

O-390-10

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2455179  
BY FERAUD LTD TO REGISTER THE TRADE MARK**

**FERAUD**

**IN CLASS 25**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO 96829  
BY FERAUD SARL**

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**IN THE MATTER OF Application No. 2455179**

**By Feraud Ltd to register the trade mark**

**FERAUD**

**and**

**IN THE MATTER OF Opposition thereto under No. 96829**

**by Feraud SARL**

**BACKGROUND**

1. On 11<sup>th</sup> May 2007, Feraud Ltd of 1 Northgate End, Bishop's Stortford, Herts, CM23 2ET (hereafter "Ltd") applied to register the mark, "FERAUD", in Class 25. The goods in Class 25 are as follows:

T-Shirts, long sleeve shirts, jackets, jeans, ties, briefs.

2. The application was published on 11<sup>th</sup> January 2008 and on 11<sup>th</sup> April 2008 Feraud Sarl of 2, rue de Bassano, 75016 Paris France (hereafter "Sarl") lodged an opposition against the goods specified above.
3. Sarl cited a number of marks in its ownership, the details of which are as follows:

Mark	Filing and registration dates	Goods and services relied upon under section 5(2)(b)
CTM 3167103 ("103") FÉRAUD	15 <sup>th</sup> May 2003 and 4 <sup>th</sup> November 2004	<i>Class 25</i>  Clothing for men, women and children.
UK 1046286 ("286") LOUIS FERAUD	9 <sup>th</sup> May 1975 and 18 <sup>th</sup> May 1983	<i>Class 25</i>  Coats, suits, dresses, waistcoats, skirts, blouses, hats, scarves, shirts, bathing suits, girdles and brassieres, all for women.  <i>Class 25</i>

CTM 5156716 ("716")  FERAUD CLUB	8 <sup>th</sup> June 2006 and 26 <sup>th</sup> April 2007	Clothing for men, women and children.
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4. Sarl has based its opposition on section 5(1) and 5(2)(b) of the Trade Marks Act 1994 (hereafter "the Act"). In respect of mark '103, the opposition is based on section 5(1) of the Act, and in respect of marks '286 and '716, the opposition is based on section 5(2)(b) of the Act. As regards the section 5(1) claim, they say the only difference between their earlier mark and the application is the presence of an acute accent over the 'E' of FERAUD. This constitutes a difference so insignificant that it would go unnoticed by the average consumer, and hence the respective marks are to be regarded as identical. As regards the claim under section 5(2)(b) in respect of '286, they say the whole of the application is contained as a surname in the earlier mark, and that consequently the respective marks are highly similar both visually and phonetically. The goods are identical or highly similar and consequently there is a likelihood of confusion. As regards the claim under section 5(2)(b) in respect of '716, they say, again, that the whole of the application is contained in the earlier mark; it constitutes the first element of the earlier mark and the most distinctive and dominant element of the earlier mark. Given the identical or highly similar nature of the respective goods, there is a likelihood of confusion.
5. Ltd filed a counterstatement denying the grounds of opposition. They say, as regards '103, the accent over the 'E' of FERAUD renders the respective marks not identical under section 5(1). As far as the claims under section 5(2) are concerned, Ltd says it has been marketing and selling articles of clothing under the trade mark FERAUD since about 1992, and certainly well before Sarl's Registration of Nos '103 and '716. They say there has been consequent co-existence in the marketplace for some years. Use of the applicant's trade mark, FERAUD, is protected under common law as well as under section 11(3) of the Act. Ltd already has two other registered trade marks: 2244533 FERAUD for "T-shirts; jackets; leather jackets; suede jackets" filed on 5<sup>th</sup> September 2000, and 2381111 FERAUD for the same goods filed on 23<sup>rd</sup> December 2004. In view of the applicant's use, its own registrations and of correspondence between the parties from about Sept 2001 and May 2002, Sarl has not only been aware for some time of the applicant's use, but by virtue of acquiescence, delay and laches are now

estopped from objecting to the use or registration of their mark. They also put Sarl to proof of use in respect of their earlier mark '286.

