

O/424/21

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3376265
IN THE NAME OF SEH INTERNATIONAL, LTD.
IN RESPECT OF THE TRADE MARK**

The logo for 'AXIO' is rendered in a bold, italicized, sans-serif font. The letters are black with a slight white outline or shadow effect, giving it a three-dimensional appearance. The 'X' is particularly stylized with sharp angles.

IN CLASSES 10, 25 & 28

AND

**OPPOSITION THERETO UNDER NO. 417159
BY GIORGIO ARMANI S.P.A.**

Background and pleadings

1. SEH International, Ltd. (“the applicant”) applied to register the trade mark

AXIO in the UK on 18 February 2019. It was accepted and published in the Trade Marks Journal on 3 May 2019 in respect of the following goods:

Class 10: Sports equipment, namely, soccer equipment in the nature of body limb compression sleeves.

Class 25: Sports equipment, namely, soccer uniforms, namely, shirts and shorts; jackets, pants and sweatshirts, belts, and socks.

Class 28: Sports equipment, namely, soccer equipment in the nature of soccer balls, futsal balls, bags specifically adapted for sports equipment, gloves, and nets.

2. Giorgio Armani S.P.A. (“the opponent”) oppose the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act). This is on the basis of

its earlier European Union Trade Mark no. 15742653 for the mark .¹

The following goods are relied upon in this opposition:

Class 10: Wearable sensors for health and wellness purposes to gather biometric data and also including monitors and displays sold as a unit; heart rate monitoring apparatus.

Class 18: Handbags; traveling bags; briefcases; leather briefcases; leather credit card holders; wallets; leather document briefcases; leather key cases; purses; suit cases; cosmetic bags sold empty; sports bags; evening and shoulder bags for ladies; leather shopping bags; school bags; garment bags for travel; suit carriers for travel; shoe bags for travel; beach bags; diaper bags; backpacks; Boston bags; traveling trunks; duffel bags; overnight bags; carry-on bags; satchels;

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

opera bags; vanity cases (not fitted); hides; cases and boxes made of leather; bags made of leather for packaging; leather straps; umbrellas; leather leashes; saddlery.

Class 25: Coats; jackets; trousers; skirts; tops; raincoats; overcoats; belts; braces for clothing; suits; stuff jackets; jumpers; jeans; dresses; cloaks; parkas; shirts; T-shirts; sweaters; underwear; baby-dolls being nightwear; bathrobes; bathing costumes; négligée; swim suits; dressing gowns; shawls; neckerchiefs; scarves; ties; neckties; sweat shirts; under shirts; polo shirts; body suits; shorts; combinations [clothing]; wedding dresses; stockings; socks; shoes; slippers; overshoes; galoshes; wooden clog; soles for footwear; footwear upper; boots; ski boots; snow boots; half boots; esparto shoes or sandals; sandals; bath sandals; gloves; mittens; hats and caps; visors (headwear).

3. The opponent argues that the respective goods are identical or highly similar and that the marks are highly similar. The opponent submits the contested mark reads AX10 and that the earlier mark is consumed in the contested mark.
4. The applicant filed a counterstatement denying the claims made. The applicant denies that the contested mark is AX10 and states that it is instead the pronounceable word AXIO. The applicant denies the marks are visually or aurally similar and denies the goods are identical or highly similar, and overall, denies there will be a likelihood of confusion.
5. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.
6. A Hearing took place on 7 May 2021, with the opponent represented by Mr David Ivison of Haseltine Lake Kempner. The applicant opted not to be represented at the hearing, but instead chose to file written submissions prior to the hearing. These will not be summarised but will be referred to as and where appropriate during this decision. The applicant is represented in these proceedings by Barker Brettell LLP.

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

Evidence

8. The opponent's initial evidence was filed in the form of a witness statement in the name of Antonio Croce, identified as the IP Manager for the opponent, along with 9 exhibits labelled Annex 1 to Annex 9.
9. Within the witness statement, Mr Croce provides some background in relation to the opponent and the earlier mark. Mr Croce explains that the mark is used to identify the opponent's "Armani Exchange" line of goods in respect of streetwear, and having launched in New York in 1991, the mark was first used in the UK in December 2007. Mr Croce confirms the mark has been used continually in the UK since that time, and that it is used in respect of clothing, footwear, bags, watches and belts. Mr Croce states that there are three stores in the UK (two in London and one in Liverpool at present) dedicated to selling goods under the earlier mark. In addition, Mr Croce explains that goods using the earlier mark are sold via the opponent's website, which receives 123,000 visitors a month on average, and is available in English and accessible from the UK. Images from the website armaniexchange.com/gb are provided at Annex 2, showing the mark below:



10. The website refers to GBP, stating "free shipping over £130". The screenshots are undated, but screenshots from the same site are provided at Annex 6, and

these are dated by the WayBack Machine and fall between April 2017 and January 2019. The pages show several items of clothing for sale including t-shirts, tunics, jumpsuits and jackets. Most of these appear to be aimed at women. Examples of men's jeans are shown at Annex 4 and are labelled in text on the pages as being from between spring/summer 2017 and autumn/winter 2018. The mark is shown on the pages sometimes on its own, but most often in conjunction with the wording 'Armani Exchange'.

