

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NOS. 2517172 AND
2517165 IN THE NAME OF GIANT UK LIMITED**

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS NOS. 100107
AND 100108 THERETO BY MAJOR LEAGUE BASEBALL PROPERTIES, INC.**

**APPLICANT'S APPEAL TO THE APPOINTED PERSON FROM A DECISION
OF DAVID LANDAU DATED 10 JANUARY 2013**

DECISION

Introduction

1. This appeal concerns consolidated oppositions brought by Major League Baseball Properties (the “**Opponent**”) against trade mark application no. 2517165 for the word mark **GIANT** and no. 2517172 for the word and device mark



, both filed on 29 May 2009 by Giant UK Limited (the “**Applicant**”).

2. Both applications were published on 4 December 2009 with the following specification:

Class 35: Advertising; business management; business administration; office functions; provision of business information; retail services connected with the sale of bicycles, cycling clothing and cycling accessories namely, complete bicycles, cycle clothing, bicycle components and parts, bicycle helmets, cycling shoes, body armour and pads for cyclists, eye wear for cyclists, namely glasses and goggles, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs and prevention in bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists; retail store services, mail order retail services, Internet retail services all in the field of bicycles, cycling clothing and cycling

accessories namely, complete bicycles, cycle clothing, bicycle components and parts, bicycle helmets, cycling shoes, body armour and pads for cyclists, eye wear for cyclists, namely glasses and goggles, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs and prevention in bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists, the bringing together for the benefit of others of a variety of goods including the aforesaid products; enabling customers to conveniently view and purchase these goods; retail services connected with the sale of bicycles, cycling clothing or the aforesaid cycling accessories through high street stores; information and advice in relation to retail services relating to the aforesaid goods; business management consultancy namely giving assistance and advice in the establishment of retail stores in the field of the aforesaid goods.

Class 42: Industrial analysis and research services, design services and technical consultancy and advising in the establishment of retail stores all in the field of bicycles, cycling clothing or cycling accessories namely, complete bicycles, cycle clothing, bicycle components and parts, bicycle helmets, cycling shoes, body armour and pads for cyclists, eye wear for cyclists, namely glasses and goggles, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs and prevention in bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists.

(the “**Marks**”).

3. The Opponent opposed these applications in full under section 5(2)(b) of the Trade Marks Act 1994 (the “**Act**”), relying on its ownership of Community trade mark registration no. 4085891, shown here (the “**Earlier Mark**”):



4. The Earlier Mark was filed on 25 October 2004 and registered on 17 January 2006 in respect of a range of goods in Classes 16, 25 and 28. For the purposes of this appeal, only the goods in Class 25 are relevant, which are listed below:

Clothing, namely, caps, hats, visors, knitted headwear, headbands, bandannas, shirts, T-shirts, tank tops, blouses, sweaters, turtlenecks, pullovers, vests, shorts, pants, slacks, dresses, skirts, overalls, bodysuits, baseball uniforms, jerseys, warm-up suits, jogging suits, sweatshirts, sweatpants, underwear, boxer shorts, robes, sleepwear, thermal loungewear, nightshirts, nightgowns, swimwear, clothing wraps, coats, jackets, ponchos, raincoats, cloth bibs, infant wear, infant diaper covers, cloth diaper sets with undershirt and diaper cover, jumpers, rompers, coveralls, creepers, baby booties, toddler anklets, ties, suspenders, belts, money belts, mittens, gloves, wristbands, earmuffs, scarves, handkerchiefs, footwear, socks, hosiery, slippers, aprons, sliding girdles and Halloween and masquerade costumes.

5. To succeed in full under section 5(2)(b), the Opponent needed to show that, because of the similarity of each of the Marks with the Earlier Mark and because of the similarity between each of the services in the specification for the Marks and certain goods covered by the Earlier Mark, there would be a likelihood of confusion on the part of the public if the Marks were used. The nature of the necessary confusion is as to trade origin; mere association is not enough, as established by the line of authorities starting with *Sabel v Puma* (C-251/95) [1997] ECR I-6191 and *Canon v MGM* (C-39/97) [1998] ECR I-5507, particularly *Marca Mode v Adidas* (C-425/98) [2000] ECR I-4861 at [34] and *Société des Produits Nestlé v OHIM* (C-193/06 P) [2007] I-00114 at [32].
6. Both parties filed evidence and written submissions. Neither side requested a hearing.
7. On 10 January 2013, David Landau, hearing officer for the Registrar, issued a decision (BL O-012-13 – the “**Decision**”) allowing the oppositions in part only. Specifically, Mr Landau dismissed the opposition to the Class 42 services owing to the lack of similarity with any of the goods in the specification for the Earlier Mark. In relation to the Class 35 services Mr Landau permitted the applications to proceed for the following services only:

Advertising; business management; business administration; office functions; provision of business information; business management consultancy namely giving assistance and advice in the establishment of retail stores in the field of bicycles, cycling clothing and cycling accessories namely, complete bicycles, cycle clothing, bicycle components and parts, bicycle helmets, cycling shoes, body armour and pads for cyclists, eye wear for cyclists, namely glasses and goggles, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs and prevention in

bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists.