6. Evidence has been filed by both parties which, insofar as it is factually relevant, I shall summarise below. Neither party has requested a hearing and instead, both parties are content for a decision to be issued based on the papers. Both parties request costs.

### **Opponent's evidence**

7. This takes the form of a witness statement dated 1<sup>st</sup> July 2009 from Elisabeth Baur, who is General Manager of Sarl. She says that the company has only existed since 2001 but many of their trade marks, including '286, date from well before that. Many were originally owned by Mr Louis Feraud, a famous French designer who became known in the 1950s. Exhibit EB2 contains information on Mr Feraud from the internet, including biographies from WIKIPEDIA and the BBC websites. Mr Feraud came to prominence in the '50s and '60s as a clothes designer, providing clothes for world famous stars such as Brigitte Bardot, Kim Novak, Ingrid Bergmann and Danielle Mitterand. In 1956 he opened his first boutique in Paris, retiring in 1995, having built up 50 or so Feraud outlets around the world. He died in 1999, having left the business in the hands of his only daughter, Dominique (Kiki). As well as being an accomplished designer (most especially for glamorous and exotic women) he pursued an artistic career as a painter.
8. Ms Baur says that the trade mark has been in continuous use by her company or its predecessors since 1975. In the UK the company's products are sold through its distributors: de Keyser Fashions Ltd in respect of womenswear; Egomark in respect of menswear. De Keyser has been a distributor since 2005, before then it was Louis Feraud Fashions Ltd. Retail outlets where the clothing can be found include Harrods. Exhibit EB3 comprises a print out from the Harrods website showing a selection of Louis Feraud womens' robes. The robes are described by reference to the name "Louis Feraud" (without any accent). These robes were sold during the period 2003-2008. Exhibit EB4 comprises copies of some of the company's brochures during the period 2003-2008. The full name, Louis Feraud, does not appear on the brochure cover which bears the legend "Féraud". The brochures contain a wide range of formal and informal, seasonal, functional and yet very glamorous clothing, both outer wear as well as evening wear. Feraud is described at the back of the brochure as having headquarters in Paris, New York, London and Düsseldorf. The headquarters in London goes under the name Louis Féraud Fashions Ltd in Old Bond Street. Ms Baur says that the name Feraud is clearly synonymous with Louis Feraud.

9. Exhibit EB5 shows some of the labels and boxes used on, and to house, Feraud clothes. The labels comprise the full name Louis Féraud in plain script. Annual turnover figures are given for the years 2001 – 2008 as follows:

Period (Louis Feraud Fashions Ltd)	Turnover
1/11/2001 - 31/10/2002	£3,381,241
1/11/2002 - 30/4/2004	£6,642,735
1/5/2004 – 30/4/2005	£2,331,964
1/5/2005 – 30/4/2006	£213,096
Period (de Keyser Fashions Ltd)	
1/11/2004 – 31/10/2005	£1,315,647
1/11/2005 – 31/10/2006	£1,013,261
1/11/2006 – 31/10/2007	£883,832
1/11/2007 – 31/10/2008	£408,702

10. Exhibit EB6 comprises a selection of invoices concerning Feraud clothing. They date from 31<sup>st</sup> January 2003 – 15<sup>th</sup> October 2008. The name Féraud is at the top. Some are wholesale invoices with a delivery address given as Louis Féraud Boutique of 73 Bond Street, London. Others are for individual items of clothing sent to retailers such as Kiro in Cardiff, Cliché of Beaconsfield, Michale Bailey of Bedford, and Donna of Cockfosters. Exhibit EB7 comprises a selection of articles dating from 2007 in a leading fashion magazine, DRAPERS, which contains mention of Féraud clothing, including swimwear. The brand is described in these articles as “Louis Feraud”.

