

O-591-16

TRADE MARKS ACT 1994

APPLICATION No. 3116058

BY MRS MARGARET WALKER

TO REGISTER A TRADE MARK IN CLASS 14

AND

OPPOSITION No. 405336

BY TISSOT S.A.

Background and pleadings

1. This is an opposition by Tissot S.A. (“the opponent”) to an application filed by Ms Margaret Walker (“the applicant”) on 2 July 2015 to register the trade mark shown below.

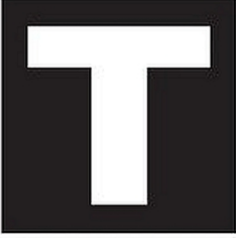



2. The trade mark application covers the following goods in class 14:

Costume jewellery; articles of jewellery; charms [jewellery] of common metals; decorative articles [trinkets or jewellery] for personal use; gold plated brooches [jewellery]; items of jewellery; jewellery for personal adornment; jewellery for personal wear; jewellery in non-precious metals; jewellery in precious metals; jewellery in semi-precious metals; jewellery in the form of beads; jewellery items; jewellery made of non-precious metal; jewellery made of plastics; jewellery made of plated precious metals; jewellery ornaments; jewellery products; none of the aforementioned to include watches or watch parts.

3. The opponent is the proprietor of the four earlier trade marks shown below.

	UK trade mark 1409174. Registered 13/03/92.	Goods: Watches and parts and fittings therefor; all included in Class 14.
	International trade mark 1228043. Protected in the EU. Date of designation = 22/10/14	Goods: Timepieces and chronometric instruments.

	<p>EU trade mark application 13180757.</p> <p>Currently opposed.</p> <p>Date of application: 18/08/14</p>	<p>Goods:</p> <p>Precious metals and their alloys and goods in precious metals or coated therewith included in this class, namely figurines, trophies; Jewellery, namely rings, earrings, cuff-links, bracelets, charms, brooches, chains, necklaces, tie pins, tie clips, jewellery caskets, jewellery cases, jewellery boxes; Precious stones, semi-precious stones; Horological and chronometric instruments, namely stopwatches, chronographs, clocks, watches, wristwatches, alarm clocks and parts and fittings for the aforesaid goods, namely hands, anchors, pendulums, barrels, watch casings, watch straps, watch dials, clockworks, watch chains, movements for clocks and watches, watch springs, watch crystals, presentation cases for watches, cases for clocks and watches.</p>
	<p>International trade mark 1101192.</p> <p>Protected in the EU.</p> <p>Date of designation = 12/10/11</p>	<p>Services:</p> <p>Retail sale of timepieces and jewelry; retail sale by means of global computer networks of timepieces and jewelry; advertisement promotion (sponsoring) of cultural and sporting events.</p>

4. The opponent relies on these marks as support for a ground of opposition based on s.5(2)(b) of the Trade Marks Act 1994. In particular, the opponent claims that each of the earlier marks is similar to the contested mark, covers goods or services that are identical or similar to the goods covered by the contested mark, and there is a likelihood of confusion on the part of the public.

5. The opponent has not advanced an argument under s.5(2)(b) based on the existence of a 'family' of earlier marks (although such an argument is advanced under the s.5(4)(a) ground mentioned below).

6. The opponent claims that earlier 13180757 mark has acquired a reputation in the EU and that use of the contested mark would, without due cause, take unfair advantage of, and/or be detrimental to, the reputation and distinctiveness of the earlier mark. Consequently, registration would be contrary to s.5(3) of the Act.

7. The opponent further claims to have established a goodwill in the UK under the letter 'T' as a result of the use since 1990 of marks consisting of the letter T in various forms, including in the form of the first three earlier marks shown in paragraph 3 above, and as a prefix to various word marks, such as T-RACE, T-CLASSIC and T-SPORT. These marks have been used to distinguish the opponent's business in chronometric and horological instruments, including watches and watch straps. The opponent claims that use of the contested mark would amount to a deceptive misrepresentation to the public, which would damage the opponent's goodwill in its business. Consequently, use of the contested mark would amount to passing off. Registration of the mark would therefore be contrary to s.5(4)(a) of the Act.

8. The applicant filed a counterstatement in which it denied the grounds of opposition. I note the following points.

- The applicant denied that the contested mark is similar to the earlier marks such as to create a likelihood of confusion.
- The applicant put the opponent to proof of use of earlier UK mark 1409174.
- Insofar as the marks are phonetically or conceptually similar, i.e. the sound or idea of the letter 'T', the applicant drew attention to a decision of the Board of Appeal in case R1418/2006-2, in which the Board stated that a

single undertaking cannot monopolise all possible forms of a single letter of the alphabet.

- The applicant also pointed out that earlier EU mark 13180757 is itself the subject of opposition proceedings at the EU IPO. Those opposition proceedings are based on earlier EU trade mark 11623022, which consists of a standard letter T and is applied for in relation to a wide range of goods and services including, inter alia, retail services relating to chronometric and horological instruments, and jewellery. I understand that EU mark 11623022 is also the subject of opposition proceedings at the EU IPO.
- The applicant relied upon the fact that, according to the public file at the EU IPO, the opponent in these proceedings submitted arguments in the EU IPO opposition proceedings to the effect that no one party can claim exclusive rights in a single letter of the alphabet. Therefore, the stylistic differences between earlier EU mark 11623022 (standard letter 'T') and EU trade mark 13180757 (see paragraph 3 above) were submitted to be sufficient to avoid a likelihood of confusion between these marks. The applicant noted that the opponent's position in the EU opposition proceedings appeared to contradict the opponent's position in these proceedings.
- The applicant accepted that the opponent is a manufacturer of high end watches sold under the name TISSOT.
- The applicant pointed out that the earlier registered (or protected) marks do not cover jewellery as goods (although earlier pending EU mark 13180757 does) whereas the contested mark only covers jewellery.
- The applicant denied that earlier EU mark 13180757 has a reputation in the EU, or that it is similar to the contested mark. Therefore, the opposition based on s.5(3) should be rejected.
- The applicant put the opponent to proof of its claim to own a protectable goodwill in the letter 'T' as such.

9. Both sides seek an award of costs.

The hearing

10. A Hearing took place on 30th November 2016 at which the opponent was represented by Mr Michael Conway of Haseltine Lake LLP. The applicant appeared in person.

Proof of use of UK 1409174

11. The relevant statutory provision is set out below.

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United

Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) -

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

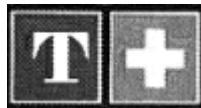
12. The contested mark was published for opposition on 24th July 2015. Therefore the relevant period for establishing genuine use of the opponent’s 1409174 mark is 25th July 2010 to 24th July 2015.