11. Within the witness statement, Mr Croce provided sales figures for goods under the mark for the years 2015 – 2019 as shown in the table below:

Year	UK sales total (Eur)
2015	10,502,000
2016	6,079,000
2017	4,978,000
2018	14,717,000
2019	14,018,000

12. Mr Croce also stated that the mark had featured “extensively” in UK print media, and provided several examples of various, seemingly British publications displaying advertisements under the mark, as well as the mark along with the wording 'Armani Exchange'. These range from between 2007 and 2018 and are found at Annex 7. The campaigns show the models wearing multiple items and so it is not always clear what is being advertised in the images, but Mr Croce states the adverts feature the mark in relation to clothing, jewellery, watches, belts and sunglasses.

13. Images of the social media channels are provided at Annex 8. Instagram images date between 2012 – 2018, and the Facebook images date between 2010 – 2019. These show use of the mark in the promotion of footwear, eyewear, watches and clothing. A 'follower count' is provided in the witness statement for each social media channel, and this is copied below:

Social channel	media	URL	Follower count
Facebook		https://www.facebook.com/armaniexchange	Over 2,000,000
Instagram		https://www.instagram.com/armaniexchange/	2,000,000
Twitter		https://twitter.com/armaniexchange	76,500 followers
Pinterest		https://www.pinterest.it/armaniexchange/	9,000 followers; 185,000 monthly viewers
YouTube channel		https://www.youtube.com/user/armaniexchange/videos	11,500 subscribers

14. Marketing spend for the years 2016 – 2019 in relation to the mark in the UK is provided as below:

Year	UK Marketing spend (Euros)
2016	424,000
2017	476,000
2018	1,113,000
2019	1,304,000

15. The applicant filed evidence by way of a witness statement in the name of Mr Ryan Hunt, described as president of the applicant, in addition to a second witness statement from Ms Catherine Wiseman from the applicant's representative.

16. Mr Hunt's witness statement went into detail about the applicant's activity in the sports industry. Mr Hunt explains that the applicant's goods are aimed at the soccer industry, that the applicant does not sell via fashion retail stores, and that they attend conventions usually related to sports. Mr Hunt submits that although fashion houses may sell leisure and gym wear, this is commercially distinct from sports kits and equipment, and that they would not advertise in the same publications as those shown by the opponent. Exhibits RH1 and RH2 were provided with the witness statement showing the applicant's presence on social media, and examples of conventions attended by the applicant.

17. In her witness statement, Ms Wiseman states that as the opponent's "AX" denotes Armani Exchange, and as such this will be pronounced as two

separate letters. Exhibit CAW1 shows the opponent's mark in use in this way. Ms Wiseman submits at Exhibit CAW2 a print-out showing 358 marks on the UK register beginning with AX in classes 10, 25 & 28, including 152 marks with this prefix in class 25. Exhibit CAW3 shows a third party using the trade mark AX PARIS on the same websites as the opponent's mark. Ms Wiseman states the marks coexist "likely due to the additional matter contained in the mark, i.e. "PARIS"".

18. The opponent submitted further evidence in reply to the above in the form of a second witness statement from Antonio Croce. The witness statement refers to a further 15 exhibits, namely Exhibit AC9 (which differs to Annex 9 provided with the first witness statement), to Exhibit AC23. The witness statement and exhibits provided focus primarily on replying to the applicant's assertion that the brands are in different commercial fields. Mr Croce states that the clothing sold under the brand is not just high-end clothing, and explains it sells products relating to ski wear, as well as for fitness, tennis and running. The evidence shows sponsorship of the Italian Olympic team at the 2012 Olympics under another of the opponent's marks, as well as other sporting events and sponsorship referring to another of the opponent's marks. It states the opponent sponsors Milan's OLIMPIA basketball team under the earlier mark and shows an image of this uniform and goods sold around this at Exhibit AC16.

19. Mr Croce explains that Exhibit AC19 shows that a number of clothing designers sell ski wear as well as a range of sports equipment, and asserts that as such the applicant's assertion that the goods are commercially distinct is not true. The exhibit shows various sporting items sold by different fashion brands. Mr Croce explains Exhibit AC20 shows that other fashion brands or fashion houses either sponsor or are associated with sports, and Exhibit AC21 shows football clubs selling clothing.

20. Although I have not detailed the contents of all of the exhibits filed by the parties, this has been considered in full. It is my view that it is unnecessary

for the purpose of this decision to outline the evidence provided in more detail than I have done so above.

Preliminary issues

21. Within the applicant's written submissions, screenshots were filed which, as the applicant has acknowledged in part, are evidence. This includes a screenshot showing the partners and sponsors for Liverpool Football Club, as well as a screenshot from the applicant's website displaying a 'Mesh Ball/Laundry Bag'. At the hearing I asked Mr Ivison for the opponent if he had come prepared to make submissions on this additional evidence. Mr Ivison confirmed that whilst he had viewed the evidence, it was his submission that it was inadmissible. Mr Ivison submitted that the evidence should have been filed during the evidence rounds, or a request to file additional evidence should have been filed, and that it should not have been submitted at the time of the final written submissions.

