

**O-216-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 3087350  
BY CHILD MIND LIMITED  
TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 9, 16, 25, 28, 30,  
31, 32, 41 & 43:**

**PIP'S ISLAND**

**AND**

**OPPOSITION THERETO (NO. 404490) BY  
PIP STUDO HOLDING BV**

## **Background and pleadings**

1. Child Mind Limited (“the applicant”) filed the trade mark **PIP’S ISLAND** on 23 December 2014. It was published for opposition purposes on 13 March 2015. Registration is sought for a wide range of goods and services (the classes are indicated on the cover page of this decision), but these opposition proceedings concern only whether the mark should be registered for various goods in classes 16 and 25.

2. The opponent is Pip Studio Holding BV. Its opposition is based on section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), relying on two earlier trade marks, the relevant details of which are:

- i) International Registration (“IR”) 1057185 for the mark **PIP** which designated the EU for protection on 6 August 2010, with protection being conferred on 23 September 2011. The opponent relies on the following of its protected goods:

**Class 16:** Paper, cardboard and goods made from these materials, not included in other classes; printed matter; books and magazines; diaries; bookbinding material; covers for diaries and organisers, not included in other classes; stationery and office requisites, not included in other classes, including notebooks; writing instruments, including pens, pencils and felt-tip pens; ringbinders, folders and files (office requisites); adhesive materials for household purposes; labels (not of textile); pencil cases, pencil boxes, pencil sharpeners, erasers, rulers, pads, memo boards and desk pads (office requisites); cards (not included in other classes); stickers; paintings; posters; picture postcards; photographs; artists' materials; paint brushes; instructional and teaching material (except apparatus).

**Class 25:** Clothing, including nightwear, lingerie; footwear, headgear

to oppose the following of the applicant’s goods:

**Class 16:** Paper, cardboard not included in other classes; printed matter, books, magazines, newsletters, calendars, posters, cartoon strips, cartoon prints, stand-up cartoon cut-outs, greeting cards, postcards, trading cards, notebooks, personal organisers, memo cubes, address books, appointment books, calendars, diaries, gift wraps, gift tags, plastic gift boxes, stickers, bumper stickers, book marks, book covers; paper and cardboard placemats, coasters, streamers; pens and pencil holders; stationery; instructional and teaching materials (except apparatus); adhesives for stationery or household purposes; artists materials.

**Class 25:** Clothing, footwear and headwear; t-shirts; polo shirts; trousers; shorts; sweat shorts; sweatshirts; sweatpants; jeans; sweaters; jumpers; jerseys, skirts; tank tops; bra tops; underwear; boxer shorts; gloves; socks, shoes; boots; athletic shoes; children's shoes; waist coats; coats; jackets; leather jackets; wind resistant jackets; swimwear; beach and bathing cover-ups; neckties; bow ties; scarves; belts; shawls; suits; dresses; pyjamas; nightgowns and nightshirts; robes; slippers; dressing gowns; loungewear; infant wear; cloth bibs; costumes; ski wear; rainwear; hats; baseball caps; knitted caps and beanies; aprons; shower caps.

- ii) European Union Trade Mark (“EUTM”) 4452579 for the mark **PIP STUDIO** which was filed on 20 June 2005, with registration being completed on 6 October 2006. The opponent relies on the following of its registered goods:

**Class 16:** Paper, cardboard and goods made from these materials, not included in other classes; printed matter; books and magazines; diaries; bookbinding material; covers for diaries and organisers, not included in other classes; stationery and office requisites, not included in other classes, including notebooks; writing instruments, including pens, pencils and felt-tip pens; ringbinders, folders and files (office requisites); adhesive materials for household purposes; labels (not of textile); pencil cases, pencil boxes, pencil sharpeners, erasers, rulers,

pads, memo boards and desk pads (office requisites); cards (not included in other classes); stickers; posters; picture postcards; photographs; instructional and teaching material (except apparatus).

to oppose the applicant's class 16 goods (as above).

