evidence filed in reply to GA's evidence, SCL states that its objection to the application is directed solely at the goods for which protection is sought in class 25. I proceed on this basis.

16. For ease of reference, I set out the respective goods:

GA's application	SCL's earlier mark
Clothing, shoes, headgear	Clothing for men and boys

Similarity of goods

17. GA submits that "the Opponent's target customer and channels of trade are different to the Applicant's" with the "average consumer of the Applicant's goods (being premium designer clothing)" whilst the "average consumers of the Opponent's goods are not in the same market category". I presume from this that GA is trying to draw a distinction between designer clothing and more "off the peg" clothing. I reject this argument as the distinction is not reflected in the specification of goods as registered and applied for. In *McQueen Clothing Co Trade Mark Application* [2005] RPC 2, Geoffrey Hobbs Q.C., sitting as the Appointed Person said:

> "When assessing the objections to registration in the present case, it is necessary to assume normal and fair use of the marks for which registered trade mark protection has been claimed".

18. Even if the specifications were worded to reflect this market distinction, I am mindful of the findings of the Court of First Instance (now General Court) in *Saint-Gobain SA v OHIM* Case T-364/05 where it said:

> "67…With regard to the conditions under which the goods at issue are marketed, the applicant's argument that the goods covered by the earlier marks are sold almost exclusively in shops and supermarkets, whereas the mark applied for refers solely to goods sold by mail order, is without foundation. As has already been held, on a comparison of the goods, nothing prevents the goods covered by the earlier mark from also being sold by mail order…..Furthermore, it is important to reiterate that the comparison between the goods in question is to be made on the basis of the description of the goods sets out in the registration of the earlier mark. That description in no

way limits the methods by which the goods covered by the earlier mark are likely to be marketed."

19. GA also submits that "although in each case the goods fall within Class 25, they are not identical in that the Opponent's specification is effectively a sub-set of the Applicant's". I reject this argument also. In *Gérard Meric v OHIM,* Case T-133/05 paragraph 29, it was established that goods can be considered as identical when the goods designated by the earlier mark are included in a more general category within the later mark and vice versa. As *clothing for men and boys* of the earlier mark is included within the more general category *clothing* as appears in GA's application, these goods are identical.

20. *Shoes* and *headgear* are also considered articles of clothing: they have the same purpose as *clothing for men and boys* in that they are both means of dressing and protecting (parts of) the body. They are also articles which may be bought as part of an outfit or to complement an outfit. They may be supplied by the same manufacturer and through the same trade channels. These are therefore similar goods. (see *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] RPC 281.

Relevant public and the purchasing act

21. All of the respective goods are everyday consumer goods bought by the general public. They may be bought in a variety of ways, e.g. in a retail store, online or by mail order. Because of the need to ensure they meet the purchaser's individual needs and/or tastes, these are goods which will be bought with some, though not necessarily the highest, degree of care, with more care likely to be taken over a higher cost item, such as a bespoke suit which are likely to be bought less frequently than a more regularly bought but lower cost item, such as a pair of socks. I am also mindful of the comments of the General Court in cases such as *Société Provençale d'Achat et de Gestion (SPAG) SA v OHIM* Case T-57/03 and *React Trade Mark* [2000] RPC 285, where guidance is provided that, bearing in mind the manner in which clothing goods will normally be purchased, it is the visual impression of the marks that is the most important. This would normally be from a clothes rail, a catalogue or a website rather than by oral request. Notwithstanding this, aural and conceptual considerations remain important and should not be ignored.

Similarity of marks

22. 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*, para 23). For ease of reference, I set out below the respective marks:

GA's application	SCL's earlier mark
AX	AXE

23. From a visual point of view, GA's mark consists of the same two letters, presented in the same order, which form the first two letters of SCL's mark. SCL's mark ends with the additional letter E. The common presence of the two letters AX

creates an inevitable degree of visual similarity however the letter E in SCL's mark has an impact which is not lost in the overall impression of the respective marks. This is particularly so given that both marks are very short marks (consisting of two and three letters respectively) where small differences may have a somewhat disproportionately large effect on similarity.