The Decision

8. It is not necessary to summarise the Decision in detail, since only one aspect of it is under appeal. In short, the hearing officer set out the details of the parties' respective trade marks in issue. He then set out the basis for the oppositions and summarised the evidence and written submissions of the parties before turning to consider the relevant comparisons of the marks in question and of the goods and services concerned, and then to give his assessment of the likelihood of confusion.
9. At paragraphs 39 and 40 of the Decision the hearing officer found that each of the Marks was "*similar to a high degree*" to the Earlier Mark and that, owing to the absence of a device element in trade mark no. 2517265, that Mark was "*even more similar*" to the Earlier Mark. This aspect of the decision is not contested.
10. With regard to the comparison between the goods and services, the hearing officer set out some of the guiding principles, starting with the need to consider the nature, intended purpose and method of use of the goods or services and whether they are in competition with each other or are complementary: *Canon v MGM* at [23]. He referred in particular to the guidance given by the CJEU and General Court as to the meaning of "complementary", summarised in *Boston Scientific Ltd v OHIM* (T-325/06) as follows:

"82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48)."

11. He then referred to cases in which the Courts have stressed the need for parties to adduce evidence of similarity between the goods and services being compared: for example, *Canon v MGM* at [22] and *Commercy AG v OHIM* (T-316/07) [2009] II-00043 at [43]. He added (at paragraph 32) that this guidance "*has been more recognised in the breach than in the observance in this jurisdiction*" and that "*[i]t may not always be practical to adduce evidence of similarity; it may be that the*

nature of the goods and/or services is so well-known that it would be a waste of effort and resources to do so.”

12. Having considered the submissions from each side, the hearing officer held (at paragraph 33 of the Decision) that the Class 42 services and the non-retail elements of the Class 35 services in the specifications for the Marks are not similar to any of the goods covered by the Earlier Mark and therefore there is no likelihood of confusion in relation to those services.
13. He then stated (at paragraph 34) that the remaining Class 35 services covered by the Marks are all retail services, and most of the goods to which they relate are goods for cyclists. However, the specification includes “*the bringing together for the benefit of others of a variety of goods including the aforesaid products; enabling customers to conveniently view and purchase these goods*”. This description of services therefore includes all retail services and not just the retail of the specific goods listed, which is not permitted pursuant to the judgment of the Court of Justice (“CJEU”) in Praktiker Bau- und Heimwerkermärkte AG v Deutsches Patent- und Markenamt (C-418/02) [2005] ECR I-5873.
14. The hearing officer then focused his attention on the General Court decision in Oakley v OHIM (T-116/06) [2008] II-02455 (“*Oakley*”), which considered how to assess the similarity between retail services and goods that are sold by a retailer. He set out a lengthy section of that judgment, from paragraphs 42 to 58, which ended with confirmation of an OHIM Board of Appeal finding of similarity between “retail and wholesale of clothing, headwear, footwear, athletic bags, backpacks and knapsacks and wallets” on the one hand and “clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags, wallets” on the other. He expressed his own conclusions on the relevant comparison in this case as follows:
 35. As per paragraph 51 [of *Oakley*], similarity does not arise simply where the goods and services are complementary through specific goods being retailed. (In relation to the issue of complementarity, *cycling clothing and cycling shoes* will include or be encompassed by the terms such a *footwear, vests, shorts, underwear, coats, jackets* and *ponchos* of the earlier registration. *Body armour* and *pads for cyclists* will include *chest protectors for sports* and *athletic supporters* of the earlier registration.) The evidence of [the Applicant] shows that there are a large number of specialist bicycle retailers and that these retailers sell all sorts of products for cyclists (see for instance pages 230, 231, 248, 251, 258, 263 of Bargewell [witness for the Applicant] re the goods that are displayed in [the Applicant]’s licensees’ premises). Indeed this is the norm for specialist sporting retailers; so that running retailers will sell shoes, clothing, bags, nutriment, body supports, wrist watch computers and the like. As the class 25 goods of the earlier registration will encompass clothing for cycling and cyclists these goods could be sold in the same retail environments for which [the Applicant] seeks registration. The end users of the retail services and certain of the class 25

goods of the earlier registration could also be the same ie cyclists. Consequently, the retail services are similar to the class 25 goods of the earlier registration. In relation to the retail services for which there is complementarity there is a high degree of similarity. (The unqualified retail services must also fall into this category. In relation to the other retail services there is a limited degree of similarity owing to the potentially common retail environment.)