3. Section 5(2)(b) requires there to be a likelihood of confusion between the competing marks. In this respect, the opponent's main points in its statement of case are as follows:

- i) The goods are identical or highly similar.
- ii) The word PIP'S in the applied for mark is the first element and, therefore, dominates.
- iii) The above is re-enforced by the ISLAND in question being the property of PIP.
- iv) The word PIP is the dominant element of the opponent's PIP STUDIO mark and the only element of its PIP mark.
- v) Where the dominant elements of competing marks are identical the marks must be considered similar.
- vi) The average consumer may imperfectly recall the marks and the minor differences that exist may not be recalled.
- vii) Even if the minor differences were recalled, the average consumer would assume that the goods come from the same economic source.

4. The final thing to note about the opponent's pleaded case is that one of its marks, its EUTM, had been registered for more than five years when the applicant's mark was published. The consequence of this is that the use conditions set out in section 6A of the Act must be met if this earlier mark is to be relied on. In this respect, the

opponent made a statement of use claiming that its EUTM has been used in respect of all of the goods on which it relies.

5. The applicant filed a counterstatement defending its application. In its counterstatement the applicant went well beyond simply admitting, denying or putting the opponent to proof. It makes a number of quite lengthy submissions, and, also provided some evidence, with the whole of its counterstatement running to over 30 pages. The main points I note at this stage are that:

- i) Whilst the applicant accepts that there is an overlap between some of the goods, it submits that not all of the applied for goods are covered by the opponent's specifications.
- ii) The ISLAND part of its mark plays an important role and should not be ignored from the assessment.
- iii) The word PIP has a number of meanings. In circumstances where it is not perceived as a name, this creates a conceptual difference.
- iv) Even for average consumers who perceive the word PIP in the opponent's mark as a name, there is still no likelihood of confusion given that the name is not high in distinctiveness and given the differences that exist between the marks. Further, there will be no likelihood of indirect confusion.
- v) In relation to proof of use, whilst accepting that the opponent's EUTM has been used for a small range of goods, the applicant put the opponent to proof in respect of the remaining goods.

6. Both sides are legally represented. The opponent is represented by Novagraaf UK, the applicant by Keystone Law (although Keltie LLP has been retained as address for service). Both sides filed evidence and written submissions. The applicant did highlight that the opponent's submissions were not made under a statement of truth and were not signed by an individual. A similar criticism is made in relation to its statement of case. However, this does not matter. Unlike evidence of

fact, submissions do not need to be made under such requirements. Neither side asked to be heard, both filing written submissions instead. I should add that both sides have referred to various decided cases which they consider to support their submissions on various points. Beyond the leading cases I refer to below, I do not consider it necessary to summarise the other cases, but they have all been borne in mind.

7. Given that the opponent's IR is the earlier mark which is relied upon to the greater extent (against classes 16 and 25 of the applicant's mark) and given that this earlier mark is not subject to the use conditions, I will determine the opposition on the basis of the opponent's IR in the first instance. I will return to the opponent's opposition on the basis of its EUTM to the extent necessary.

### **The evidence**

8. For reasons that will become apparent, I do not intend to provide much by way of summary of either sides' evidence. I will, instead, give a brief overview.

9. The opponent's witness is Mrs Anke van der Endt, its "founder and creative director". PIP STUDIO was founded in 2003 when Mrs van der Endt designed products for third parties. She began designing her own range in 2004. The brand was launched in the UK in 2010 (although some sales were made in 2009). Turnover in the UK has increased from £1.2 million in 2010 to £3.3 million in 2014. A large range of goods are sold including bedding, beachwear, bags, wallpaper, stationery etc. Although PIP STUDIO is the primary mark used, there are examples of PIP being used alone.

10. The applicant's witness is Mr Rami Ajami, its "creator and driving force". PIP'S ISLAND is to be a live ticketed action experience for children. The first event is to take place in New York in 2016. It is intended to bring the event to London in 2017. Various items of merchandise will be offered in association with the event.