### **Applicant’s evidence**

11. This takes the form of a witness statement dated 20<sup>th</sup> February 2010 by Michael Robert Ellis, managing director of Feraud Ltd, and its subsidiary Gianni Feraud Ltd. Exhibit MRE1 comprises an earlier witness statement from the same person dated September 2007, and filed during the examination phase of the application. Mr Ellis explains that the businesses now conducted through Feraud Ltd and Gianni Feraud Ltd were started by his late father, Cecil D Ellis, and the history of the companies is explained in Exhibit MRE2, being taken from the website [www.gianniferaud.com](http://www.gianniferaud.com). This history explains that Cecil D Ellis started as a trainee designer and pattern cutter, working for leading fashion houses and then started his own business in his mid-twenties. By 1985 he had built one of the largest suede and leather manufacturers in the UK. In 1992 he started to design and manufacture for new clients Christopher Hammond and Peter Feraud, who were producing an range of luxury garments under the brands Gianni Feraud and Feraud. In 2000, Cecil purchased these brands and continued with his sons to build on

the established product lines, quickly adding, suits, ties, shirts, accessories, knitwear and underwear. Cecil passed away in 2008.

12. Mr Ellis explains that Feraud Ltd is the parent company of Gianni Feraud Ltd, which it owns 100%. Since January 2008, the parent company has been owned jointly by Mr Ellis and his three brothers. Feraud Ltd is a non-trading company but it licences use of the mark FERAUD to Gianni Feraud Ltd and Sterling Wholesale Ltd which trades as Sterling Leathers. Sterling Wholesale Ltd is owned by Michael Ellis's three brothers. Mr Ellis then says that Feraud Ltd already own two 'FERAUD' UK trade mark registrations in Class 25, 2244533 and 2381111. The mark they make use of is either FERAUD or FERAUD by Gianni FERAUD. Feraud Ltd and Gianni Feraud also own domain names such as feraud.co.uk; gianniferaud.co.uk and gianniferaud.com, the last of which is in use as the website for Gianni Feraud Ltd.
13. Promotion of the brand is undertaken by David Green Studios based in Harlow, Essex. Exhibit MRE3 comprises a "Summary of expenditure by Feraud/Giani Feraud for artwork, photography, advertising and printing" for the period August 2001- March 2008. The total involved for the period is £69,065.00. An example of promotional material can be found at Exhibit MRE4, comprising a catalogue "Feraud by Gianni Feruad" from 2001, showing mainly leather and suede jackets and waistcoats. There is also a leaflet from 2003 showing jackets, long sleeve shirts, ties, and underwear. Mr Ellis explains that both promotional items comprising MRE4 were printed in quantities of 5000 and used as inserts to local newspapers in Essex. Further examples of the mark Feraud in use are given at Exhibit MRE5 and these include use on ties, shirts, underwear (briefs) and on a swing tag label. Exhibit MRE6 comprises three invoices from 2001 for, respectively: trousers (quantity 126), shirts (quantity 1,000) and ties (quantity 400), all addressed to a company, London House 231 Ltd, based in Regent Street, London. Mr Ellis explains that all such use was prior to the date of filing the application.
14. He says that in 2004 10,000 shirts were sold, in 2006/7 about 36,000 shirts were sold, all branded Feraud. In 2004/5 about 15,000 pairs of men's briefs were sold bearing the Feruad name. Mr Ellis concludes by saying that over the last ten years neither he nor his colleagues have become aware of any confusion occurring in the marketplace between his use of Feraud and that of the opponent.
15. Additional facts worth recording are contained in Mr Ellis's witness statement of 2007, which was filed in the examination phase of the application. In this witness statement he says that use of the Feraud name on shirts, ties, and briefs commenced in the year 2001 and has, since then, been on a continuous basis. Annual turnover for the years 2000 – 2005 of goods with the mark is stated as follows:

Year	Turnover
2000	£18,200
2001	£50,600
2003	£37,700
2004	£12,015
2005	£6,840
2006	£10,600