22. I confirmed to Mr Ivison at the hearing that I had considered the admissibility of the late evidence from the applicant in line with the factors set out in *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*. In this case, Carr J outlined the following factors to be taken into account when determining whether late evidence should be admitted:

- i) The materiality of the evidence in question to the issues that the Registrar has to determine;
- ii) The justice and fairness of subjecting the opposite party to the burden of the evidence in question at the stage that the registry proceedings have reached, including the reasons why the evidence was not filed earlier;
- iii) Whether the admission of the further evidence would prejudice the opposite party in ways that cannot be compensated for in costs (e.g.

excessive delays); and

iv) The fairness to the applicant of excluding the evidence in question, including prejudice to the applicant if it is unable to rely on such evidence”.

23. I confirmed that I did not view the evidence as adding much to the applicant's case in respect of the matters I have to determine, and I did not see that refusing the evidence would cause particular prejudice to the applicant in these proceedings, and I was therefore minded to disregard this late evidence filed with the written submissions. I add at this stage that I find the applicant's submission that they were not given the opportunity to reply to the opponent's evidence in reply, does little to provide any justification for the applicant not requesting to file the evidence at an earlier stage. This evidence will not be considered further in this decision.

24. On the subject of evidence, at the hearing Mr Ivison also raised the filing of the applicant's "state of the register" evidence. Mr Ivison submitted this was irrelevant. I agree with Mr Ivison that the evidence filed showing the existence of other marks beginning with 'AX' on the register is not relevant to the question of likelihood of confusion between these marks, not least due to the fact that it is not clear if the listed marks are present on the UK market. Whilst I acknowledge the evidence provided by the applicant also shows the existence of one other 'AX' mark on the UK market, I do not find this example alone to be persuasive that there is a real precedent that all 'AX' marks may coexist without confusion, or that I should not simply consider this case on its own merits. Mr Ivison also requested that, should the applicant be successful in this opposition, I take into account the irrelevance of the state of the register evidence when awarding costs. This will be considered if it becomes necessary to do so within the costs section of this decision.

25. Finally, I note the applicant has made submissions that some of the contents of the witness statements filed by the opponent amount to opinion. I find that to an extent both parties have included comments that would be more

appropriately made in written submissions within their witness statements. To the extent that opinion is included within the evidence, this will not be taken as fact within these proceedings.

Proof of use

26. As the trade mark relied upon by the opponent in this opposition had not yet been registered for five years on the date that the application was filed, namely 18 February 2019, the provisions under section 6A of the Act do not apply, and proof of use is not required within this opposition.

DECISION

Section 5(2)(b)

27. Section 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”.

Section 5A

28. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

The Principles

29. The following principles are gleaned from the decisions of the Court of Justice of the European Union (CJEU) 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;

(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.

Comparison of goods and services

30. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975."

31. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(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.

32. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 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”.

33. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court (“GC”) stated that:

“29. In addition, 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 für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

34. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that goods may be considered “complementary” where:

“...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”.

35. The case law provides further guidance on how the wording of goods and services as registered and filed should be interpreted within the comparison. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... 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) (IP TRANSLATOR)* [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.”

36. With these factors in mind, the goods for comparison are below:

Earlier goods	Contested goods
Class 10: Wearable sensors for health and wellness purposes to gather biometric data and also including monitors and displays sold	Class 10: Sports equipment, namely, soccer equipment in the nature of body limb compression sleeves.

<p>as a unit; heart rate monitoring apparatus.</p>	
<p>Class 18: Handbags; traveling bags; briefcases; leather briefcases; leather credit card holders; wallets; leather document briefcases; leather key cases; purses; suit cases; cosmetic bags sold empty; sports bags; evening and shoulder bags for ladies; leather shopping bags; school bags; garment bags for travel; suit carriers for travel; shoe bags for travel; beach bags; diaper bags; backpacks; Boston bags; traveling trunks; duffel bags; overnight bags; carry-on bags; satchels; opera bags; vanity cases (not fitted); hides; cases and boxes made of leather; bags made of leather for packaging; leather straps; umbrellas; leather leashes; saddlery.</p>	
<p>Class 25: Coats; jackets; trousers; skirts; tops; raincoats; overcoats; belts; braces for clothing; suits; stuff jackets; jumpers; jeans; dresses; cloaks; parkas; shirts; T-shirts; sweaters; underwear; baby-dolls being nightwear; bathrobes; bathing costumes; negligée; swim suits; dressing gowns; shawls; neckerchiefs; scarves; ties;</p>	<p>Class 25: Sports equipment, namely, soccer uniforms, namely, shirts and shorts; jackets, pants and sweatshirts, belts, and socks.</p>

neckties; sweat shirts; under shirts; polo shirts; body suits; shorts; combinations [clothing]; wedding dresses; stockings; socks; shoes; slippers; overshoes; galoshes; wooden clog; soles for footwear; footwear upper; boots; ski boots; snow boots; half boots; esparto shoes or sandals; sandals; bath sandals; gloves; mittens; hats and caps; visors (headwear).	
	Class 28: Sports equipment, namely, soccer equipment in the nature of soccer balls, futsal balls, bags specifically adapted for sports equipment, gloves, and nets.