11. Some "evidence" was also provided with the applicant's counterstatement. Exhibit A consists of an extract from the Daily Mail website from 2011 about popular

children's names, with focus being placed on the rise of Pippa to the number one girls' name (presumably in the previous year). The increase in popularity was largely due to publicity being received by Pippa Middleton, the sister of the Duchess of Cambridge. Also provided is an extract from Wikipedia about "Pip (nickname)" which is the nickname of a number of listed individuals, most of whose real names are Philip or Philippa. Reference is also made in the body of the counterstatement to the story of Pippa Longstocking. The underlying point being made is that Pip is a common name. Although not in the form of a witness statement, I intend to give the evidence some weight given that the counterstatement has been signed by an individual, Mr Anthony Misquitta, and given that it contains a statement of truth.

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

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

"5.-(2) A trade mark shall not be registered if because – ..

(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."

13. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;



- (j) 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;
- (k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods**

14. When making a comparison, all relevant factors relating to the goods in issue should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

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

15. Guidance on this issue has also come from Jacob J in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;

- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

16. In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06 it was stated:

“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).”

17. In relation to complementarity, I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case B/L O/255/13 *LOVE* where he warned against applying too rigid a test:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in

question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston.”

18. In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”<sup>1</sup> and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning<sup>2</sup>. I also note the judgment of Mr Justice Floyd (as he then was) in *YouView TV Limited v Total Limited* [2012] EWHC 3158 (Ch.) where he stated:

“..... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

## Class 25

19. The opponent’s IR covers the following goods in class 25:

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<sup>1</sup> See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

<sup>2</sup> See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

Clothing, including nightwear, lingerie; footwear, headgear

20. This represents a broad scope of protection, covering, essentially, all items of clothing, footwear and headgear. It should be noted that the use of the word “including” does not limit the clothing to only being nightware and lingerie, they are just examples. The applicant seeks registration for the following class 25 goods:

Clothing, footwear and headwear; t-shirts; polo shirts; trousers; shorts; sweat shorts; sweatshirts; sweatpants; jeans; sweaters; jumpers; jerseys, skirts; tank tops; bra tops; underwear; boxer shorts; gloves; socks, shoes; boots; athletic shoes; children's shoes; waist coats; coats; jackets; leather jackets; wind resistant jackets; swimwear; beach and bathing cover-ups; neckties; bow ties; scarves; belts; shawls; suits; dresses; pyjamas; nightgowns and nightshirts; robes; slippers; dressing gowns; loungewear; infant wear; cloth bibs; costumes; ski wear; rainwear; hats; baseball caps; knitted caps and beanies; aprons; shower caps.

21. The applicant's goods are all types of clothing, footwear or headgear. Consequently, they all fall within the ambit of the opponent's specification in class 25. Even if goods are not worded identically, they can still be considered as identical if one falls within the ambit of another, as per the judgment in *Gérard Meric v OHIM*, Case T-133/05. Therefore, all of the applied for goods in class 25 are identical to goods covered by the opponent's IR.

#### Class 16

22. The opponent's IR covers the following goods in class 16:

Paper, cardboard and goods made from these materials, not included in other classes; printed matter; books and magazines; diaries; bookbinding material; covers for diaries and organisers, not included in other classes; stationery and office requisites, not included in other

classes, including notebooks; writing instruments, including pens, pencils and felt-tip pens; ringbinders, folders and files (office requisites); adhesive materials for household purposes; labels (not of textile); pencil cases, pencil boxes, pencil sharpeners, erasers, rulers, pads, memo boards and desk pads (office requisites); cards (not included in other classes); stickers; paintings; posters; picture postcards; photographs; artists' materials; paint brushes; instructional and teaching material (except apparatus).