13. The opponent submitted two witness statements with 21 exhibits from Mr François Thiébaud, a director of the opponent company. The first statement, dated 22 May 2015, was prepared for use in opposition 403399 in which the opponent successfully opposed an application by Kairos watches Ltd to register ‘T-Band’ as a trade mark for time pieces and jewellery. Mr Thiébaud’s evidence is intended to show that there was genuine use of the 1409174 mark during the relevant period. Mr Thiébaud’s second statement was filed as evidence in reply after the applicant challenged the sufficiency of the evidence contained in his first statement.

14. In his first statement, Mr Thiébaud explains that the opponent is one of the world's most well known watch manufacturers. It is now part of the Swatch Group, which is the world's largest watch-making group. Tissot produces a range of men's and women's watches, as well as parts and accessories for them. TISSOT branded goods are distributed in more than 160 countries through over 14000 points of sale as well as through nearly 200 "mono-brand" outlets. Mr Thiébaud says that TISSOT watches "are sold in large numbers of jewellery and watch retail shops around the UK". They are also sold online via the opponent's UK website. UK sales of TISSOT watches are supported by "numerous publicity and advertising campaigns", some examples of which are in evidence.¹

15. The opponent was the sponsor of the RBS Six Nations rugby union championship in 2013 and 2014.²

16. Mr Thiébaud says that the 1409174 mark was used at least as early as 1980. Some historic examples of such use are in evidence.³ These show use of the mark shown below in 1980.



However, the opponent's current "main" logo is shown below. This has been used since the 1990s.



¹ See exhibit XY3

² See exhibit XY5

³ See exhibit XY7

17. According to Mr Thiébaud, the opponent's "main 'T' logos" have appeared in the vast majority of the opponent's branding, including its catalogues, advertisements, sponsorship billboards, shop fronts, brochures, watch packaging, instruction materials, website and invoices.

18. The opponent has also, since at least as early as 2000, used the 1228043 mark shown in paragraph 3 above in relation to a range of contemporary touch screen watches.

19. Mr Thiébaud says that "various 'T' logos have consistently appeared on the winding crown, face, strap and other parts of the opponent's watches." Some examples are provided.⁴ These show use of versions of the 13180757 and 1228043 marks on the crown, the hand and the strap of the opponent's watches. There is also one example of the 1228043 mark appearing on the back of a watch as part of the brand 'T-Touch II'.⁵

20. Mr Conway suggested that one of the photographs also shows a version of the 1409174 mark on the winding crown of a watch. I cannot make that out. In any event, Mr Thiébaud makes no such claim. Nor does he say that the watch in question was ever been sold or promoted in the UK.

21. Mr Thiébaud's evidence is that the 1409174 mark continues to be used in relation to some of the opponent's Heritage range of watches, which have been sold in the UK since at least 2012. He says that the mark has been used "in particular" in relation to the Heritage PR 516 watch. Screenshots "from the version of Tissot's website targeted at UK consumers" show use of the 1409174 mark on the face of Heritage PR 516 watch.⁶ The watch is shown as available for UK delivery at a selling price of £465.

22. For the opponent, Mr Conway submitted that the webpages come from the opponent's website as it appeared in 2014. This is because the last page carries a

⁴ See exhibit XY9

⁵ See page 2 of exhibit XY9

⁶ See exhibit XY14

copyright notice dated 2014. However, all that means is that the copyright claim dates from 2014. This does not date the webpages, except to show that they could not have originated from before 2014. Mr Thiébaud does not explain how the webpages were obtained. For example, he does not claim that they are historical (although he does make such claims elsewhere in his evidence) or that they have been obtained from an internet archive site, such as the WayBack machine. In these circumstances, I find it likely that the pages in question come from the opponent's website as it was at the time of Mr Thiébaud's first witness statement, i.e. 22nd May 2015. This is before the filing date of the contested mark in this opposition and therefore within the relevant period.

23. Exhibit XY14 also contains an (unexplained) picture of the Heritage PR 516 watch showing the 1409174 mark together with a copy of an article dated February 2012 about a trade exhibition called Basel World. It is not clear where this article was published. It does not appear to be an article published by the opponent. It does not show the 1409174 mark. However, the article states that the opponent would launch a Heritage PR 516 watch at the Basel show and that the new watch would retain the same dial markings as the time piece from the 1960s and 70s on which it is based. The Heritage PR 516 watch with the 1409174 mark on its face appeared on page 76 of the opponent's catalogue for 2013/14, an extract from which is in evidence.⁷ However, Mr Thiébaud's statement provides no information about the distribution of this catalogue.

24. Mr Thiébaud says that the approximate value of Heritage PR 516 watches "sold into the UK" in 2012, 2013 and 2014 amounted to CHF 15k (2012), CHF 10k (2013) and CHF 15k (2014). Mr Thiébaud qualifies these amounts with the caveat that they are to the "nearest CHF 5,000". This means that there is a relatively high degree of approximation in the starting figures.

25. As support for the claim that Heritage PR 516 watches were sold in the UK during the relevant period, the opponent provided redacted versions of three sample invoices dated between 2012 and 2014. These invoices are covered by a

⁷ See exhibit XY15

confidentiality order issued by the registrar, which means that they are not open to public inspection. They show that **[REDACTED]**

26. Finally, Mr Thiébaud says that the 1409174 mark is used on the winding crown for other watches in the Heritage collection and he exhibits a picture of a Tissot Visodate watch showing such use of the mark. Although this picture must have been taken before the end of the relevant period (because Mr Thiébaud's first statement was made before the end of the relevant period in this opposition), it is not clear when such use commenced, or whether it has been continuous. There are no sales figures provided (UK or otherwise) for any Heritage Collection watches other than for the Heritage PR 516.⁸

27. The applicant responded to the opponent's evidence pointing out that the sales figures provided by the opponent for goods sold under the 1409174 mark were unsupported. Further, the applicant referred to a report in an online magazine to the effect that Tissot sells 460 watches per hour and 11k watches per day. The applicant submitted that, in context, the opponent's claimed UK sales under the 1409174 mark were token sales under the mark.

28. The opponent replied to this criticism by filing the second witness statement from Mr Thiébaud dated 9th August 2016. In his second statement, Mr Thiébaud states that the 1409174 mark has been used in relation to other models of Tissot watches sold in the UK in addition to the Heritage PR 516. He does not mention any other model in the Heritage Collection, but he does refer to five watches in the opponent's T-GOLD collection. These are called Vintage Automatic (or Powermatic 80), Sculpture Line, Glamorous, Bellflower and Caliente. As the name of the collection implies, these are gold watches. Mr Thiébaud explains that the 1409174 mark is displayed on the rear casing of the watches alongside the gold purity marking.