15. Based on his findings of a high degree of similarity between the respective trade marks, the nature of the purchasing process, and the similarity of goods/services, the hearing officer concluded at paragraph 43 that “*there is a likelihood of confusion in relation even to those retail services which have a more limited degree of similarity i.e. where there is no complementarity. The average consumer, for instance, would believe that cycling shoes, cycling jackets, cycling shorts and cycling socks bearing the trade mark of [the Opponent] emanated from the same undertaking that was retailing bicycles or bicycle pumps under the trade marks of [the Applicant]; especially taking into account imperfect recollection.*”
16. Based on these conclusions, the hearing officer dismissed the oppositions in relation to the Class 42 services and the ‘non-retail’ services in Class 35, owing to the lack of similarity between the respective goods and services, but upheld them in relation to all of the retail services in Class 35.
17. Having reached the conclusion that each party had achieved a measure of success, the hearing officer ordered each party to bear its own costs.

Appeal

18. The Applicant has appealed to the Appointed Person under section 76 of the Act. The representatives of the parties who appeared before me on the appeal were Robert Onslow, Counsel for the Applicant, instructed by York Place, and Keith Gymer of Page Hargrave for the Opponent.
19. A number of points of appeal were raised in the appeal notice, all in relation to the hearing officer’s finding of similarity between the retail services listed in the specification for the Marks and some of the goods covered by the Earlier Mark. However, the appeal was limited in Mr Onslow’s skeleton argument (as confirmed at the hearing before me) to one point only, being (put at its simplest) that the hearing officer wrongly relied on the decision in *Oakley*, which was a case involving a comparison between certain goods and retail services for identical goods, to decide this case, which involved a comparison between certain goods and retail services for non-identical goods. In Mr Onslow’s submission, *Oakley* does not apply to such a case.

20. On this basis, the Applicant accepts that – following *Oakley* – the hearing officer was right to refuse the Marks in relation to retail services for cycle clothing, given the inclusion of clothing under the Earlier Mark. However, it maintains that the hearing officer was wrong to do so in relation to the other goods in the specifications which can be described collectively as bicycles and bicycle accessories.
21. There was some discussion at the start of the hearing as to the precise ambit of the appeal, given that neither the notice of appeal nor the Applicant’s skeleton argument set out the list of services which the Applicant sought to ‘save’ from the effect of the Decision. However, following a discussion between the parties’ representatives and with the assistance of Mr Gymer’s ‘traffic light’ system for the specification as accepted, rejected and appealed, it was clarified that the Applicant is now asking for registration of the Marks in Class 35 in relation to the following list of services, of which those already allowed by the hearing officer and not in issue in this appeal are underlined:

Advertising; business management; business administration; office functions; provision of business information; retail services connected with the sale of bicycles and cycling accessories namely, complete bicycles, bicycle components and parts, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs, goods for the maintenance of bicycles,¹ bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists; retail store services, mail order retail services, Internet retail services all in the field of bicycles and cycling accessories namely, complete bicycles, bicycle components and parts, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs, goods for the maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists; retail services connected with the sale of bicycles or the aforesaid cycling accessories through high street stores; business management consultancy namely giving assistance and advice in the establishment of retail stores in the field of bicycles, cycling clothing and cycling accessories namely, complete bicycles, cycle clothing, bicycle components and parts, bicycle

¹ I note that the notice of appeal at this point listed only “kits and parts for puncture repairs and maintenance of bicycles...”. However, the original specification applied for was “kits and parts for puncture repairs and prevention in bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, ...”, so the permissible amendment within the scope of the Applicant’s appeal notice is: “kits and parts for puncture repairs, goods for the maintenance of bicycles,..”.

helmets, cycling shoes, body armour and pads for cyclists, eye wear for cyclists, namely glasses and goggles, bicycle pumps, bicycle bags, car racks and accessories for the transportation of bicycles, bicycle and frame protectors, lights for bicycles, mirrors for bicycles, locks, chains and cables for the security of bicycles, mud guards for bicycles, kits and parts for puncture repairs and prevention in bicycle tyres, bicycle saddles and bicycle saddle covers, goods for the cleaning and maintenance of bicycles, bicycle trailers, water bottles and cages for bicycles, bells and horns for bicycles, map holders for bicycles, books, maps, DVDs, digital maps for cyclists, pollution masks for cyclists, cycling computers, GPS systems for bicycles, heart rate monitors for cyclists.