Comparison of goods and services

37. The evidence and submissions of both parties in relation to the trade channels and parties responsible for clothing and sporting clothing and sporting articles have been considered, except where it has been noted that the evidence has been disregarded. However, despite the focus on this point by the parties, I note this is only one of multiple factors to be considered within the comparison of the goods, as outlined by the case law above. I will therefore conduct the goods comparison with consideration to the case law above, drawing on the evidence provided if and when it is appropriate or necessary to do so to assist my conclusion.

38. The applicant has used the word 'namely' in its specification in all three classes. Where this is used, it will define and limit the goods filed to those as listed following this word but within the aforementioned category.

39. The opponent's earlier mark covers both *shirts* and *shorts*. At the hearing, Mr Ivison submitted for the opponent that these goods cover all types of shorts and shirts, including those which are included in the applicant's specification. I agree, and I find these items to be identical to the applicant's goods in class 25, i.e. *Sports equipment, namely, soccer uniforms, namely, shirts and shorts*.
40. The opponent includes the goods *jackets; sweat shirts; belts* and *socks* within its specification of goods. These items are evidently identical to the applicant's *jackets, sweatshirts, belts* and *socks*. The word *pants* in the applicant's specification may be deemed as a reference to underwear. If interpreted in American English, it is possible this is intended as a reference to trousers. Either way, this is identical to the opponent's earlier goods in class 25 which includes both *underwear* and *trousers*. Overall, all of the goods included in the applicant's class 25 are identical to those covered by the opponent.
41. The applicant's class 10 consist of items which are worn to compress the legs or arms. It is my understanding these items help to reduce fluid build-up. In this instance, the applicant's goods are defined as sports equipment, and so I understand these are to be worn by people participating in sports, to reduce swelling and the associated discomfort. Mr Ivison for the opponent submitted at the hearing that these goods are similar to the opponent's class 10 goods, namely *Wearable sensors for health and wellness purposes to gather biometric data and also including monitors and displays sold as a unit* in that they will share users, those being amateur and professional sports people, and they will share a similar purpose, that being for use when playing sport or in athletic training, and that there will be a cross over in trade channels as the items will both be sold in sports shops or on sports websites.
42. It is my view that there may be some cross over in the class 10 goods as they may both include items designed to be worn on the arm or leg, possibly whilst playing in sport. However, it is likely the opponent's goods will include an electronic element, and so ultimately the nature of the goods will differ to a degree. I agree the goods may share users, those being both amateur and

professional sports people. However, whilst both goods may have an overall focus on 'wellness' and have a cross over in users, the applicant's goods for preventing swelling have a very different purpose to the opponent's goods for sensing and monitoring data. I find it unlikely the goods will be in competition or complementary. Without further evidence on this point, it seems unlikely to me that this type of electronic item will be sold by the same entities as those selling compression sleeves, and I do not find the evidence that some fashion houses may sell footballs or ski equipment to have any bearing on this point, although I acknowledge it is possible that trade channels will be shared and I note the goods may be located within the same types of sporting shops and websites as submitted by the opponent. Overall, I find these goods to be similar to a low degree.

43. I note also that the opponent covers 'socks' in class 25. I note the possible similarity between compression socks, and the applicant's goods in class 10. However, noting the classification of the opponent's socks in class 25 as a guide, it is my view that the opponent's goods do not cover compression socks, which I find would fall within class 10. The opponent submitted that the applicant's class 10 goods are similar to at least jackets, swim suits, sweat shirts, under shirts, ski boots, hats and caps, and visors on the basis they are sold specifically for sporting purposes and may share trade channels. For clarity, I do not find the fact that the evidence shows some sporting items are sold by fashion houses shows that these goods, which I find to be distinct from skis and footballs, will also be sold by fashion houses. However, I acknowledge that the various items of sports clothing will be covered by the opponent's specification, and I find that entities responsible for the manufacturing and sale of sports clothing may well also be responsible for the manufacturing and sale of the applicant's goods in class 10, and I find sports clothing may be sold within the same shops, and may be aimed at the same end consumer as the applicant's compression items. However, I find that the intended purpose will differ, one being for clothing and one for compression, and that the goods will not be complementary, nor will they be in competition. I find it likely the nature will likely also differ to at least a degree. I find the applicant's *Sports equipment, namely, soccer equipment in the nature of body*

limb compression sleeves to be similar to the opponent's items such as socks, t-shirts, shorts and sweatshirts, which will include those for sports, to a low degree.

44. The opponent covers the goods *sports bags* in class 18. I understand these may cover more general bags for carrying sports equipment including clothing and footwear, such as those a consumer might carry to the gym, whereas the opponent's goods in class 28, namely, *bags specifically adapted for sports equipment, gloves, and nets* may include more specific or technical features for the purpose described. However, I find these goods will still be of a similar nature and intended purpose, both being bags for the purpose of carrying sports equipment. I find the providers of more general sports bags will likely also sell more specialist bags for sports equipment, and I find the goods will likely share trade channels and will both be sold in sports shops, and will likely be found in the same area of larger shops. There may also be a level of competition between the goods, in that the consumer may choose to purchase a more general sports bag for carrying equipment, or a more specific purpose-built bag. Overall, I find the applicant's goods *Sports equipment, namely, soccer equipment in the nature of [...] bags specifically adapted for sports equipment, gloves, and nets* to be similar to the opponent's *sports bags* to a high degree.