16. Sales have been made throughout the UK. There are advertising costs also set out for the years 2001- 2005 varying between £3,000 in 2001 to £8,000 in 2005. Mr Ellis explains that the goods are also retailed directly to customers and that they use the domain name [feraud.co.uk](http://feraud.co.uk) and e-mail address [sales@feraud.co.uk](mailto:sales@feraud.co.uk). He concludes this witness statement by saying that the opponents have been aware of the applicant's use of Feraud, particularly in relation to outerwear and had in fact raised, but did not pursue, opposition to Ltd's earlier mark 2244533.

17. There is also a witness statement dated 1<sup>st</sup> February 2010 from Jack Charles Basrawy, a Director of London 231 Ltd, saying he has purchased Feraud branded goods from Gianni Feraud Ltd since 2000. These goods include; t-shirts, jackets, trousers, men's underwear, shirts, leather and suede jackets, accessories. They purchased approximately £150,000.00 worth of Feraud branded goods, in total, from Gianni Feraud Ltd.

## DECISION

18. The relevant parts of section 5 of the Act read as follows:

5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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.

.....  
(5) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.

***Possible defence based upon estoppel, acquiescence, laches, delay or applicant's use and/or registration of earlier trade marks***

19. Firstly, I need to deal with Ltd's claim that, in some way, an estoppel arises as a result of acquiescence, delay or laches. As the opponent's attorneys submit, this cannot be the case. These proceedings are not proceedings against a registered mark under section 48 of the Act concerning invalidity, in respect of which a defence of statutory acquiescence may arise under section 47. Nor are they proceedings concerning a request for an injunction to prevent use of a later registered mark, in respect of which such a statutory defence may also arise. As section 5(5), quoted above, makes plain, the provisions of section 5 may only be overcome with consent. Furthermore, there has been no delay or laches arising from the actions of the opponent; they have opposed the application within the relevant prescribed periods.
20. For the avoidance of any doubt, I should also address the possible argument by the applicant that its own use of the mark FERAUD, prior to the filing dates of the earlier marks (or at least two of them) is protected under the common law or under section 11(3). Again, I agree with the opponent's attorneys that these defences are irrelevant in the context of opposition proceedings. It could be that the applicant's earlier use may be deployed to invalidate the opponent's marks but no such action has, to my knowledge, been brought in this case and such use cannot therefore afford any shelter in this opposition. Section 11(3) relates to a defence to infringement proceedings as a result of having an earlier registered trade mark. It is not a defence in an opposition.
21. Finally, in case it is being claimed that Ltd's ownership of the registered marks, 2244533 (FERAUD) and 2381111 (FERAUD), which predate at least the opponent's earlier CTMs, may in some way 'trump' the opposition, at least as far as the goods for which those marks are registered are concerned, then this too is not the case. Tribunal Practice Notice TPN 4/2009 makes the position plain on this score, referring to, eg a decision of the appointed person in *Ion Associates Ltd v Philip Stainton and Another*, (BL O-211-09) which held that such a 'defence' is wrong in law.
22. That said, I stress I am not dismissing any possible co-existence of the respective marks as being irrelevant in the overall global assessment of likelihood of confusion, as required under section 5(2)(b). If the respective marks have indeed and in fact, co-existed then this could be a factor in my overall assessment of likelihood of confusion. But first, given that this opposition is based upon several grounds and different earlier marks, two of



which do not require proof of use, for reasons of procedural economy, I need to decide wherein lies the opponent's best case.