23. The following of the applicant's goods are identical because they are identically worded to terms in the opponent's IR:

Paper, cardboard not included in other classes; printed matter, books, magazines, diaries, notebooks; stationery; stickers; posters; instructional and teaching materials (except apparatus); artists materials

24. There are also some goods which are clearly identical (or, if not, highly similar) on the *Meric* principle:

- The applied for "postcards" clash with the IR's "picture postcards".
- The applied for "pens and pencil holders" fall within the ambit of the IR's stationery, but also clash directly with "writing instruments", "pencil cases" and "pencil boxes".
- The applied for "adhesives for stationery or household purposes" fall within the ambit of stationery and also clash with "adhesive materials for household purposes".

25. Of the remainder of the applied for goods, the applicant (in its counterstatement) focused specifically on some which, it submitted, were not identical or similar to the goods of either earlier mark, namely:

Newsletters; cartoon strips, cartoon prints and stand-up cartoon cut-outs; greeting cards, trading cards; personal organisers; memo cubes; address books, appointment books and calendars; gift wraps, gift tags, plastic gift boxes; bumper stickers; book marks; placemats, coasters; streamers.

26. In its counterstatement, the applicant made a submission based on the goods of the opponent being aimed more at women (with floral patterns etc.) which is not the case with its goods. This submission is not pertinent. How the opponent intends to market its products is not relevant. I must consider the goods on a notional basis. The applicant also submitted that the opponent's "printed matter" should be given a narrow interpretation, limited to items which are printed with text or pictures where the purpose of the goods is for reading. In its written submissions, the opponent provides a table setting out the goods of the IR which it considers to cover the above terms; I will bear the table in mind. I consider each of the items below.

- Newsletters – The opponent relies on its printed matter. Even on the applicant's own definition (for the purpose of reading) a newsletter must fall within the ambit of printed matter. The goods are identical.
- Bumper stickers – The opponent relies on its printed matter and stickers. Even without considering printed matter, the goods are identical on the basis that bumper stickers fall within the ambit of stickers.
- Cartoon strips and cartoon prints – The opponent relies on its printed matter. Whilst these goods may not be read as such (particularly in the case of cartoon prints) they are clearly printed items that are to be looked at for their visual content. I consider that they fall within the ambit of printed matter. The goods are identical.
- Greeting cards and trading cards – The opponent relies on its printed matter, cards and (picture) postcards. I consider, based on what I have said in relation to the previous items, that the goods fall within the ambit of printed matter. However, there can be no doubt that even if this were not the case, the goods fall within the ambit of the term cards. The goods are identical.

- Personal organisers – The opponent relies on its printed matter, stationery and diaries. I, again, consider that this term falls within the ambit of printed matter. Even if this were not so, a personal organiser is similar to the very highest degree to a diary given its nature, purpose, method of use and channels of trade.
- Memo cubes – The opponent relies on its printed matter, stationery, office requisites and memo boards and desk pads. Unlike the other items assessed so far, I do not consider a memo cube to be an item of printed matter. However, it clearly falls within the ambit of office requisites. Further, the goods would be similar to a high degree to memo boards.
- Address books, appointment books and calendars – The opponent relies on its printed matter, books and diaries. Clearly, address books and appointment books are types of books so fall within the ambit of the IR's books. The goods are identical. They are also types of printed matter so are identical on that basis also. An appointment book must also be highly similar to a diary. In relation to calendars, I also agree that this is an item of printed matter. Furthermore, it is also highly similar to diaries.
- Book marks – The opponent relies on its printed matter and stationery. I do not agree that the goods fall within the ambit of the former, but it does strike me as an item of stationery. The goods are identical.
- Placemats, coasters - The opponent relies on its “cardboard and goods made from these materials”. Placemats and coasters (in class 16) are clearly goods that could be made of cardboard and, consequently, such items fall within the ambit of the opponent's term. The goods are identical.
- Streamers - The opponent relies on its “paper.... and goods made from these materials”. Streamers are clearly goods that could be made of paper and, consequently, such items fall within the ambit of the opponent's term. The goods are identical.