22. The correct approach to this appeal is for me to review the Decision, not re-hear the case. I should be reluctant to interfere in the absence of a distinct and material error of principle. Further, a decision does not contain an error of principle merely because it could have been better expressed. (See *REEF Trade Mark* [2002] EWCA Civ 763 at [28] and [29]; and *Galileo International Technology. LLC –v- European Union* [2011] EWHC 35 (Ch) at [11]-[14].)
23. The Applicant claims that at paragraph 35 of the Decision, the hearing officer sets out the lengthy quotation from *Oakley* and applies it to reach a conclusion directly derived from the case, that retail services for clothes is similar to clothes, but he does not explain how *Oakley* applies to the comparison between retail services for bicycles, and clothes. Mr Onslow supposed that the reasoning was contained within the following sentence: “*In relation to the other retail services, there is a limited degree of similarity owing to the potentially common retail environment*”. In other words, the hearing officer relied on the existence of a common channel of trade to reach his finding of similarity between the goods and services in issue.
24. Mr Onslow submitted that the hearing officer has acknowledged that the position between retail services for bicycles and clothes is different from the position between retail services for clothes and clothes. I.e. there is less similarity between the former than the latter comparative pair. However, he says that the hearing officer should have gone further and held that, applying *Oakley*, retail services for bicycles, and clothes were not similar.
25. The crucial difference between the cases, in Mr Onslow’s submission, is that the General Court in *Oakley* applied the concept of indispensability (i.e. clothing is indispensable to the retail services of selling clothing) and it did this on the basis of the identity between the goods covered by the earlier mark and the goods defined by the retail services mark. In Mr Onslow’s submission, such identity is not present in this case, and so there is no indispensability between clothing and retail services in connection with bicycles and bicycle accessories. He submits that the finding of indispensability in *Oakley* was crucial to the overall finding of similarity and, likewise, needed to be present for such a finding in this case, whereas the hearing

officer appears to have relied instead on the existence of a common trade channel between the earlier goods and the later retail services in order to reach his conclusion of similarity.

26. Mr Onslow took me to the relevant passages of *Oakley* and read from paragraphs 45 to 48, which I set out below:

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

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

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

27. I pause here to insert my own observation that, in short, the General Court held that the nature, purpose and method of use of, for example, “the retail of clothing” on the one hand and “clothing” on the other, were different in each case, and thus any finding of similarity would have to rest on different factors.

28. The hearing officer did not expressly apply those aspects of the *Canon v MGM* similarity test. As Mr Onslow submitted, he did seem to recognise that there was a degree of difference between the goods/services under comparison in *Oakley* and those under comparison here, because of the lack of identity between the goods concerned in each case, but he did not explain his approach. I re-visit this below.

29. Returning to Mr Onslow’s submissions, he continued to take me through the comparison undertaken by the General Court in *Oakley*, where it considered the distribution channels of the services and goods in issue, as follows:

49 With regard, second, to the distribution channels of the services and the goods in question, it is correct, as rightly pointed out by the Board of Appeal in paragraph

22 of the contested decision, that retail services can be offered in the same places as those in which the goods in question are sold, as the applicant has also recognised. The Board of Appeal's finding that retail services are rarely offered in places other than those where the goods are retailed and that consumers need not go to different places to obtain the retail service and the product they buy, must therefore be upheld.