45. The opponent covers various items of clothing in class 25, many of which will cover items of sports clothing, as referenced previously. For example, shorts will cover sports shorts, and polo shirts will include sports polo shirts. In addition, as mentioned above, the opponent covers sports bags. I find I may take judicial notice of the fact that various sporting articles like footballs may be provided by the same entities providing sports bags and clothing, and I note the evidence suggests that this might not only be confined to sports specific clothing brands. I find the opponent's class 25 goods, as well as the sports bags in class 18, may therefore be provided by the same entities and share trade channels with the applicant's *soccer balls* and *futsal balls*, and I note these goods may be located near each other in larger shops or both in sports shops generally. Further, I note the goods may be aimed at the same consumers, namely those engaging in sport. However, the nature and intended purpose of

the goods will be different, and the goods will not be in competition and they will not be complimentary in that they are not important or indispensable to one another. Overall, I find the applicant's *soccer balls* and *futsal balls* similar to the opponent's goods to a low degree.



Comparison of marks

46. 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.”

47. 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.

48. The respective trade marks are shown below:

Earlier trade mark	Contested trade mark
	

49. The earlier mark consists of an A and an X separated by single vertical line which is taller than the letters themselves. The letters appear in simply stylised text. The opponent submits that the impact of typeface and vertical line are not negligible, but the letters AX are the major contributor in the mark. Whilst I do agree that the letters A and X play the greatest role in the earlier mark, I find the dividing line also plays a large role in the overall impression of the mark, particularly due to its size, placement, and the fact it appears so prominently in the centre of such a short mark, and as a divide between the letters. Whilst I acknowledge that a straight line, by itself, is not particularly distinctive, I also do not find the letter A or the letter X will be particularly distinctive alone, and so whilst I have considered this, I do not find it precludes this element from playing a significant role within the overall impression. I agree with the opponent that the font used appears to be fairly simple and less noticeable and plays a significantly lesser role in the overall impression, but I find ultimately this resides in the mark as a whole.

50. The applicant and the opponent hold different views on how the consumer will interpret the contested mark. The applicant submits that the mark is the word 'AXIO' made up of the letters A-X-I-O. The applicant has filed evidence of its use of the mark as the word AXIO and submits this is how it would be viewed by the consumer. The opponent submits on the contrary that the most likely reading of the mark will be AX10, on the basis that the A and X are, the opponent submits, stylised differently from what will be viewed as the number

10. The opponent submits that the applicant's evidence attesting to how they are using the mark is irrelevant, both on the basis that it is the mark as filed that must be considered, and in any case, the use shown is not within the relevant jurisdiction of the UK. I agree with the opponent that it is well established it is the mark as filed and the possibilities of the use of such that I must consider, and that the way the applicant is using the mark or intends to use the mark is irrelevant, as this is subject to change overtime. Instead, I must consider all circumstances in which the mark may be used if registered, which clearly includes use of the mark as it stands without additional reference to the word 'Axio' to guide the consumer.²

51. That said, I agree with the applicant that, on the basis of the mark as filed, the most likely reading of the mark will be the word AXIO. I do not view a noticeable change in stylisation between the letter 'A' and the characters 'IO' in the mark, although the 'X' has additional flair. However, I also acknowledge and agree with the opponent's point that even if I find AXIO will be the most likely reading of the mark, for some consumers, this will be interpreted as AX10, and I must also consider this group of consumers in my assessment. In both cases I find the overall impression of the contested mark will reside in the mark as a whole, but I do find that the letters AX may play a greater role in the mark for consumers who view the contested mark as AX10, on the basis that the number 10 may be indicative of something about the goods, and on the basis that it features at the beginning of the mark where consumers generally pay most attention.³ I find the stylisation, particularly to the 'X' to be notable, and it is my view that it will not be disregarded by the consumer in any case, but that it plays a lesser role than the letters (or numbers) AXIO themselves.

² See *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited* (Case C-533/06, at paragraph 66 of the judgment) in which the CJEU stated that when assessing the likelihood of confusion it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered.

³ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

Visual similarity

52. Visually, the earlier mark is similar to the contested mark to the extent that they both contain the letters A and X. Within the earlier mark, these letters are spaced apart and include a line through the middle of them, whereas the letters are placed together in the contested mark. The separation of the letters and additional line contributes to the visual differences. The contested mark also contains an additional two characters, which makes a bigger difference due to the earlier mark being short, comprising only two letters and the additional line. In both marks the characters are stylised, although the impact of this on the visual difference is generally fairly small, with the exception of the stylised letter 'X' in the later mark, where the extended and pointed line adds slightly more significantly to the visual differences between the marks. Overall, I find the marks are visually similar to between a low to medium degree.

Aural similarity

53. The earlier mark will be pronounced as the two single letters, A-X. I find the line in the mark makes it clear these letters should not be pronounced as one to make an 'AKS' sound. In respect of the contested mark, it is my view that this will most commonly be verbalised as the three syllable word pronounced AKS-EEE-OH. However, I note there will also be consumers who may pronounce the mark AKS-TEN, or alternatively, A-X-TEN. I find in both the first and second possibilities that the marks are aurally similar to a low degree at best. In the third possibility, I find a medium level of aural similarity between the marks.