- Stand-up cartoon cut-outs – I do not agree with the opponent’s submission that these goods are items of printed matter. Nevertheless, the goods are clearly ones that could be made of cardboard and, consequently, such items fall within the ambit of the opponent’s “goods made from [cardboard]”. The goods are identical.
- Gift wraps, gift tags – I have reservations as to whether such goods are, as the opponent submits, items of printed matter. Nevertheless, the goods are clearly ones that would ordinarily be made of paper and, consequently, such items fall within the ambit of the opponent’s “goods made from [paper]”. The goods are identical.
- Plastic gift boxes – These would not be classed as printed matter, contrary to what the opponent submits. Nor do I see them as falling within any of the other broad terms in the opponent’s specification. However, on the basis that the opponents “goods made from [paper]” would include (as stated above) gift wrap, such goods are highly similar to gift boxes on account of their purpose and channels of trade, and, also, they are competitive products.

27. That leaves book covers, which neither party specifically comment upon, but which, in my view, should be regarded as an item of printed matter, so are identical to goods in the IR’s specification.

### **Average consumer and the purchasing act**

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:



“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

29. The applicant could be criticised for focusing too much on actualities (particularly of the opponent’s trade) rather than considering the goods on a notional basis. For example, the applicant focuses on the more feminine branding of the opponent and its impact upon the average consumer of the opponent’s goods. It is fair to say, though, that in its written submissions filed in lieu of a hearing, such observations were focused on the PIP STUDIO mark rather than the PIP mark. In its written submissions (filed at the evidence stage) the opponent characterises the purchasing process as being of an average level of care and attention, with the goods being purchased by the general public. I agree. The goods (be it class 16 or class 25) represent a type of purchase where the general public is the predominant consumer and where the selection process is neither materially higher nor lower than the norm. Because the goods are largely identical, it follows that the average consumer must also be identical. The goods will be selected primarily through visual means (brochures, self-selection, perusal on websites etc.) but aural considerations should not be ignored completely.

### **Comparison of marks**

30. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

31. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are:

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32. In terms of overall impression, **PIP** has just one component which, consequently, comprises the only aspect of its overall impression.

33. In terms of **PIP'S ISLAND**, there are two components forming a word combination which, in my view, hangs together as a unit. Neither word is given greater visual prominence than the other, other than the point of similarity (the letters/word PIP'S) being at the beginning of the marks. Consequently, I cannot accept the opponent's submission that PIP'S is the dominant and distinctive element in the mark. Instead, it is a word which plays a fairly equal role in the mark as a whole, with that word not being independently distinctive.

34. Both visually and aurally, the presence in the respective marks of PIP/PIP'S gives rise to an obvious point of similarity. The same difference, the presence/absence of the word ISLAND, is applicable both visually and aurally, a difference which also creates a material difference in length which will be noticed by the eye and by the ear. There is also a difference in that PIP is possessive in the applicant's mark, although this difference is less significant. The opponent submits

that the presence of the point of similarity at the beginning of the marks heightens the similarity. Whilst I do not reject this submission altogether, in the circumstances here, where the other element is clearly not going to be overlooked, indicates that this factor should not be overplayed. Weighing the visual and aural differences, I consider that there is a moderate (between low and medium) level of visual and aural similarity. It should be noted that I reject one of the applicant's submissions that the PIP mark has the potential to be pronounced as P-I-P; this, in my view, is unlikely.

35. Conceptually, I agree with the applicant's submission that its mark will be perceived in just one way. PIP'S ISLAND will be conceptualised as an island that is owned (or lived upon) by someone (or something) with the name (or nickname) Pip. Both sides agree that PIP alone has a number of meanings. It could be perceived as a name, or, alternatively, one of a range of meanings including a seed, a high-pitched sound, spots on a playing card, a mark indicating rank on an army officer's uniform. The opponent submits that because one of the meanings is as a name, this creates conceptual similarity.