⁸ I note that the 1409174 mark appears on the winding crown of a watch from the opponent's Heritage Collection, which appears in one of the opponent's catalogues from 2007/8.⁸ However, this particular use of the mark was before the beginning of the relevant period.

Pictures of the watches are exhibited showing the 1409174 mark in use as described by Mr Thiébaud.⁹ Even though the pictures of the rear of the watches have been increased to above actual size, the mark is so small as to be only just about visible. It is not easy to make out, even when looking for it.

29. Mr Thiébaud exhibits promotional material for these watches in the form of a 2013/14 catalogue which (oddly) has been “*available*” (only) since July 2014, and also the opponent’s current website. None of this material shows the rear casing of any of the watches (and therefore none shows the 1409174 mark). I note that the opponent’s Gold Collection watches retail for between £1800 and £4600.

30. Mr Thiébaud states that at least CHF 40k worth of these watches were sold in the UK in 2012. The corresponding figures for 2013 and 2014 are CHF 70k and CHF 50k, respectively.

31. As support for the claim that the models from the opponent’s Gold Collection were sold in the UK during the relevant period, the opponent provided redacted versions of twelve sample invoices dated between 2012 and 2014. These invoices are covered by a confidentiality order issued by the registrar, which means that they are not open to public inspection. They show that **[REDACTED]**

32. Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

⁹ See exhibit FT1

33. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*,¹⁰ Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

¹⁰ [2016] EWHC 52

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

34. At the hearing Mrs Walker submitted that the opponent’s evidence was insufficient to show use of the 1409174 during the relevant period. In particular, she

pointed out that there was no evidence showing sales under the mark to any UK based customer, other than the Swatch Group UK Ltd. This is a company in the same group as the opponent. Therefore, the invoice evidence showed only internal use of the mark. Additionally, Mr Thiébaud's sales figures for goods sold under the 1409174 mark were (a) very low and (b) unsupported by any concrete evidence of promotion of the 1409174 mark in the UK during the relevant period.

35. Mr Conway reminded me that Mr Thiébaud had provided evidence of UK sales under the mark and it had not been suggested that his evidence was untrue. He suggested that the evidence of sales of Heritage PR 516 watches bearing the 1409174 mark to an associated UK company was consistent with that company acting as a UK distributor of the products. Consequently, it should be inferred that the associated UK company sold those goods on to external UK customers. Mr Conway responded to the applicant's complaints about the defects in the opponent's evidence of use by suggesting that they concentrated too much on individual aspects of the evidence of use of the 1409174 mark, whereas the correct approach was to consider the value of the evidence considered as a whole. Considered as a whole, the opponent's evidence showed use of the 1409174 mark during the relevant period. Mr Conway pointed out that, based on similar evidence, the Hearing Officer in opposition 403399 had accepted that there had been use of the 1409174 mark in the UK.

36. I find that the opponent's evidence of use of the 1409174 mark is noticeable for its vagueness and omissions. As an example of the latter, there is no evidence of the amount spent promoting the 1409174 mark during the relevant period. The only evidence showing promotion of the mark in the UK during the relevant period is an example of the mark appearing on the face of a Heritage PR 516 watch on the 'UK version' of the opponent's website in May 2015 (see paragraphs 21 and 22 above). I note that this was after the opponent was put to proof of use of the 1409174 mark in opposition 403399. The sales figures provided by Mr Thiébaud for UK sales of the Heritage PR 516 watches are small. Further, they are rounded to the nearest CHF 5k. This means that UK sales of Heritage PR 516 watches bearing the mark (and costing £465 each) could have been as low as 18 in 2012 & 2014, and 11 in 2013. In the context of claimed sales amounting to hundreds of thousands, or millions, of

CHF the rounding of sales figures to the nearest CHF 5k might be an appropriate measure to avoid unnecessary detail. However, in the context of claimed sales amounting to just CHF 10k or CHF 15k per annum, it looks more like the witness was either being deliberately vague, or he was guesstimating the UK sales. The existence of sample invoices for the watches addressed to an associated UK company (in which the customer's name has been redacted from a confidential document), suggests that the first possible explanation for the vagueness is more likely to be the correct one.

37. Having said all this, the applicant has not claimed that the witness lied about the UK sales figures. Further, Mr Thiébaud provided further evidence of use of the 1409174 mark during the relevant period on the rear casing of some of the watches in the opponent's Gold Collection. The applicant has not challenged the truth of this evidence either. Therefore, with some hesitation, I accept Mr Thiébaud's evidence that the 1409174 mark was used in relation to the claimed UK sales of Heritage PR 516 and certain Gold Collection watches during the relevant period.

38. I do not accept Mr Thiébaud's evidence that the 1409174 was also used on the winding crown of other watches in the opponent's Heritage range. This is because, firstly, Mr Thiébaud provides no evidence of the volume of UK sales or any promotion of such watches bearing the mark in question. Secondly, when challenged about the sufficiency of the use of the 1409174 mark set out in his first statement, Mr Thiébaud's response in his second statement conspicuously failed to mention any use of the mark in relation to other watches in the Heritage range. Instead he provided evidence about the use of the mark on the rear casings of some watches in the Gold Collection range. In these circumstances, I do not think it would be appropriate to regard Mr Thiébaud's evidence that the mark was applied to the winding crowns of other watches in the opponent's Heritage range as anything more than an assertion. Alternatively, I do not think it safe to infer, in the absence of an express statement to this effect from Mr Thiébaud, that such watches were marketed in the UK under the 1409174 mark during the relevant period.

39. The applicant challenges whether any use of the 1409174 was genuine use. According to the applicant, any such use was token use simply to maintain the opponent's trade mark registration.

40. For the opponent, Mr Conway reminded me that the CJEU has held that there is no *de minimis* rule and that even minimal use may constitute genuine use if it serves a real commercial purpose. In his submission, the opponent's purpose for using the 1409174 mark in relation to the opponent's Heritage 516 watch was to draw attention to the history and heritage of the opponent's business. This was a genuine commercial purpose/use. Mr Conway also reminded me that the registrar had accepted similar evidence of use as sufficient to constitute genuine use of the 1409174 mark in opposition 403399.