24. GA submit that marks which differ by just one letter have been held not to be similar and refer me to the registrar's decision in *SPIRIT* (O/340/08). That case involved a consideration of the similarity between the marks SPIRIT and SPIRIG. For its part SCL point out (correctly) that the Hearing Officer in that case found the respective marks to have a reasonable degree of visual similarity. In my view, that is the case here: from a visual perspective the respective marks are similar to a reasonable degree.

25. GA submit that its mark is an acronym for the words Armani Exchange and that consumers would recognise this and pronounce the mark as the separate letters A and X. There is no evidence that consumers would know the mark to be an acronym with such meaning. And whilst I accept that it is possible that some people, on seeing it, may articulate the mark as separate letters, nothing is placed between them, such as a full stop or other symbol, to indicate that the mark is an acronym rather than a word. Absent such separators, it is my view that the easily pronounceable combination of the vowel A followed by the consonant X would lead most people to articulate the mark as a word having the sound "acks" which is aurally identical to SCL's mark.

26. The word AXE is an everyday English word which, for most people, will bring to mind a type of hand tool. SCL's evidence refers to an entry in the Collins English Dictionary (5th Ed.) which confirms that AX is an alternative, American, spelling of that word. GA does not accept the "adoption of "Ax" as an alternative spelling of the word "Axe" in the United States has any bearing on the position in the UK". Whilst for some, the Americanisation of the English language is something to be resisted, for others it is welcomed and adopted freely but I have no evidence of how well known the alternative spelling might be nor have I been provided with any instances of it in use. For those who are aware of the alternative spelling, both marks will have the same conceptual meaning. For those who are unaware of it, I do not consider that AX will bring to mind any particular image.

The distinctive character of the earlier mark

27. The word AXE has no meaning, as far as I am aware, in relation to the goods for which it is registered and is therefore inherently highly distinctive. SCL state that it has used the mark since 2003 on a wide range of leisure clothing, including denim jeans, hooded sweatshirts and t-shirts and has built a reputation through this use. It says it has invested heavily in the promotion of the mark and sold "thousands of products" incorporating the mark to at least 500 different retail stores across the UK. Whilst this evidence is unchallenged it is not specific or detailed enough to allow me to determine what use was made of it at relevant date in these proceedings. I have no details of turnover or advertising spend under the mark, for example, or anything that would allow me to position the use within the context of the relevant market as a whole. Absent specific information of this nature, I am unable to say that the

distinctiveness of the mark has been enhanced through use such that it has any reputation.

Likelihood of confusion

28. In reaching a decision on whether there is a likelihood of confusion, I must make a global assessment based on all relevant factors. I have found that identical or similar goods are involved, that there is a reasonable degree of visual similarity and aural identity between the marks. From a conceptual viewpoint the message is more mixed with some likely to consider this aspect identical and others finding no similarity.

29. On a global appreciation and considering all relevant factors including imperfect recollection, I consider the average consumer would mistake one mark for the other and be confused as to the economic origin of the goods sold under the respective marks. **The opposition based on section 5(2)(b) of the Act therefore succeeds.**

The objection under section 5(3) of the Act

30. CSL's remaining ground of opposition is founded on section 5(3) of the Act. Section 5(3) of the Act reads:

> (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 a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

31. CSL relies on the same earlier right as it did under section 5(2)(b) and is required to show that the mark relied on has a reputation in the UK. As set out in paragraph 27 above, the evidence of use of the mark which has been filed is suffers from a number of deficiencies, deficiencies which lead to its failing to show it has the requisite reputation in the mark. **The objection under section 5(3) therefore falls at the first hurdle and is dismissed.**

Costs

32. CSL has succeeded in its opposition, albeit under only one of the three grounds on which it was brought. Having succeeded, it is entitled to an award of costs in its favour. In reaching my decision, I take into account that the evidence filed was not extensive, and, as I indicated earlier in this decision, consisted mostly of submission. No hearing took place and CSL did not file written submissions in lieu of attendance at a hearing. I therefore make the award on the following basis:

Preparing a statement and reviewing the other side's statement	£300
Official fee	£200
Preparing/reviewing evidence and submissions	£800
Total	**£1300**

33. I order Giorgio Armani S.P.A. to pay Sunrich Clothing Limited the sum of £1300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21 day of April 2010

Ann Corbett
For the Registrar
The Comptroller-General