- 49 Contrary to what is claimed by the applicant, the fact that the retail services are provided at the same sales points as the goods is a relevant criterion for the purposes of the examination of the similarity between the services and goods concerned. In that regard, it should be pointed out that the Court has held, in paragraph 23 of *Canon*, paragraph 16 above, that, in assessing the similarity of the goods and services in question, all the relevant factors characterising the relationship between the goods or services should be taken into account. It stated that those factors include their nature, purpose, method of use, and whether they are in competition with each other or are complementary, meaning that it did not in any way regard those factors as the only ones which may be taken into account, their enumeration being merely illustrative. The Court of First Instance therefore concluded from this that other factors relevant to the characterisation of the relationship which may exist between the goods or services in question may also be taken into account, such as the channels of distribution of the goods concerned (Case T-443/05 *El Corte Inglés v OHIM– Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR II-0000, paragraph 37; see also, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 65, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; and Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 95).
- 50 Furthermore, contrary to the applicant's assertion, which is moreover unsubstantiated, that, as the majority of the goods are sold in supermarkets, consumers do not attach too much importance to the point of sale when making up their mind whether goods share a common origin, it must be held that, as contended by OHIM, the manufacturers of the goods in question often have their own sales outlets for their goods or resort to distribution agreements which authorise the provider of the retail services to use the same mark as that affixed to the goods sold.
- 51 It was therefore correct, in paragraph 22 of the contested decision, to take into account, when comparing the goods and the services covered by the trade marks in dispute, the fact that those goods and services are generally sold in the same sales outlets (see, in that regard, *SISSI ROSSI*, paragraph 49 above, paragraph 68, and *PiraÑAM diseño original Juan Bolaños*, paragraph 49 above, paragraph 37).
30. Mr Onslow submitted that these paragraphs were predicated on identity between the goods of the earlier mark and the goods covered by the retail services of the later mark and that paragraph 49, in particular, is *obiter* and wrong, or is limited to cases of identical goods. While it is true that this was the scenario facing the General Court, there is nothing in the *Oakley* decision that persuades me that it is wrong to consider the channels of distribution and sales outlets through which the relevant goods and services are provided in the absence of identity. Indeed, the authorities cited in paragraph 49 of *Oakley* do not all involve identity. Further, as Mr Gymer pointed out, and as set out in *Oakley* itself, the CJEU in *Canon* and subsequent cases has made it clear that, in assessing the similarity of the goods and services in

question, all the relevant factors characterising the relationship between the goods or services should be taken into account.

31. Having said this, in the modern age of retail stores, particularly on-line retailers, that sell almost anything one can envisage wanting to buy, trade mark tribunals have to be careful not to give undue weight to the existence of an overlap in the channels of distribution and sales outlets, particularly in the absence of any specific evidence on the point.
32. The Applicant's evidence was that there were three main routes for the sales of bicycles, bicycle parts and bicycle related clothing and accessories: mass market retailers (such as Halfords, Decathlon, Argos and Evans Cycles), independent retailers and online sales. Although not explicitly explained in the evidence, it was plain that retail services in relation to bicycles and bicycle accessories are supplied through the same routes and outlets. Mr Gymer pointed to evidence showing that certain items of sports clothing and equipment, including cycle clothing and equipment, were sold through these same channels and outlets. The evidence in this regard was fairly thin, but it was enough to confirm my own general knowledge of how and where one might see, for example, cycle clothing offered for sale in the same place as one might be able to obtain retail services for bicycles and bicycle accessories. Mr Gymer submitted that the hearing officer was thus perfectly entitled to rely on the "potentially common retail environment" between the relevant goods and services when considering similarity.
33. I accept Mr Gymer's submissions and the hearing officer's finding of a potential overlap between the retail outlets for clothing covered by the Earlier Mark (particularly a sub-set comprising clothing for cycling) and those through which retail services for bicycles and bicycle accessories are provided, and I reject Mr Onslow's submission that this overlap is irrelevant. However, I consider that this is only a weak indicator of overall similarity in the light of the obvious differences between goods and retail services highlighted above.
34. Moving on to the key section of the *Oakley* judgment that deals with the complementary nature of the goods and services under comparison, the General Court held as follows:

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

- 53 In that regard, it must be pointed out that the goods covered by the earlier mark, that is, clothing, headwear, footwear, rucksacks, all-purpose sports bags, travelling bags and wallets, are identical to those to which the applicant's services relate.
- 54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.
- 55 Furthermore, the relationship between the goods covered by the earlier trade mark and the services provided in connection with retail trade in respect of goods identical to those covered by the earlier trade mark is also characterised by the fact that those services play, from the point of view of the relevant consumer, an important role when he comes to buy the goods offered for sale.
- 56 It follows that, because the services provided in connection with retail trade, which concern, as in the present case, goods identical to those covered by the earlier mark, are closely connected to those goods, the relationship between those services and those goods is complementary within the meaning of paragraphs 54 and 55 above. Those services cannot therefore be regarded, as the applicant claims, as being auxiliary or ancillary to the goods in question.
- 57 Thus, notwithstanding the incorrect finding of the Board of Appeal to the effect that the services and goods in question have the same nature, purpose and method of use, it is indisputable that those services and goods display similarities, having regard to the fact that they are complementary and that those services are generally offered in the same places as those where the goods are offered for sale.
35. It is plain that the identity of the goods in issue with the subject goods of the retail services in issue was an important factor in the General Court's finding of complementarity in *Oakley*. As indicated at the end of paragraph 54, retail services that have the aim of selling certain specific goods would make no sense without those particular goods. Similarly, at paragraph 56, it appears that the Court concluded that the relationship between the services and the related goods was complementary because of the identity between them.
36. In the present case, complementarity was only found by the hearing officer in relation to clothing and retail services for clothing, but not in relation to clothing (or any of the other goods for which the Earlier Mark is registered) and retail services for bicycles and bicycle accessories. Mr Onslow suggested that the latter comparison is akin to that found in a later part of *Oakley*, where clothing was compared to retail (and wholesale) services in respect of eyewear, sunglasses, watches and other goods, as follows:
- 83 The Board of Appeal found, in paragraph 26 of the contested decision, that there was little likelihood of confusion with regard to services consisting of 'retail and