36. Whether there is conceptual similarity (or dissonance) depends on the perception of the average consumer. This is the type of case where, as the applicant alluded to in its counterstatement, there may not be a binary answer to the question of perception. Whilst I accept that the name Pip is a nickname, it is not a particularly common one. This is so notwithstanding the fact that the name Pippa has become more popular as a girl's forename. This, together with the fact that there is nothing to signify that the mark is referring to a person (unlike PIP'S ISLAND), I come to the view that the vast majority of people will perceive the opponent's PIP mark as reference to one of its other meanings. Which (non-name) meaning is perceived does not really matter, because they are all conceptually different from PIP'S ISLAND.

37. Notwithstanding the above, I will continue to bear in mind that there may be some (albeit low levels) of people who may see PIP as a reference to a name. For such people there may be a degree of conceptual similarity (although not identity as submitted by the opponent). The reason this is important is because the ground of

opposition may succeed if a sufficiently significant percentage of relevant consumers (which may not necessarily be the majority of consumers) are confused. To illustrate the point, in *J.W.Spear & Sons Ltd and Others v Zynga Inc.* [2015] EWCA Civ 290, Floyd L.J. summed up the Court of Appeal's earlier judgment in *Interflora Inc. and another v Marks and Spencer plc* [2014] EWCA Civ 1403 like this:

“37. In relation to what the court described as the crucial question, namely whether the average consumer, as a hypothetical person, necessarily has a single reaction and so precludes a consideration of the perceptions of a proportion of the relevant public the court in *Interflora* identified the following propositions:

i) the average consumer test provides the court with a perspective from which to assess the particular question it has to decide, for example whether a statement is liable to mislead purchasers.

ii) a national court may be able to assess this question without the benefit of a survey or expert evidence.

iii) a national court may nevertheless decide, in accordance with its own national law, that it is necessary to have recourse to an expert's opinion or a survey for the purpose of assisting it to decide whether the statement is misleading or not.

iv) absent any provision of EU law dealing with the issue, it is then for the national court to determine, in accordance with its own national law, the percentage of consumers misled by the statement that, in its view, is sufficiently significant in order to justify banning its use.”

38. I will come back to whether any consumers will actually be confused and whether such confusion is amongst a sufficiently significant percentage of relevant consumers.

### **Distinctive character of the earlier mark**

39. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of the use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

40. Neither in its statement of case or in its written submissions did the opponent claim that its mark benefits from an enhanced level of distinctiveness. Whilst the mark has been used (although PIP STUDIO is used most often), and whilst the overall turnover figures are not insignificant in the UK, the evidence does not break the turnover down by category of goods. As I stated earlier, the opponent sells a wide range of goods. Whilst this includes items such as stationery and clothing (beachwear), it also sells items such as bedding, bags, housewares etc.

Consequently, I cannot conclude that the mark benefits from an enhanced level of distinctiveness in respect of the conflicting goods.

41. From an inherent perspective, the opponent submits that its mark is reasonably distinctive. The applicant submits that the earlier mark PIP has “very weak distinctiveness” whether it is perceived as a name or as a word. The distinctiveness of the mark will depend on what meaning the average consumer perceives. However, I do not agree with the applicant that the opponent’s mark is weak in inherent distinctiveness. Even if it were perceived as a name, there is no reason to accord this with a low level of distinctiveness. Whilst PIPPA may be a common name, PIP is less so. The applicant’s evidence (which also included some state of the register evidence of other PIP marks) is not persuasive to show that PIP is common. Seen as a name, the mark is averagely distinctive. If PIP were to be perceived as a word (with one of the meanings I touched on above), despite the applicant’s submissions that the meanings are common (which I accept) none of the meanings have any relationship with the goods. I would say that the level of distinctiveness may be slightly higher than its level as a name, but not by a significant degree. It is still in the realms of an averagely distinctive trade mark.