23. There can be no dispute that in terms of the respective earlier marks, the opponent's best case lies with its '103 mark, FÉRAUD, upon which it bases its section 5(1) claim. Being registered on 4<sup>th</sup> November 2004, it is not subject to proof of use requirements under section 6A of the Act. I will therefore proceed to consider the section 5(1) claim in respect of '103. For reasons that are unexplained, the opponents have not relied upon the '103 mark, alternatively and as a contingency, under section 5(2)(b) also. That said, they have the '716 mark FERAUD CLUB, also not subject to proof of use requirements, relied upon under section 5(2)(b) and so, if I am in any way uncertain of my findings under section 5(1), I would propose to consider the claim under section 5(2)(b) in relation to the '716 mark. In other words, I do not feel obliged in the circumstances to consider all claims in relation to all earlier marks, the opponent's best case resides in the two earlier marks mentioned, which are not subject to proof of use. The evidence summarised above by both parties is not thereby redundant as it will assist in relation to the claim to peaceful co-existence under section 5(2)(b).

24. For the sake of completeness, I should just confirm that both Sarl's marks I intend to consider, given their respective filing dates, constitute earlier marks for the purposes of section 6 of the Act.

### **Section 5(1)**

25. In the European Court of Justice ("CJEU") Case C-291/00 (*LJT Diffusion SA v Sadas Vertbaudet SA*) ("*Sadas*"), the Court said in relation to Art 5(1)(a):

"Article 5(1)(a) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks 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."

26. *Sadas* is the leading authority on the question of whether marks are 'identical'. Whilst Art 5(1)(a) of the Directive 89/104 EEC, referred to in the quote above, relates to the scope of rights available to a proprietor once a mark is registered, the Court in *Sadas* says the same interpretation given to Art 5(1)(a) applies also to Art 4(1)(a), being the relevant (equivalent) provision for my purposes.

27. The application is for a word mark 'FERAUD'. The earlier mark '103 is also a word mark, FÉRAUD. The difference is that the 'E' of FÉRAUD has an acute

accent in the earlier mark, but there is no such accent in the mark the subject of the application.

28. In *Sadas*, the Court recognises that marks may still be identical if the differences between them go unnoticed. By “unnoticed” I should stress that in *Sadas*, the Court acknowledges that the assessment should take account of the fact that consumers rarely have the chance to make a direct comparison between the respective marks and must instead rely on an imperfect picture them kept in their minds (para 52). As *Sadas* makes clear, the assessment of identity is not an exercise that permits a side and side and literal comparison of the respective marks. It must be taken on behalf of the reasonably circumspect average consumer, but one who nonetheless has imperfect recollection.
29. Much is made by the applicant’s attorneys that the accent will make a significant difference. They say the accent has implications as far as the respective pronunciations of the marks is concerned; that the accent will indicate that the mark FÉRAUD is a foreign word; that given the nature of the goods on which the marks will appear (clothing), this is primarily a visual selection, in respect of which the presence of an accent will be not insignificant. They also say that it is clear that the mark FERAUD is used by a number of parties (use by both parties to these proceedings having been proven in the evidence) and within the relevant trade and the consumer has thus been educated to distinguish between the various usages and categories of clothing that contain the FÉRAUD mark and other usages. Given the circumstances of the trade, the respective parties’ rights to FERAUD must be construed particularly narrowly; the slightest difference assuming a larger significance than may be the case say, in another trade or circumstance. Unsurprisingly, Sarl’s attorneys urge on me the opposite conclusion, that the presence of the accent is but a tiny difference, having no effect on the distinctive character of the mark.
30. My starting position is that the average consumer for the relevant goods in this case not only has the qualities of reasonable circumspection and imperfect recollection, but also must be assumed to be based in the UK and primarily English speaking. A feature of such consumers is that they tend to be more linguistically challenged, as far as foreign languages are concerned than say his or her European counterpart may be regarding the English language. Irrespective of the nature of the trade, I am not persuaded that such a consumer will register as significant the presence or otherwise of an acute accent. It is unlikely to affect any pronunciation (as far as the UK consumer is concerned), and will certainly not render the mark with the accent as a foreign name, whilst the mark without will be something else. With or without the accent both marks are likely to present as of ‘foreign’ origin.