Conceptual similarity

54. The applicant submits that due to its consistent use with the words Armani Exchange, the consumer will understand the opponent's mark as meaning 'Armani Exchange', and that the applicant's mark will connote the concept of an axis. The applicant submits that on this basis, the marks are conceptually dissimilar.

55. Within Mr Croce's initial witness statement it is also submitted that the earlier mark is "known to be short for Armani Exchange".⁴ At the hearing, Mr Ivison for the opponent submitted that intrinsically, the marks hold no meaning, but that despite this, on the basis that they coincide in the use of the letters AX, they share a level of conceptual similarity.

56. It is my view that for the most part neither mark will convey any meaning to the consumer, rendering them conceptually neutral. I do not find that the existence of the same two letters in each mark provides the marks with a conceptual meaning that can therefore be construed as conceptual similarity, nor do I find the opponent's use of the mark alongside the wording 'Armani Exchange' provides the earlier mark with a conceptual meaning that is distinct from the applicant's mark.

Average consumer and the purchasing act

57. 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*.

58. 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

⁴ See paragraph 6

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.”

59. I find that the relevant consumer of the goods in class 25, including the sporting articles, will consist primarily of members of the general public. Clothing and footwear items will be purchased fairly commonly by the general public, most often without the need for a heightened degree of care and attention. I note the discussion about whether the opponent’s clothing is ‘high end’, but I must consider the goods as registered, which will include items at a range of costs, including low cost items. However, I do consider that prior to making a purchase of clothing, the general public is likely to consider various aspects of the same, such as the style, the quality, the aesthetics and the practicality of the articles. In addition, I note there may be certain articles in the opponent’s specification, such as ski boots, which naturally sit at a higher price point and will be purchased less frequently, and so they may receive a slightly higher level of attention. Considering these factors, I find the general public will pay at least an average degree of attention in respect of the class 25 goods.

60. In respect of the sports bags in class 18, and the sporting articles in class 28, again I find a large portion of the relevant consumer of these goods will be members of the general public. Whilst these items may not be purchased particularly frequently, I do not find that there will be a need for a heightened degree of attention to be paid by the general public when purchasing the same, although considerations such as suitability and practicality for their particular needs will be considered with the items such as bags. Overall, I find the general public will pay an average degree of attention when purchasing these goods.

61. In respect of the goods falling into class 10, these appear to be focused on athletic or general health, and may be aimed at more serious athletes for

treating or preventing discomfort and monitoring health or progress, or at someone experiencing health issues. It is my view that more thought and consideration will be put into making the correct purchase of these goods. The compression sleeves may have a direct impact on the athlete's performance, and the wearable sensors will likely be purchased by professionals, including health professionals as well as more serious athletes, and will likely retail consistently at a higher price point. I do find that the consumers of these items will include the general public, but it is my view that where the general public will purchase these items, an above average degree of attention will be paid. Where these are purchased by health professionals, professional athletes or coaches, a fairly high degree of attention will be paid to these goods in class 10.

62. In respect of the goods in class 18, 25 & 28, I note these may also be purchased by professionals as part of their job, for the purpose of stocking smaller retail stores for example, and also by professional athletes or coaches. These professionals are likely to pay a higher degree of attention than the general public, as it will be important that the correct purchases are made in these roles. I find the attention paid by these consumers will be above average in respect of the goods.

63. In respect of all of the goods, I find these will normally be purchased following visual inspection, either in stores or online. However, I cannot discount there may be an aural element to the purchase, as there may be verbal assistance from retail staff, although I find there is little chance the goods would be purchased based on aural selection alone. There is also the possibility that word of mouth recommendations will be made, particularly in relation to the goods in class 10 where more research may be done, and more opinions may be sought prior to purchase.

Distinctive character of the earlier trade mark

64. 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).”

65. I find the earlier mark has no meaning in relation to the goods, and it is neither descriptive nor allusive of the same. I also find the mark has no meaning beyond the letters A and X. I note the earlier mark is particularly short, comprising of only two letters with the line between them. Marks consisting of two letters only are relatively common and I find the letters AX alone hold only a low level of distinctiveness, although I find the stylisation and layout of the mark, including the prominent line separating the letters, adds to the inherent

distinctiveness of the mark overall. It is my view the earlier mark is inherently distinctive overall to a medium degree.

66. The opponent argues the mark holds an enhanced level of distinctive character due to the use made of the same. The applicant has noted within its written submissions that an enhanced level of distinctive character was not pleaded by the opponent. At the hearing, Mr Ivison for the opponent directed me to the UK Intellectual Property Office decision issued by Mr Oliver Morris in the opposition against the trade mark NEXT LEVEL,⁵ in which Mr Morris stated as follows:

“In my view, and whilst I accept the general point that pleadings should be as full as possible so as to set out the scope of the dispute, the absence of any specific reference in the pleadings to enhanced distinctiveness is not fatal to the opponent’s case. This is because the assessment of distinctiveness is one of the fundamental factors that needs to be assessed in every case and, as is clear from the case-law, this can come from either the inherent nature of the mark, its use, or indeed a combination of both. Therefore, if evidence has been filed, which it has in the case before me, it is incumbent upon me to factor that evidence into the assessment to decide upon the overall distinctiveness of the earlier mark. It would be perverse to do otherwise, as it would require a pretence as to the true level of distinctiveness on the part of the average consumer, based on a technicality.”