### **Likelihood of confusion**

42. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

43. Confusion can be direct (the average consumer mistaking one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/goods down to the responsible undertakings being the same or related). In terms of the former, one mark being a very short word (PIP) in contrast to a much longer mark which hangs together (PIP’S ISLAND) results, in my view, in there being no likelihood of direct confusion. Put

simply, despite the goods being (largely) identical, the differences that exist between the marks are sufficient to avoid the average consumer from mistaking one for the other. I have, of course, borne in mind the concept of imperfect recollection. There was a debate in the respective submissions as to the role imperfect recollection will play where the goods are selected, as here, with an average level of care; to answer the question, it has some role to play. Although just a rule of thumb, if the selection process was heightened, then, in general, imperfect recollection would have had less importance (but still some), but if the goods were causal purchases, imperfect recollection would have had more importance; in the case before me the impact falls somewhere between the two. I should also add that in coming to my view that there is no likelihood of direct confusion, I do not accept the applicant's submission that the PIP mark will be recalled purely as a short word and nothing more; it will be recalled as the word (or potentially name) PIP.

44. Indirect confusion was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

45. For average consumers that perceive the word PIP as a word (not a name) there is, in my view, no likelihood of indirect confusion. The difference in the perceived meaning of the point of similarity means that the average consumer will not believe that the responsible undertakings are the same or are related. The greater possibility for indirect confusion lies with consumers who perceive the word PIP (in the earlier mark) as a name. In its counterstatement the applicant accepted that it is conceivable that a small minority of average consumers will make a vague association between the marks on the basis of both have something to do with a person or thing called Pip, but it nevertheless argues that there will be no indirect confusion due to the factors mentioned in the *LA Sugar* case being absent; for example, it submits that the point of similarity is not, in the words of Mr Purvis, “strikingly distinctive”, that PIP’S ISLAND would not be perceived as a sub-brand of PIP (or vice versa) due to the use of the word ISLAND as opposed to words such as LITE, EXPRESS etc., and that the marks would not be perceived as a logical/consistent extension of the other.

46. I dismiss any finding based upon indirect confusion for the following reasons:



- i) The number of consumers likely to perceive the earlier IR as a name is very small, so, even if they were all (indirectly) confused, this is unlikely to represent a sufficiently significant percentage of relevant consumers.
- ii) In any event, I do not consider that even within this category of person there is a likelihood of (indirect) confusion. For the reasons given by the applicant, the similarity created by the common use of the name PIP will be put down to co-incidence not economic connection.
- iii) Even if the finding at point ii) is not universal within the relevant category of person, those who would go on to (indirectly) confuse the marks would be smaller still with the consequence that any potential confusion is *de minimus* and would certainly not represent a sufficiently significant percentage of relevant consumers.

47. The ground of opposition based upon the earlier PIP mark is dismissed.

48. I have considered whether the earlier PIP STUDIO mark puts the opponent in any better position. My view is that it does not. I come to this view for a number of reasons:

- i) Whilst the earlier mark consists of two words (as does the applicant's mark) the second words are completely different.
- ii) The second words are different in nature, STUDIO being largely descriptive whereas ISLAND is unusual and contributes strongly to the unit of which the applicant's mark comprises.
- iii) PIP in PIP STUDIO is still more likely to be seen as a word than as a name.
- iv) I see no greater reason why there is a likelihood of confusion, be it direct or indirect.

## **Conclusion**

49. The opposition fails. Subject to appeal, the applied for mark may proceed to registration.

### **Costs**

50. The applicant has succeeded and is entitled to a contribution towards its costs. My assessment is set out below:

*Preparing a statement and considering the other side's statement - £400*

*Filing and considering evidence - £600*

*Written submissions - £400*

*Total - £1400*

51. I order Pip Studio Holding BV to pay Child Mind Limited the sum of £1400. This should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 28th day of April 2016**

**Oliver Morris**

**For the Registrar,**

**The Comptroller-General**