wholesale of eyewear, sunglasses, optical goods and accessories, watches, timepieces, jewellery, decals, posters'. The nature of retailing of those goods and of items of clothing and leather goods was different, their sale did not satisfy the same needs, they were not of a complementary nature, and the channels of distribution were different.

- 84 That conclusion must be upheld.
- 85 Notwithstanding the fact that, as held in paragraphs 63 to 70 above, the signs are very similar, there is no similarity whatsoever between, in particular, retail services concerning eyewear, on the one hand, and items of clothing and leather goods, on the other hand. The earlier trade mark does not cover, directly or indirectly, goods similar to 'eyewear, sunglasses, optical goods and accessories, watches, timepieces, jewellery, decals, and posters'.
- 86 The intervener's argument that eyewear, jewellery and watches could be similar or complementary to items of clothing cannot succeed, since, as correctly pointed out by OHIM, the relationship between those goods is too indirect to be regarded as conclusive. It must be borne in mind that the search for a certain aesthetic harmony in clothing is a common feature in the entire fashion and clothing sector and is too general a factor to justify, by itself, a finding that all the goods concerned are complementary and, thus, similar (SISSI ROSSI, paragraph 49 above, paragraph 62).
- 87 Thus, the goods to which the relevant services provided in connection with retail trade relate and the goods covered by the earlier trade mark, referred to in paragraph 85 above, cannot be considered to be similar in the light of the criteria stated by the Court in Canon. In that regard, it must be held that advice given in relation to eyewear cannot be regarded as complementary to clothes. In addition, the channels of distribution of the retail services in question and those of the goods concerned are different; for consumers do not, moreover, expect, as OHIM rightly pointed out, that a manufacturer of clothes and leather goods will operate directly or indirectly sales outlets for eyewear, sunglasses or optical goods, not corresponding to his principal activity.
37. Mr Onslow submitted that, like the example of eyewear and clothes, bicycles and clothes taken by themselves are not similar enough to be considered complementary. The fact that clothes are sometimes available in bicycle shops is a general factor but is not enough to determine similarity. According to Mr Onslow, the reasoning in *Oakley*, whereby identical goods are considered similar to retail services for those goods, is on the basis that the goods are indispensable to the retail services. He submitted that in the present case, clothes are not indispensable to retail services of selling bicycles and therefore similarity should not be found.
38. Mr Onslow cited two further cases which he submitted suggested that the complementary principle is not applicable in the case of anything other than identical goods. The first was a decision of the Fourth Board of Appeal of OHIM, *Segafredo Zanetti France v Bruno Albrecht GmbH & Co. KG* (R 29/2013-4) ("*San Marco*"), and the second was a decision of the OHIM Cancellation Division, *Golden Pilot Limited v Celaya, Empananza y Galdòs, Internacional, S.A.* No. 7287 C ("*Golden Pilot*").

39. In *San Marco*, retail services for coffee machines were found not to be similar to coffee, notwithstanding the fact that coffee is complementary to coffee machines themselves in the sense that the use of a coffee machine is indispensable or important for the use or preparation of coffee (see paragraphs 13 to 16). The Board of Appeal distinguished this case from *Oakley*, highlighting the fact of the goods in that case being identical to the goods in respect of which the retail services were rendered. Mr Onslow relied on this as support for his contention that complementarity can only exist where such identity is present. However, it is plain from the decision that the Board of Appeal's conclusion on lack of complementarity was based on the facts of the case and the nature of the particular goods and services under consideration and did not result from a strict application of an '*Oakley* rule'.
40. *Golden Pilot* concerned a trade mark registered for the commercial retailing of electric batteries which was subject to an invalidity claim by the proprietor of an earlier mark for batteries and other electric appliances. Although the Cancellation Division did not expressly refer to *Oakley*, it appeared to adopt its reasoning, holding that "*retail services concerning the sale of particular goods are similar to a low degree to those particular goods*", in particular based on the fact that they are complementary and are generally offered in the same places where the goods are offered for sale.
41. The Cancellation Division went further and asserted that "*similarity between retail services of specific goods covered by one mark and specific goods covered by another mark can be found only where the goods involved in the retail services and the specific goods covered by the other mark are identical*".
42. Mr Onslow adopted this statement and encouraged me to do the same. He even suggested that, if I did not agree, I might consider referring the matter to the CJEU for guidance pursuant to Article 267 of the Treaty on the Functioning of the EU.
43. As Mr Onslow acknowledged, I am not bound by a decision of the Cancellation Division of OHIM. I also note that neither the General Court in *Oakley* itself nor the Board of Appeal in *San Marco* felt the need to be so prescriptive in their approach. Instead they dealt with the complementary nature (or not) of the relevant goods and services as just one of the factors relevant to the necessary comparison.
44. I reject Mr Onslow's suggestion that complementarity can only be found where there is identity of goods with the subject goods of retail services, and only in those circumstances can the relevant goods and retail services be found to be similar. In my view, it must be a question of fact to be assessed in each case, as the Courts have done in countless cases, including the General Court in *Oakley* itself.