41. I have looked at the decision of my fellow Hearing Officer in opposition 403399. It is of course important for the registrar to have due regard to other decisions taken on similar evidence, particularly when they are recent decisions and cover very similar matters. However, it does not appear that the question of whether the opponent's use constituted genuine use was specifically raised in opposition 403399. Indeed, the other party in that case filed no evidence or written arguments in response to the opponent's evidence. And it was not present or represented at the hearing. Consequently, once the Hearing Officer had decided that the evidence showed use of the 1409174 mark (as I have also done), there was no reason for him to specifically decide whether the use was genuine. In these circumstances, I do not consider that I should be unduly constrained by the Hearing Officer's decision in opposition 403399.

42. I acknowledge the plausibility of the explanation advanced by Mr Conway on behalf of the opponent as to why the opponent has made only limited use of the 1409174 mark in recent years. However, there are several aspects of that explanation which trouble me. Firstly, the very limited UK sales of the Heritage PR 516 mark bearing the 1409174 mark do not look to be on the commercial scale that one might expect, particularly from a company of the size and standing of the opponent. In the face of a direct challenge that this was token use, some explanation was required. The Heritage PR 516 watch appears to retail at £465. Although, by no

means a cheap watch, the cost is not so high as to itself offer an explanation for the limited number of UK sales. Secondly, in his evidence filed in reply to the applicant's evidence and submissions, the opponent's witness - Mr Thiébaud – offered no commercial rationale for the limited use of the 1409174 mark in relation to the Heritage PR 516 watch. Thirdly, if the commercial purpose of using the 1409174 was really to draw attention to the history and heritage of the opponent's business, I find it surprising that there is virtually no evidence of any promotion of the Heritage PR 516 mark. This is particularly so given that Mr Thiébaud's evidence is that the opponent conducts "*numerous publicity and advertising campaigns*".

43. I am left with the impression that the opponent's sales of Heritage watches bearing a version of the 1409174 mark were token sales purely to maintain the UK trade mark registration.

44. Whatever the purpose was for the use of the 1409174 mark on the rear casing of some watches in the opponent's Gold Collection range, it does not appear to have been to create or maintain a market under the mark. If it had been, one would have expected the mark to be noticeable without minute examination of the rear of the products, and/or for the mark to have appeared in advertisements for them. The evidence does not show either of these things.

45. Section 100 places the burden on the opponent to show what use was made of the 1409174 mark. I have accepted that the opponent discharged this burden. This shifted the onus on to the applicant to show why the use shown should not be accepted as genuine. The applicant provided a *prima facie* case that the opponent's use of the 1409174 mark in relation to the Heritage PR 516 watch was token use. In my view, the opponent's response failed to establish that any of the use was anything other than token within the meaning of that word in the case law. I therefore find that the use shown of the 1409174 mark is token use. This is because it was purely to maintain the trade mark registration and/or would not be viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods.

46. If I am right, the opposition based on the 1409174 mark must fail. However, in case I am wrong, I will go and consider the merits of the s.5(2)(b) ground based on this and the opponent's other earlier marks, which are not subject to proof of use.

The section 5(2)(b) ground

47. Sections 5(2)(b) of the Act is as follows:


“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”.

48. At the hearing, Mr Conway submitted that his best case was based on the 1409174 and 13180757 marks. This is because the 1409174 mark is considered to be the closest mark to the contested mark, but the 13019757 mark covers identical goods. I agree that if the opponent cannot succeed on the basis of either of these marks, it will be no better off with the 1101192 or 1228043 marks.

Comparison of goods and services

49. The goods covered by the opponent's marks (or the most relevant goods in the case of 13180757) are shown below.

	UK trade mark 1409174.	Goods: Watches and parts and fittings therefor; all included in Class 14.
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	<p>EU trade mark application 13180757.</p>	<p>Goods: Precious metals and their alloys and goods in precious metals or coated therewith included in this class, namely figurines, trophies; Jewellery, namely rings, earrings, cuff-links, bracelets, charms, brooches, chains, necklaces, tie pins, tie clips, jewellery caskets, jewellery cases, jewellery boxes; Precious stones, semi-precious stones.</p>
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50. The contested mark covers:

Costume jewellery; articles of jewellery; charms [jewellery] of common metals; decorative articles [trinkets or jewellery] for personal use; gold plated brooches [jewellery]; items of jewellery; jewellery for personal adornment; jewellery for personal wear; jewellery in non-precious metals; jewellery in precious metals; jewellery in semi-precious metals; jewellery in the form of beads; jewellery items; jewellery made of non-precious metal; jewellery made of plastics; jewellery made of plated precious metals; jewellery ornaments; jewellery products; none of the aforementioned to include watches or watch parts.

51. In *Gérard Meric v Office for Harmonisation in the Internal Market*,¹¹ the General Court stated that:

“29.the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM-Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the

¹¹ Case T- 133/05

goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

52. Adopting this approach, I find that all the goods covered by the contested mark must be regarded as identical to the particular items of jewellery covered by the 13180757 mark.

53. The goods covered by the contested mark are not the same as the goods covered by the 1409174 mark. Indeed, those goods are expressly excluded from the specification of the contested mark. It is therefore necessary to assess the degree of similarity between the respective goods.

54. In the judgment of the CJEU in *Canon*,¹² the court stated at paragraph 23 of its judgment that:

“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”.

55. Mr Conway drew my attention to a number of previous decisions, including one of my own, in which watches and jewellery had been held to be highly similar. In my decision in opposition No. 103874¹³ I said that:

“35. The opponents’ marks (but not the applicant’s) also cover watches, timepieces and horological and chronometric instruments, which are different in nature to, and not in competition with, jewellery, but (to the extent these descriptions cover watches) may be worn partly for decorative purposes, and may also be complementary to jewellery. Both types of products are often

¹² Case C-39/97

¹³ BL O/197/14

sold through the same trade channels. These goods are therefore similar to quite a high degree, although not the highest possible level of similarity.”

56. Nothing that has been said or filed in this case¹⁴ causes me to materially alter my earlier assessment. I acknowledge that the degree of similarity between the respective goods varies from high in the case of bracelets and other goods capable of being worn on the wrist, to medium in the case of other items of jewellery made from precious or semi-precious metals and/or stones, to low in the case of jewellery items made from plastic or other non-precious/semi-precious metals/stones, and which are not designed to be worn on the wrist. This is because complementary jewellery is likely to be designed either to be worn on the wrist alongside the watch, such as bracelets or bands, or to be worn elsewhere on the body to complement the material from which the watch is made. And the latter is much more likely to be the case where the material is (say) gold or silver than when it is plastic or common metal. However, as most of the applicant’s descriptions of goods are general terms, such as *articles of jewellery*, this observation currently only affects only one of the terms in the applicant’s specification, i.e. *charms [jewellery] of common metals*.