31. As regards the presence of other FÉRAUD marks in the trade and any education as to the slightest differences that may exist, the evidence only concerns the parties to these proceedings and no-one else. I have to say, as a matter of law, I am not even convinced that such a submission can even be accepted in the assessment of identity under section 5(1), but even if I were so convinced it would not alter my view.

32. Such a submission does not, in my opinion, counter the general lack of knowledge of any foreign language, to which I have already referred, that most consumers in the UK possess. It is significant also that whilst Sarl's own use of the mark FÉRAUD is usually with an accent, noticeably other use, say by third parties, such as on the HARRODS website (Exhibit EB3) is *without* any accent at all – LOUIS FÉRAUD. This somewhat reinforces my conclusion that, as far as the UK consumer (and trade for that matter) is concerned, the accent will go unnoticed and possibly unused in the first place.

33. I therefore find, applying the *Sadas* test, the respective marks are identical.

34. Concerning the respective goods, the relevant goods are as follows:

Sarl's goods ('103 mark)	Ltd's goods
<i>Class 25</i>  Clothing for men, women and children.	<i>Class 25</i>  T-Shirts, long sleeve shirts, jackets, jeans, ties, briefs.

35. It is self evident that the goods covered by Sarl's '103 mark wholly encompass those of Ltd's specification. Accordingly, the respective goods are identical.

**36. The opposition under section 5(1) in respect of earlier mark '103 is therefore wholly successful.**

**37. However, in case I am found to be wrong on this finding I propose to consider the case under section 5(2)(b) in relation to earlier mark '716.**

#### **Section 5(2)(b)**

38. Section 5(2) (b) of the Act reads:

“(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.”

39. In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (“CJEU”) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

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

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

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

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

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

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

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

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

(i) 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 and Adidas Benelux BV*,

(j) 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.*,

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

### ***The average consumer and nature of the purchase***

40. The average end consumer for both parties' products, in a notional sense, will be the general public, but along the way both parties' products are likely to be handled through wholesalers or intermediaries.
41. Clothing will be a considered purchase. The level of attention of a consumer of clothing may vary depending on cost and the occasion; in general, clothing is a reasonably considered purchase as items may be tried on, but not highly considered (as with specialist or technical goods). Buying clothes is a visual activity; the public is increasingly brand conscious and the visual appearance

of the trade mark and where it is placed on the clothing or footwear item is of some importance to many purchasers. The potential for imperfect recollection may be increased in relation to low cost goods, but if frequently purchased, that potential may be reduced. If items of high cost are infrequently bought, the higher level of attention may decrease the risk of imperfect recollection, but conversely, the infrequency of purchase may lead to a greater potential for imperfect recollection. These observations will be factored into my assessment of likelihood of confusion.

**Comparison of marks**

42. The case law makes it clear that I must undertake a full comparison of both marks in their totalities, taking account of all differences and similarities. The comparison needs to focus on the visual, aural and conceptual identities of both marks. The respective marks to be compared are as follows:

Sarl's mark	Ltd's mark
FERAUD CLUB	FERAUD

43. Visually, Sarl's mark presents as a two word mark, the first word being FERAUD and second, CLUB. Ltd's mark presents as a single word mark, FERAUD. The first word of Sarl's mark is exactly the same as the single word comprising Ltd's mark, namely, FERAUD. Given that common element, but also taking into account the visual difference, being the absence of the word CLUB in Ltd's mark, I consider the marks to be visually similar to a very high degree.

44. Phonetically, Sarl's mark is likely to be pronounced FER – OWE CLUB by the UK consumer. Ltd's mark will be pronounced FER-OWE. Again, taking account of the similarities and differences and in particular that the first word of Sarl's mark will be pronounced in the same way as Ltd's mark, I find that, phonetically, the marks are similar to a very high degree.