45. Mr Gymer objected to the suggestion of a reference, based both on the lack of necessity to determine the case and on the adverse cost consequences for the Opponent. I agree. As I ruled at the hearing, I do not believe that this issue is unclear so as to warrant a reference to the CJEU and nor do I believe that it would be proportionate to do so in this case. If I am wrong on this, I take comfort from the fact that I am dealing with an opposition, which is administrative in nature and will not give rise to *res judicata* if either party wished to re-argue the point in the context of an invalidity application: *Ferrero SpA v OHIM* at [34] and [36] (T-140/08) [2009] ECR II-03941. However, I would discourage them from doing so for the reasons that I have expressed.
46. This conclusion does not dispose of the appeal, however, since Mr Onslow still maintained the Applicant's general objection that the hearing officer incorrectly applied the principles of *Oakley* to the case of different goods, apparently treating it as being directly analogous, which it was not.
47. Mr Gymer argued that all the hearing officer did in his assessment of the similarities between the relevant goods and services, especially at paragraph 35 of the Decision, was to make a broad assessment, having regard to all the relevant circumstances, in accordance with the guidance in *Canon v MGM*. He submitted that it is clear from paragraphs 48 and 49 of *Oakley* that when making his assessment, the hearing officer is not restricted to following a mechanical process and simply considering whether the goods to which the contested retail services relate necessarily have a one-to-one correspondence with some particular goods listed in the prior registration. The hearing officer was free to take all matters into consideration.
48. Mr Gymer submitted that, while it might have been helpful to have a clearer explanation of the hearing officer's reasoning, the hearing officer had not erred. There was no reason to insist on the presence of complementarity and/or indispensability for similarity to be found in this situation, and the hearing officer was entitled to take the wide view that he did based on the particular evidence in the case which indicated that there was a common retail environment.
49. Mr Gymer suggested in his skeleton argument that the hearing officer did not just consider "clothing" in the specification for the Earlier Mark when reaching his conclusion on similarity with retail services for bicycles and bicycle accessories; he was also considering other goods in the specification for the Earlier Mark, such as books in Class 16 and various baseball accessories in Class 28. He did not expand on this at the hearing.
50. The only goods in the Opponent's specification that were mentioned specifically by the hearing officer in paragraph 35 of the Decision, other than items of clothing in Class 25, were "chest protectors for sports" and "athletic supporters" in Class 28,

which he found to fall within the terms “body armour” and “pads for cyclists” in the scope of the retail services covered by the Marks. These aspects of the specification for the Marks are not in issue in the appeal, and it is not clear from the rest of the paragraph whether the hearing officer thought them to be relevant to retail services for bicycles and bicycle accessories more generally.

51. In fact, this submission of Mr Gymer to my mind highlights the real problem with this part of the Decision, which is that it is not clear how the hearing officer reached his conclusion of similarity apart from in relation to the retail services for which he found there was complementarity with the goods of the Earlier Mark – i.e. those involving identical goods. If the reasoning was meant to be clear from the hearing officer’s reliance on *Oakley*, then his conclusion appears to be based in part on the assumption that, apart from the issues of complementarity and the overlap in channels of trade and sales outlets, the comparison would be the same as in *Oakley*, whereas, as submitted by Mr Onslow, this could not be assumed.
52. The hearing officer does not anywhere set out his views on the first three aspects of the *Canon* tests: the nature, intended purpose and method of use of the goods and services in issue. He appears to believe that it is not necessary to do this because the matter is dealt with in the extract from the *Oakley* decision, at paragraph 47, where the goods and services were found to be different under those three measures. However, just as there are varying levels of similarity, so too are there varying levels of difference. The nature of clothing (even specialist cycle clothing) is considerably more different from retail services for bicycles and bicycle accessories than it is from retail services for clothing. It is not just a question of the goods being fungible and the services not so (as stated in *Oakley*), but the goods concerned are themselves different. The same can be said for the purpose and method of use of the goods and relevant retail services.
53. Thus, before the hearing officer even considered complementarity and channels of trade, he should have been at a different point in the overall assessment than he appears to have been based on his silence on the above points and his wholesale adoption of *Oakley*.
54. So far as complementarity is concerned, the hearing officer did not find this to exist between clothing and retail services for bicycles and bicycle accessories. So the only feature of similarity that he found was “the potentially common retail environment”. Here, I go back to my earlier comments about the need for care when considering overlaps in distribution channels and sales outlets, due to the possibility of finding all sorts of otherwise quite different products and services being provided in one place. When it is possible to find products and services together, it is worth delving a bit deeper and considering, for example, whether they are usually purchased together