Global comparison

57. The following principles are gleaned from the decisions 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.

The principles

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

¹⁴ Including Mr Conway’s own evidence, which exhibited some examples of undertakings selling watches and jewellery and some combinations of both.

(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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Average consumer and the selection process

58. 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*.

59. The average consumer in this case is the general public who buys jewellery. However, as retailers may influence the public's purchasing decisions, their perception is also relevant to a degree.

60. The applicant points out that its goods are relatively expensive items of jewellery. However, in *Bang & Olufsen A/S v OHIM*,¹⁵ the General Court of the European Union held that:

“According to the case-law, the price of the product concerned is also immaterial as regards the definition of the relevant public, since price will also not be the subject of the registration (Joined Cases T-324/01 and T-110/02 *Axions and Belce v OHIM* (Brown cigar shape and gold ingot shape) [2003] ECR II-1897, paragraph 36).”

61. I therefore find that the relevant public includes buyers and potential buyers of jewellery of all prices. The level of attention paid by the average consumer will vary

¹⁵ Case T-460/05

from average in the case of low cost jewellery, to high when it comes to high cost jewellery or trade customers.

62. Aesthetic considerations and size/fit are likely to be important to purchasers of watches and jewellery. Therefore such goods are likely to be selected primarily by eye. Mr Conway submitted that word of mouth recommendations may also play an important part in the selection process. I see some merit in this submission, but even when acting on a recommendation, the purchaser is unlikely to complete the selection process without sight of the goods, at which point the trade mark is likely to be visible. I therefore find that the selection process is likely to be primarily visual, although aural considerations may play some part in it.

Distinctive character of the earlier marks

63. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, 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).”

64. Mr Conway submitted that marks composed primarily of single letters should not be considered lacking in distinctiveness. In this connection, he drew my attention to the judgment of the CJEU in *Borco-Marken-Import Matthiesen GmbH & Co. KG v OHIM*.¹⁶ However, that case concerned a decision by OHIM (now the EU IPO) to refuse to register a single letter mark on the grounds of lack of distinctiveness, essentially on policy grounds. The most relevant part of the judgment is as follows:

“37 it should be pointed out that, even though it is apparent from the case-law cited that the Court has recognised that there are certain categories of signs which are less likely *prima facie* to have distinctive character initially, the Court, nevertheless, has not exempted the trade mark authorities from having to carry out an examination of their distinctive character based on the facts.

38 In relation, more particularly, to the fact that the sign at issue consists of a single letter with no graphic modifications, it should be borne in mind that registration of a sign as a trade mark is not subject to a finding of a specific level of linguistic or artistic creativity or imaginativeness on the part of the proprietor of the trade mark (Case C-329/02 P *SAT.1 v OHIM* [2004] ECR I-8317, paragraph 41).

39 It follows that, particularly as it may prove more difficult to establish distinctiveness for marks consisting of a single letter than for other word marks, OHIM is required to assess whether the sign at issue is capable of distinguishing the different goods and services in the context of an examination, based on the facts, focusing on those goods or services.

65. Leaving to one side the court’s observation “*that it may prove more difficult to establish distinctiveness for marks consisting of a single letter than for other word marks*”, all this judgment really says is that single letter marks cannot be regarded as

¹⁶ Case C-265/09 P

devoid of any distinctive character merely because they are single letters. Rather the distinctiveness of such marks must, as with other types of marks, be assessed in relation to the goods or services at issue.

66. Mr Conway submitted that there was no evidence to suggest that the letter T was descriptive or otherwise non-distinctive in relation to watches and jewellery. The 1409174 and 13180757 marks should therefore be regarded as inherently distinctive to a normal or average degree.

67. One of the reasons that letters are sometimes regarded as weak trade marks is because they can be commonly used in relation to many goods in a non-trade mark sense. For example, as (or as part of) a catalogue or stock code. There are in fact a couple of examples of such use of letters in relation to watches in the opponent's evidence.¹⁷ Although it is true that trade marks do not have to display any creativity or originality in order to benefit from protection, extremely simple and common signs, such as a single letter of the alphabet, tend to be less eye catching and memorable (and therefore relatively less distinctive) than signs which strike the eye (and ear) as less ordinary or commonplace. I therefore find that the letter T as such is a mark of relatively low distinctive character in relation to watches. The same applies to jewellery.

68. The opponent argues that the earlier marks are "*a slightly stylised monogram version of the letter T.*" Therefore, according to the opponent, the letter T is the dominant and distinctive element of the earlier marks.

69. The applicant takes the position that the letter T is non-distinctive and the distinctiveness of the marks resides in the specific stylisations of the letter T.

70. I find that the capital letter T is the dominant element of the earlier marks. However, the stylisation of the letter T in the 1479174 mark, i.e. the serifs applied to the cross of the T, is a non-negligible element of the mark which also contributes to

¹⁷ See, for example, pages 32 -53 of exhibit MC1 and page 4 of exhibit XY7

its distinctive character.¹⁸ Similarly, I find that the contrast between the colour of the (very ordinary looking) letter T in the 13180757 mark and that of the square background is also a non-negligible feature of that mark, which contributes to its distinctive character. In reaching these findings, I have taken into account that the less distinctive the dominant element of the mark, the more likely it is that the stylisation or additions to that element will impact on the overall impression created by the mark as a whole on average consumers. Even taking account of the particular presentations of the letters T in the marks, I find that the earlier marks are inherently distinctive to a below average degree.

71. The opponent claims that the 13180757 mark has acquired an enhanced distinctive character as a result of its use since the 1990s, mainly as part of the opponent's main logo (see paragraph 16 above). It is clear from the evidence that the opponent's main logo is normally used in conjunction with the word TISSOT. Further, the 13180757 mark makes up only one half of the logo element. The other half comprises a white cross set within a square of a darker colour. In use this is probably red. In other words, the second element of the opponent's logo is a version of the Swiss flag, reflecting the opponent's standing as a Swiss watch maker. Mr Conway submitted that the second part of the logo would therefore be given little trade mark significance. Consequently, the distinctive element of the opponent's logo was the 13180757 mark. It followed that extensive use of the logo would have enhanced the distinctiveness of the 13180757 mark.