45. Conceptually, the assessment hinges around the effect, if any, of the additional 'CLUB' element of Sarl's mark. The word FERAUD in both marks will, in my opinion, be taken to be of foreign origin or an invented word. There will be no recognition of the word in the English language. Further, given its usage in respect of clothing, I think there is more than an outside possibility that the word FERAUD (in both marks) will be seen as a personal or family name of foreign origin. This is because in the fashion industry or trade it is common (and recognised by the consumer as common) to use personal and family names as identifiers of origin. It could well be that the consumer assumes the word FERAUD to be a French name, but that would not necessarily and inevitably be the case. On that basis, the semantic concept

perceived by the consumer on seeing or hearing the words “FERAUD CLUB” will be that these words invoke a CLUB (as in an organised group) defined by the foreign word, or more likely, name, FERAUD. The dominant and distinctive element in the words FERAUD CLUB will inevitably be FERAUD. The consumer is likely to perceive the word CLUB as simply conferring something of an informal identity to the word FERAUD. In other words, the consumer will see FERAUD CLUB as an attempt to give further (and possibly ‘exclusive’) identity to *products* sold under the name FERAUD (as members of a CLUB), or indeed that *purchasers* of products sold under that name may themselves gain membership of a CLUB. In either case, the dominant and distinctive element will be the word FERAUD. On that basis, whilst I am unable to find that semantically the respective marks are conceptually identical, I do not hesitate in finding that they are highly similar.

46. Taking the visual, aural and conceptual elements together, I find that the respective marks nonetheless share a very high degree of similarity.

**Comparison of the goods**

47. The respective goods to be compared are as follows:

<b>Sarl’s goods (‘716 mark)</b>	<b>Ltd’s goods</b>
<p><i>Class 25</i></p> <p>Clothing for men, women and children.</p>	<p><i>Class 25</i></p> <p>T-Shirts, long sleeve shirts, jackets, jeans, ties, briefs.</p>

48. It is self-evident that the goods are identical. The term used in Sarl’s specification will encompass all the individual items listed in Ltd’s application.

**Likelihood of confusion**

49. Before proceeding to bring all my findings together in an overall global assessment I need to make an assessment of the distinctive character of the earlier mark. An invented word having no derivation from known words is, in its inherent characteristics, very high on the scale of distinctiveness. In this case, I have concluded that it is likely that FERAUD will be viewed, if not an invented word, then a word of foreign origin, and in particular likely to be seen as a personal or family name in the context of the goods upon, or in relation to which it will be used. Such a name is likely to be distinctive (in the normal meaning of the word) in the UK, that is to say that the name FERAUD in the UK will not be a common name, either as a personal or as a family name. It

follows that the totality FERAUD CLUB will have more than a moderate degree of inherent distinctiveness in trade mark terms.

50. Sarl has also produced evidence of long standing use of the mark FERAUD and I must consider whether this use results in enhanced distinctiveness in FERAUD CLUB. However, I am not convinced that either FERAUD or FERAUD CLUB have become 'household' names on the High Street or internet environments, as far as the UK consumer is concerned. From the evidence, sales of FERAUD clothes are through select distributors and outlets such as Harrods. Moreover, the turnover figures are not outstanding, relative to the overall fashion market in the UK. It must also be remembered that the prominence enjoyed by Louis Féraud appears to have been in the 1960's and 1970's. Although the business may still be strong, clearly it was during that period especially, that the name Féraud found itself most especially in the limelight. Finally, I must be careful not to automatically attribute any distinctiveness through use of FERAUD to FERAUD CLUB. Taking all the factors into account, I find that the inherent distinctiveness of FERAUD CLUB (which I have already found) is not enhanced through use.
51. I have found above that the respective marks share a very high degree of similarity, that the goods are identical and that the earlier mark has a more than moderate degree of inherent distinctiveness. I have also commented upon the nature of the average consumer and the purchasing process involved.
52. In all the circumstances, I have no hesitation in finding that there is a likelihood of confusion as between the respective marks. In this regard it is worth recording that the authorities to which I have referred in para 39 above make reference to both direct and indirect confusion. Direct confusion is where marks are directly confused for each other; indirect confusion is where, despite the fact that the marks may not be directly confused, an assumption may be made on the part of the average consumer that goods or services using the later mark may emanate from the same economic undertaking. The different nature of these mistakes by the consumer is explained very well in a very recent Appointed Person case, LA SUGAR, BL O-375-10 "*LA SUGAR*"). In this case the Appointed Person explains in paras 16 and 17 that indirect confusion engages a recognition by the consumer that the respective marks are different, but that because there is something in common between the respective marks the consumer concludes that the later mark may be another brand of the owner of the earlier mark. This may, for example, be where the common element is so strikingly distinctive, or where the later mark simply adds a non-distinctive element (such as "LITE", "EXPRESS" "WORLDWIDE" or "MINI"), or finally, where the earlier mark comprises a number of elements and a change of one element appears entirely logical and consistent with brand extension ("FAT FACE" to "BRAT FACE" for example).