or whether one is needed for the use of the other. In this case, as Mr Onslow submitted, the purchase of cycle clothing is not indispensable or important to the purchase of a bicycle; their purchase is optional. While of course clothing is generally necessary to be worn when bicycling, it is not necessary to buy clothes at the same time or through the same outlets as the bicycle, and in any event the same could be said for virtually any other activity. The connection between the two is therefore at a very general level.

55. In my assessment, the fact that cycle clothing covered by the Earlier Mark might be offered through the same outlet as retail services for bicycles and bicycle accessories, whether specialist or more general outlets, cannot be enough to reach an overall finding of similarity in circumstances where the other *Canon* factors point quite strongly in the other direction (in the case of nature, purpose and method of use) or are absent (in the case of competitiveness or complementarity). While the requirement of similarity of goods/services – just like that of similarity of marks – is not a high one, the bar must not be set at an unduly low level.
56. I believe that the hearing officer either wrongly failed to consider a number of the factors that he should have considered on the issue of similarity of goods and services, or alternatively did consider them and wrongly assumed that such factors should be assessed in the same way as they were assessed in *Oakley*. It is not entirely clear which of these is the case because he did not set out his reasoning. In either case, he placed undue emphasis on the apparent parallel with *Oakley*, when he should instead have assessed the pairs of goods and services under consideration by reference to all the relevant factors. As a result of these errors, he reached an unjustified conclusion of similarity in relation to the Class 35 services that the Applicant seeks to reinstate into its applications, and wrongly allowed the oppositions in relation to those services.
57. On this basis, the Hearing Officer should have treated the Class 35 services concerned in the same way that he treated the Class 42 services, and drawn the conclusion that there was no likelihood of confusion, without the need to conduct any further assessment. It is settled law that the similarity of goods/services in issue is a necessary prerequisite of a finding of likelihood of confusion in such a case: *Vedial v OHIM* (C-106/03 P) [2004] ECR I-9573 at [51], recently confirmed in *OHIM v riha WeserGold Getränke GmbH & Co. KG* (Case C-558/12 P) at [41].

Conclusion and costs

58. I grant the appeal and direct that the Marks should both be accepted in relation to the Class 42 services as originally drafted and the Class 35 services as listed in paragraph 21 of this decision.

59. The final result is that the Marks may proceed to the next stage before the Registry in relation to the majority of services for which the applications were originally made, subject to the deletion of specific retail services. Had this been the outcome of the first instance decision, it is possible that the hearing officer would have ordered the Opponent to make a small contribution to the Applicant's costs, though no doubt this would not have been to the full extent of the permitted scale fees because the Opponent has still had a degree of success. However, he might equally still have taken the view that no order for costs should be made, since much of the focus of the evidence and argument was on the retail services aspects of the Marks, which have not entirely succeeded, particularly bearing in mind that there was no hearing, which will have kept the costs down.
60. I have therefore decided to leave the hearing officer's order in place, that each party should bear its own costs of the first instance proceedings. However, the Applicant has plainly been successful in its appeal, and I will take into account my lack of generosity for the first instance proceedings when making my costs award. In the opposite direction, I also take into account the fact that much of the written and oral argument in the appeal was devoted to the Applicant's attempt to persuade me to derive a hard and fast rule from the decision in *Oakley*, which I declined to do. In the end, I have decided that it is appropriate in all the circumstances to order the Opponent to make a contribution to the Applicant's costs of the appeal in the sum of £1,200, payable within 14 days.

ANNA CARBONI
Appointed Person

9 June 2014

The Appellant/Applicant (Giant UK Limited) was represented by Counsel, Robert Onslow, instructed by York Place.

The Respondent/Opponent (Major League Baseball Properties, Inc.) was represented by Keith Gymer of Page Hargrave.