67. Whilst I am not bound by the decisions issued by other Hearing Officers in UK opposition proceedings, I agree fully with the reasoning set out by Mr Morris above, and I find this to be the correct approach to take in instances where enhanced distinctive character is not specifically pleaded. For this reason, I will consider the possible enhanced distinctiveness of the opponent’s mark with consideration to the use made of the same.

⁵ Case O-379-19

68. I note the applicant's submission that the mark itself is rarely used alone, and that it will not have achieved an enhanced degree of distinctive character in itself. Whilst I note that the mark is often used alongside the wording 'Armani Exchange', I also note this is not always the case. Further, even where the mark is used alongside this wording, it is in my view that it maintains its ability to be viewed as an independent indicator of origin, and I find that the use in the manner displayed would be capable of both acquiring distinctive character and maintaining rights in the mark,⁶ and so I see no reason this use would not also be capable of enhancing the distinctive character of the earlier mark if there is enough of it.

69. At the hearing, I asked Mr Ivison for his comment on the statement made by Mr Croce at paragraph 20 of his initial witness statement, namely that the mark "and by extension, AX" had an enhanced degree of distinctive character. Mr Ivison stated that the opponent was not suggesting that they were relying on anything other than the mark as registered, and that the evidence showed very extensive use had been made of the "A line X" mark, most obviously in relation to various items of clothing.

70. I consider that the mark has been in use in the UK since 2007, and that the UK sales under the mark, at least for the period of 2015 to 2019, are significant. However, I note that no figures have been provided in relation to the size of the clothing market and accessories market in the UK, which I expect will be very large, and so it is not possible to determine exactly how the opponent's figures interact with the same. However, I note that the opponent has spent significant and increasing sums on the promotion of its mark for the period between 2015 – 2019, spending over 1.3 million GBP in 2019. The opponent has not provided me with a breakdown of the sales and promotion for particular types of goods, and whilst it is not always clear which item or items are being promoted through the advertisements, there does appear to be a considerable focus on watches and eye wear in many of these,

⁶ *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

which are goods not contained within the opponent's specification. Further, despite the focus on the opponent's relationship with sport, I do not find from the evidence that the opponent will have enhanced the distinctive character of the mark in the UK in respect of sporting goods included in its specification in particular. However, I note the description of the opponent as a clothing brand on its Facebook page, and its use of the mark in relation to items including trousers and t-shirts in particular, in addition to shoes and jackets.

Considering all of the evidence, I am satisfied that on balance, the distinctive character of the earlier mark will have been enhanced to a fairly high degree in relation to these goods, and in respect of the closely related clothing items as included within the opponent's class 25.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

71. Prior to reaching a decision under Section 5(2)(b), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 29 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, 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 they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive character held in the earlier mark will have an impact on the likelihood of confusion. I must consider that the likelihood of confusion may be increased where the distinctive character held in the earlier mark is high and may be less likely where it is low. I must remember that the distinctive character of the earlier mark may be inherent, but that it may also be increased through use, and that the distinctiveness of the common elements

is key.⁷ I must keep in mind that a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa. I must also consider that both the degree of attention paid by the average consumer and how the goods are obtained will have a bearing on how likely the average consumer is to be confused.

72. I consider at this point that there are two types of confusion that I may find.

The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.⁸

73. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

74. I found the goods ranged from identical to similar to a low degree. I found the earlier mark to be visually similar to between a low to medium degree to the contested mark, and aurally similar to a medium degree where the contested mark is pronounced A-X-10, and to a low degree where it is not. Conceptually, I found the marks to be conceptually neutral. I found the average consumer will be both members of the general public and professionals, paying between an average to a fairly high degree of attention depending on the goods. I found the goods will most likely be purchased visually, but that aural considerations cannot be completely discounted. I found the letters AX alone

⁷ See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.

⁸ *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10

to be inherently distinctive only to a low degree, but I found the earlier mark to be inherently distinctive to a medium degree as a whole, and that this has been increased in respect of the mark as a whole to a fairly high degree through use in respect of some of the class 25 goods.

75. Firstly, I consider the position in respect of direct confusion. With consideration of all of the factors above, even considering the opponent's strongest position (which I find is assuming that the consumer will view the contested mark as the characters A-X-10), and keeping in mind the identity of the goods and the fairly high degree of distinctive character in the earlier mark, I find the visual and aural differences between the marks are such that the consumer will not mistake one mark for the other. I find no likelihood of direct confusion.

76. In respect of indirect confusion, I note the applicant has identified the three examples of when indirect confusion may occur as set out in *L.A. Sugar*. In this case, Mr Ian Purvis Q.C. set out at paragraph 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).”