72. I do not accept this submission for the following reasons. Firstly, the opponent's main logo appears to be used in a subordinate way to the word mark TISSOT. Thus consumers are used to seeing the composite sign, not just the logo. Average consumers tend to regard trade marks as a whole and do not usually proceed to analyse their various details. This makes it less likely that use of the 13180757 mark as part of the logo element of the composite word/logo sign would have made an impression on consumers that was independent of the impression created by the composite mark as a whole or, at least, independent of the impression created by the whole logo. Secondly, although the cross element of the logo is clearly intended

¹⁸ The opponent's argument that the earlier 1409174 mark is its closest mark to the contested mark implicitly accepts as much.

to represent a Swiss flag, which I accept is non-distinctive on its own for watches, the use of that sign in the opponent's logo is clearly part of the logo (as opposed to just a descriptive addition to the mark). In this connection, I note that exhibit FT2 to Mr Thiébaud's second statement includes a page from the opponent's 2013/14 catalogue with a public statement from him. It says that *"Our aim is to reflect the valuable Swiss assets of quality, reliability and innovation and to remain faithful to the "+" sign of the Tissot logo and the Swiss flag"*. This indicates that the opponent regards the cross device as part of its logo and not simply as a descriptive indication. The public are likely to look upon the logo in the same way, i.e. as a whole. I do not therefore consider that it would be safe to find that use of the 13180757 mark as part of the opponent's logo has materially enhanced the distinctive character of that mark as registered, i.e. on its own.

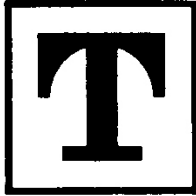


73. It is true that there is also some evidence of use of the 13180757 mark, or at least the core 'T' element of it, on the winding crown or strap of certain Tissot watches, but the extent of this type of the use is not clear. Mr Thiébaud claims that the use of *"various"* T logos in this manner has been *"consistent"*, but even this is not really borne out by the exhibits in evidence.

74. I therefore find that the distinctive character of the 13180757 mark has not been enhanced through use.

Comparison of marks

75. It is clear from *Sabel BV v. Puma AG* that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions they create, bearing in mind their distinctive and dominant components.

The respective trade marks are shown below:

 	
Earlier trade mark	Contested trade mark

76. Consistent with the opponent's submission that all the marks are "*slightly stylised monogram version(s) of the letter T*", the opponent argues that the marks are highly similar from a visual perspective, and identical from the aural and conceptual perspectives. However, the opponent submits that the earlier 1479174 mark is closest to the contested mark because the right hand horizontal section of both 'T' marks uses a serif font.

77. The applicant emphasises the visual differences between the marks, particularly between the contested mark and the 13180757 mark, and submits that aural similarity matters less. This is because, firstly, any representation of a stylised letter will sound the same (if verbalised) as any other stylised version of the letter, and accepting the opponent's argument would therefore amount to giving the opponent a monopoly in the idea of a letter 'T', however presented. Secondly, the applicant says that neither her goods, nor those of the opponent, are referred to as 'T' goods. Rather, the public place orders using the word marks associated with the goods. In the applicant's case, this is the word Toolally. As regards the degree of visual similarity, the applicant says that, even compared to the opponent's 1479174 mark, the marks are not similar. In particular, the applicant points out that the "*curly*

comma” making up the left hand side of the horizontal section of the T device in the contested mark is unusual and striking, and has no counterpart in the earlier mark.

78. Words are meant to be read and spoken. It is therefore safe to assume that the public will, in appropriate circumstances, verbalise any pronounceable word mark. In the case of figurative marks, which are intended primarily to appeal to the eye, it cannot be assumed that the public will necessarily attempt to verbalise what they see.¹⁹ In my view, figurative trade marks resembling a single letter of the alphabet should be considered in the same way as other figurative marks that *could* be verbalised, i.e. an assessment is required as to likelihood and extent of the average consumer verbalising the mark in the ordinary course of trade in the goods/services.

79. Contrary, to the applicant’s submission, this assessment should not be constrained by an assumption that the marks will always be used with accompanying word marks.²⁰ This is because normal and fair use of the marks would include use on their own, as registered, and not necessarily in conjunction with the word marks with which they appear to have been generally used to date. On the other hand, it is appropriate to take into account that there is no evidence that anyone has - so far – used the letter T as an approximation of either parties’ mark in the course of trading in the goods.

80. The following factors appear to be relevant to the required assessment as to what is likely to happen in the future. Firstly, the more a figurative mark looks like a letter mark, the more likely it is that average consumers will treat the mark as a quasi-word mark and may attempt to verbalise it. Secondly, the greater or lesser the role that verbal orders or recommendations are likely to play in the selection of the goods/services, the more or less likely it is that consumers will attempt to give the figurative mark oral expression.

81. The opponent’s 13180757 mark most resembles a plain letter mark. By contrast, the average consumer is likely to look on the contested mark as a figurative or

¹⁹ See *La Chemise Lacoste SA v Baker Street Clothing Ltd*, BL O/333/10 (Appointed Person), and *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, Case T-424/10 (General Court, EU)

²⁰ See *J.W.Spear & Sons Ltd and Others v Zynga Inc.* [2015] EWCA Civ 290, at paragraphs 46 and 47 of the judgment

device mark, albeit one from which the letter T can be extracted. The opponent's 1479179 mark is closer to being a letter mark, albeit one with particular stylisation.

82. I have already found that the selection process for the goods at issue is likely to be a primarily visual one. Therefore, average consumers will have relatively little need to give any of the marks oral expression.

83. I conclude that there would be a significant degree of aural similarity between the applicant's mark and the 13180757 and 1479174 marks if the marks were verbalised, but this is unlikely to happen regularly in the ordinary course of trade in the goods, particularly in the case of the applicant's mark. Therefore, the level of aural similarity between the marks is less important than the level of visual similarity between them.²¹

84. Although the letter 'T' is, to a greater or lesser extent, discernable in all the marks, the visual impressions created by the 13180757 mark and the applicant's mark are strikingly different. I do not therefore accept the opponent's submission that the letter 'T' is the dominant and distinctive element of the contested mark. I find that the figurative elements of the mark are equally dominant, and arguably more distinctive.

85. There is more visual similarity between the 1479174 mark and the applicant's mark. This is because both marks utilise serifs on part of the horizontal section of the T devices. However, even here the overall stylisation of the marks is different and the presence of what the applicant calls a "*curly comma*" is a prominent and distinctive element of the contested mark that is noticeably absent from the earlier mark.

86. Overall, I find that there is a low degree of visual similarity between the 13180757 mark and the contested mark, and a medium degree of visual similarity between the 1479174 mark and the contested mark.

²¹ See, in this respect, *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03 (General Court), at paragraphs 49 and 50 of the judgment

87. The opponent submits that the marks are conceptually similar because of the ‘T’ theme. However, I am doubtful that the idea of a letter ‘T’ constitutes a concept in the sense identified in the case law.²² In reality, the opponent’s submission comes close to being a claim to the idea of a letter T. However, with the possible exception of patents, intellectual property law generally protects the expression of an idea, not the idea itself. In any event, in the case of an idea of relatively low distinctiveness, such as a letter of the alphabet, I am not persuaded that the ‘conceptual similarity’ identified by the opponent adds anything to the visual and aural similarities between the marks, which I have already considered.