53. In the particular circumstances of this I regard the nature of the 'mistake' by the consumer to be likely to be of an indirect nature, as fully explained in the *LA SUGAR* case. In particular, the element FERAUD is of such distinctiveness (more than moderate) to the UK consumer, that being common to both marks may lead to belief that use on the later mark represents but another brand of the earlier mark's owner.
54. A final question to address, having found a likelihood of confusion, is the question whether the applicant's concurrent or parallel use prior to the filing date, and as shown in the evidence, may have any impact upon, or otherwise disturb my finding.
55. Whilst it is well established that evidence of what is often referred as "parallel trading" may be a factor which could potentially assist in any determination, such evidence needs to establish that the respective marks have actually been put to use in the same market (as opposed to the notional use which is normally considered), without the consumer being confused regarding economic origin. If such evidence is forthcoming then this can inform the tribunal's decision. Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18 gave weight to an absence of confusion in the marketplace, however, this should be tempered by a number of decisions which express caution about the circumstances in which it is appropriate to give these factors weight (see the Court of Appeal in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paras 42 to 45.) In the first of the above cases Millet LJ stated:
- "Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."
56. In the circumstances, the evidence does not establish that the respective marks have been put to use in the *same* market circumstances. The evidence does not show for example that the respective marks have been operating side by side in the *same* retail outlets, or otherwise in such close proximity without confusion, so as to persuade me that such concurrent use is a factor (still less, a disturbing factor) in my assessment.
57. **Accordingly, the opposition under section 5(2)(b) in respect of mark '716 also succeeds in its totality.**

## **Costs**

58. Feraud Sarl has been totally successful in its opposition. Accordingly, it is entitled to a contribution towards its costs. At this point I need to record that the opponent's attorney's submissions draw my attention to events in January 2009, when the applicant requested an interim hearing on the issue of discovery which was then scheduled to take place on 29<sup>th</sup> January 2009. The opponent's attorneys say significant costs were incurred in preparing for this hearing. Indeed, Counsel for the opponent went so far as to prepare a skeleton argument in relation to this hearing before learning that the applicant sought a postponement and later, cancellation of this hearing. Furthermore, the applicant's attorneys sought to introduce 'without prejudice' material into proceedings (which I have deliberately not seen), in "flagrant breach of conduct", which also necessitated further expense on the part of the opponent. On the basis of these submissions which I accept, I have provided for an uplift in my calculation of costs as below.

59. In the circumstances, I award Feraud Sarl the sum of £2000 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

1. Filing fee for opposition - £200
2. Preparing a statement and considering counterstatement - £200
3. Preparing evidence and considering and commenting on other sides evidence - £500
4. Preparing submissions - £300
5. Uplift of sum, due to cancelled hearing and introduction of without prejudice material - £800

Total £2000

60. I order Feraud Ltd to pay Feraud Sarl the sum of £2000. The sum should 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 10 day of November 2010**

**Edward Smith  
For the Registrar,  
the Comptroller-General**