88. I conclude that there is a low degree of overall similarity between the 13180757 mark and the contested mark, and a medium degree of overall similarity between the 1479174 mark and the contested mark.

Likelihood of confusion

89. The applicant points to the cost of the respective goods as a factor which mitigates any likelihood of confusion. However, marketing considerations such as this are not to be included in the assessment of the likelihood of confusion.²³ This is because the price of the goods depends on marketing decisions of the trade mark owners, which may vary over time. For example, if the trade mark is sold to another undertaking.

90. The applicant also points to the tension between the opponent’s arguments in these proceedings and its position in parallel oppositions at the EU IPO. In particular, the opponent claims that there is a likelihood of confusion between the contested mark and the 13180757 mark on the basis that they each contain a representation of a capital letter T, whilst denying that there is a likelihood of confusion between the 13180757 mark and an earlier mark in the ownership of a third party, which also contains a capital letter T.

²² See *Poloplast v OHIM — Polypipe (P)*, Case T-189/09, at paragraph 83

²³ See *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06, CJEU

91. Whilst I understand the applicant's frustration at the opponent's apparently conflicting positions in this opposition and the one at the EU IPO, there is nothing to prevent the opponent from taking positions that best serve its commercial interests. It is for this tribunal (and the one at the EU IPO) to decide how much weight to give to the opponent's arguments.

92. Turning then to the relevant factors in my assessment of the likelihood of confusion, I note that in *Quelle AG v OHIM*²⁴ the General Court found that visual similarity (and difference) is most important in the case of goods that are self selected or where the consumer sees the mark when purchasing the goods. The Court stated that:

“68..... If the goods covered by the marks in question are usually sold in self-service stores where consumers choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any phonetic similarity between the signs (*NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 53 supra, paragraph 49).

69. Likewise, the degree of phonetic similarity between two marks is of less importance in the case of goods which are marketed in such a way that, when making a purchase, the relevant public usually perceives visually the mark designating those goods (*BASS*, paragraph 56 supra, paragraph 55, and Case T-301/03 *Canali Ireland v OHIM – Canal Jean (CANAL JEAN CO. NEW YORK)* [2005] ECR II-2479, paragraph 55). That is the case with respect to the goods at issue here. Although the applicant states that it is a mail order company, it does not submit that its goods are sold outside normal distribution channels for clothing and shoes (shops) or without a visual assessment of them by the relevant consumer. Moreover, while oral communication in respect of the product and the trade mark is not excluded, the choice of an

²⁴ Case T-88/05

item of clothing or a pair of shoes is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly, the visual aspect plays a greater role in the global assessment of the likelihood of confusion (*NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 53 supra, paragraph 50). The same is true of catalogue selling, which involves as much as does shop selling a visual assessment of the item purchased by the consumer, whether clothing or shoes, and does not generally allow him to obtain the help of a sales assistant. Where a sales discussion by telephone is possible, it takes place usually only after the consumer has consulted the catalogue and seen the goods. The fact that those products may, in some circumstances, be the subject of discussion between consumers is therefore irrelevant, since, at the time of purchase, the goods in question and, therefore, the marks which are affixed to them are visually perceived by consumers.”

93. For the reasons given at paragraphs 62 and 89-83 above, I find that the visual comparison of the marks is the most important aspect of the required global assessment of the likelihood of confusion in this case.

94. I find that the medium degree of similarity between the contested mark and the 1479174 mark, and the quite high degree of similarity between the respective goods, is sufficiently offset by the low degree of distinctiveness of the common elements of the marks and the, at least, normal degree of attention that consumers will pay during the selection process for the goods. In my judgment, it is not likely that an average consumer is liable to be confused about the commercial origin of watches and their parts marketed under the 1479174 mark, and the commercial origin of jewellery, charms and trinkets marketed under the contested mark.

95. In reaching this conclusion, I have considered the likelihood of confusion arising through imperfect recollection of one or other of the marks. I find that the visual differences between the respective marks combined with the difference between the goods make this unlikely. I have also considered the likelihood of indirect confusion, i.e. of consumers assuming that, although different, the marks are used by economically connected undertakings. However, I find that the relatively low degree

of distinctiveness of the elements which are common to the marks make this unlikely too.

96. I find that the low degree of similarity between the 13180757 mark and the contested mark combined with the low degree of distinctiveness of the common element – a letter T - is sufficient to avoid a likelihood of confusion despite the identity of the respective goods. I have again considered the likelihood of confusion arising through imperfect recollection of one or other of the marks. However, I find that the different impressions created by the respective marks makes this unlikely. I have also considered the likelihood of indirect confusion, i.e. of consumers assuming that, although different, the marks are used by economically connected undertakings. However, I find that the relatively low degree of distinctiveness of a letter T as such makes this unlikely too.

97. Consequently, I find that the opposition under s.5(2)(b) would have failed even if I had found that earlier mark 1479174 had been put to genuine use in the UK (and therefore qualified for protection under s.6A of the Act), and assumed that the earlier pending EU mark 13180757 will proceed to registration.²⁵

98. As I indicated earlier, the opponent is in no better position with either of its other earlier marks. I have specifically considered whether the opposition under s.5(2)(b) based on earlier international trade mark 1101192 offers the opponent any better prospect of success because (a) this mark is protected in relation to retail services relating to jewellery, and (b) there is a case for holding that the dominant and distinctive element of the mark (the T and cross device) have acquired an enhanced level of distinctiveness through use. However, I have concluded that the opposition based on this mark is indeed no stronger than the opposition based on the marks I have already considered. This is because:

- The 1101192 mark is less similar to the contested mark than the marks considered above.

²⁵ Although if I had decided differently and the outcome of the opposition therefore turned on the registration of the 13180757 mark, I would have issued a provisional decision and a final one after the fate of application was 13180757 was determined.

- The element of the 1101192 mark which may have acquired an enhanced level of distinctiveness can only have done so in relation to the goods in respect of which it had been used, i.e. watches, not services for retailing of jewellery.

99. For the reasons given above, the opposition under s.5(2)(b) fails.

The section 5(3) ground

100. Section 5(3) states:

“(3) A trade mark which-

- (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

101. The relevant case law can be found in the following judgments of the CJEU:

Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

- a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
- (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

102. This ground of opposition is based on the opponent's claim that the 13180757 mark has acquired a reputation in the EU. The opponent has not filed evidence as to the level of sales of goods under the 13180757 mark, or the amount spent promoting the mark in the EU. Therefore, it would be difficult to assess the extent of the opponent's reputation on the basis of the evidence provided. However, even if I assume that the opponent has made extensive use of the second logo shown at paragraph 16 above, for the reasons given in paragraphs 70 – 74, I do not consider that this establishes that the 13180757 mark has acquired a reputation in the EU, i.e. that the mark as registered is known by a significant section of the public.

103. Further, even if I am wrong about this, the mark can only have acquired a reputation in relation to watches. I find that the low level of similarity between the 13180757 mark and the contested mark, combined with the fact that the contested mark covers jewellery, charms and trinkets, but not watches or parts of watches, is such that use of the contested mark will not even bring the 13180757 mark to mind. In the absence of such a link, there is no possibility of the contested mark taking unfair advantage of, or being detrimental to, the reputation or distinctive character of the 13180757 mark.

104. Consequently, the opposition under s.5(3) of the Act fails.

The section 5(4a) ground

105. Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

106. The necessary requirements to establish a passing off right are well established. They are, essentially, (1) goodwill in a business identified by a sign, (2) a misrepresentation by the defendant through the use of a sign similar enough to the claimant’s sign to deceive (intentionally or otherwise) a substantial number of the claimant’s customers or potential customers, and (3) damage to the claimant’s goodwill caused by the defendant’s misrepresentation.

107. There is no evidence that the contested mark was in use prior to the date of the trade mark on 12th July 2015. Consequently, that is [the only] relevant date for assessing the passing-off right claim.

108. The opponent’s case is pleaded on the basis that it has acquired goodwill under the letter as a result of the use of 13180757, 1479174 and 1228043 marks shown in paragraph 3 above, as well as use of various T derivative word marks, such as T-RACE, T-CLASSIC, T-TOUCH, T-SPORT and T-TREND.

109. I have already covered the evidence of use of the 13180757 and 1479174 marks. The former has been used mainly (although not exclusively) since the 1990s as part of the opponent’s main logo, which is used in much of the opponent’s

promotional material. The use of the latter mark appears to be predominantly historical. Mr Thiébaud's evidence is that the 1228043 mark has been used since around 2000. This is consistent with the mark appearing in the various catalogues in evidence, but again there is no evidence as to the volume of sales under the mark or the amount spent promoting the mark in the UK.

110. Mr Thiébaud says that the first T-derivative mark – T-Collection – was used in 1998. T-Touch followed in 1999. He also says that *“in recent years the [opponent's] catalogue has featured collections and individual watches marketed under, for example, T-CLASSIC, T-SPORT, T-TREND, T-POCKET, T-GOLD, T-TOUCH, T-TOUCH EXPERT, T-RACE and T-ROUND.”*

111. Examples of the marks in use can be found in the opponent's catalogues from 2007/8 and 2013/14 and screenshots from the opponent's (UK directed) website.²⁶ The opponent has not provided evidence as to the volume of sales under these marks or the amount spent promoting them in the UK. However, there are some examples of invoices from the opponent to a related UK company which show use of some of the marks.²⁷

112. All the use shown is in relation to watches.

113. I accept that the opponent has used a number of marks which include the letter T, either in plain type or in stylised form. The full extent of the use of these marks in the UK is not clear from the evidence. However, even if some of them have been used on a substantial scale, I do not consider that the use of these marks establishes that the UK watch buying public has been educated to view any mark containing a letter T element as being distinctive of the opponent. Further, even if I am wrong about that, I do not consider that the opponent's broad claim to the letter T for watches entitles it to object to the use of the contested mark in relation to jewellery, charms and trinkets.

²⁶ See exhibits XY10, XY11 & XY12

²⁷ See XY13

114. I bear in mind that reliance on the marks in question is an essential condition for establishing that use of the contested mark will amount to a misrepresentation.²⁸ Given the nature of the opponent's use of 'T' marks, as supporting signs for TISSOT and/or as parts of other marks, I do not think it likely that the public would be likely to rely on the letter T alone as an indication that the jewellery, charms and trinkets marketed under the contested mark are the goods of the opponent, or are authorised by the opponent.

115. I remind myself that it is not sufficient for passing-off purposes to show that some members of the public might wonder whether the contested mark is connected with the opponent. A substantial number must be likely to assume that there is such a connection before there can be passing off.²⁹ I am not persuaded that there is any such likelihood in this case. Although there is evidence that watches and jewellery are sometimes sold side by side, there is no evidence that the opponent's goodwill extends beyond watches. This might not matter if the contested mark closely resembled the opponent's marks, but it is not highly similar to any of them, and is very different to many of them, e.g. T-TOUCH. In these circumstances I regard it as unlikely that a substantial number of the public will assume that the contested mark signifies a connection with the opponent.

116. Consequently, the opposition based on s.5(4)(a) also fails.

Fall back specification

117. The applicant put forward the following fall back specification of goods in the event that I was against her on the application as filed.

Costume jewellery; articles of jewellery; charms [jewellery] of common metals; decorative articles [trinkets or jewellery] for personal use; gold plated brooches [jewellery]; items of jewellery; jewellery for personal adornment; jewellery for personal wear; jewellery in non-precious metals;

²⁸ Unlike the legal position under s.5(2) and s.5(3)

²⁹ *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at paragraphs 16–17 of the judgment

~~jewellery in precious metals;~~ jewellery in semi-precious metals; jewellery in the form of beads; jewellery items; jewellery made of non-precious metal; jewellery made of plastics; ~~jewellery made of plated precious metals;~~ jewellery ornaments; jewellery products; none of the aforementioned to include watches or watch parts.

118. As I have found in the applicant's favour on the basis of the existing specification of goods, there is no need to say anything about this proposal. I will therefore limit myself to the observation that the deleted items are covered by some of the retained items, e.g. articles of jewellery.

Costs

119. The applicant has been successful and is entitled to a contribution towards her costs. I note that the applicant represented herself at the hearing, but was otherwise professionally represented by Appleyard Lees, including the preparation and filing of a skeleton argument for the hearing.

120. I award the opponent/applicant the sum of £1350 as a contribution towards the cost of the proceedings.

The sum is calculated as follows:

£350 for considering the notice of opposition and filing a counterstatement.

£800 for considering the opponent's evidence and filing evidence and submissions in response.

£200 for preparing a skeleton argument for the hearing.

121. I therefore order Tissot S.A. to pay Mrs Margaret Walker the sum of £1350. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of it.

Dated this 16th day of December 2016

A handwritten signature in black ink, appearing to be 'Allan James', written in a cursive style.

**Allan James
For the Registrar**