77. The applicant submits that none of these categories apply in this instance, and there is therefore no likelihood of indirect confusion. I agree that none of these categories ‘fit’ exactly to this case, although I note the opponent submits that the addition of 10 is the addition of a non-distinctive element which one would expect to find in a sports sub brand, and these arguments suggest this case may be most similar to the circumstances set out in category (b) above. I also remind myself at this stage that the categories set out by Mr Purvis Q.C. in *L.A. Sugar* are not exhaustive.

78. With this in mind, I will consider the likelihood of indirect confusion, again starting with the opponent’s strongest position where consumers perceive and pronounce the later mark as A-X-10. I note that in these circumstances, the letters A and X will be verbalised identically in the marks, however, they do not appear identically visually due to the line separating the A and X in the earlier mark, and the stylisation of both marks, most notably the ‘x’ in the contested mark. However, I remind myself that the common elements of marks do not need to appear identically in each mark in order to result in indirect confusion. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), considering the impact of the CJEU’s judgment in *Bimbo*, Case C591/12P, on the court’s earlier judgment in *Medion v Thomson*:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

79. It is the opponent's position that the consumer will view the contested mark as consisting of the two elements; the initial A-X, followed by the number 10. The opponent argues that the number 10 may be viewed as referring to the 10th iteration of the goods. The opponent also references another of the

opponent's marks 'EA7' and submits this shows brands often use numbers to reference a line of sporting goods. Whilst I do not find the opponent's reference to EA7 alone persuasive that this is common practice, I do agree with the opponent that to some consumers, the number 10 could be interpreted as reference to a particular line of clothing as is submitted. I also note that sub brands are common in respect of clothing goods. I have considered the evidence filed, and the opponent's submission that the consumer will be used to seeing parties responsible for clothing items expanding into sportswear and sporting goods.

80. However, I note the third point set out in *Whyte and Mackay Ltd* above, and I find that in any case, even a case where the matter falls neatly into the examples set out in *L.A. Sugar Limited*, or follows the first and second points set out in *Whyte and Mackay Ltd*, it will still be necessary to carry out a global assessment considering all factors of the case, and there is no tick box exercise capable of establishing indirect confusion. I will therefore keep this in mind as I consider all of the relevant factors to determine if a likelihood of indirect confusion exists.

81. I note there is identity between many of the goods filed and the protected specification, which weighs in favour of the opponent in this case. I also note that the goods will be primarily purchased following visual inspection, and that I have found the marks to be visually similar to between a low to medium degree. Whilst I note that the verbal element is a factor in the overall assessment, it does not necessarily counteract the visual differences, and it is just one of the elements to consider.⁹ I have found the earlier mark to have enhanced its distinctive character to a fairly high degree in respect of some of the goods. Whilst I find this also weighs in favour of the opponent, I consider that I have found the enhanced degree is held in respect of the mark as registered in its stylised form, and not simply in respect of the use of the two letters A and X, which are inherently distinctive to a low degree, although I do note that A and X play the largest role in the earlier mark. I note that the

⁹ See *Royal Academy of Arts v Errea Sport S.p.a.* BL O/010/16

stylised form in which the fairly high degree of distinctive character of the earlier mark is held is not reproduced and does not feature similarly in the contested mark, which has been filed in its own stylised form. Further, I consider the consumer will be paying at least an average degree of attention towards the goods.

82. I have carefully considered the factors above, and I have asked myself whether the combination of these factors, many of which do weigh in favour of the opponent, will result in a likelihood that the consumer will be confused into thinking that the presence of the letters A and X in each mark indicates that the goods derive from the same economic undertaking. However, it is my view that when considering the matter globally, this will not be the case. Particularly I consider the visual differences between the A and X in the earlier mark and contested mark, and I find this will be sufficient in this instance to avoid any likelihood of indirect confusion in respect of the goods. Whilst I acknowledge that for some consumers who perceive the later mark as A X 10, the earlier mark may be brought to mind, it is my view this will be mere association and not confusion that the marks derive from the same economic undertaking, as there will be too many differences between the marks to overlook in order to reach this conclusion. Further, if there were to be a portion of these consumers that would put this down to more than mere association, it is my view this would be the case amongst only such a small minority, that this would not be sufficient to warrant the refusal of this mark. For completeness, I note that as the opponent's best case is that consumers will interpret the later mark as A-X-10, I also find no likelihood of indirect confusion where the consumer will interpret the later mark as the word AX-10 or AXIO.

Final Remarks

83. The opposition has failed, and the application will proceed to registration in its entirety.

COSTS

84. The applicant has been successful and is entitled to a contribution towards its costs. At the hearing, Mr Ivison for the opponent requested that in these circumstances, I should take into account the fact that the state of the register evidence filed by the applicant was irrelevant, and award costs at the lower end of the scale. I agreed with Mr Ivison that this evidence was of no assistance to the applicant's case, and although it was not the sole evidence filed by the applicant, I do find the applicant has been successful without much assistance from any of the evidence filed. However, I also consider the applicant was required to consider the opponent's evidence filed. In the circumstances I award the applicant the sum of £1200 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the TM7 and preparing and filing the counterstatement	£250
Preparing evidence and considering and commenting on the opponent's evidence	£600
Preparing and filing written submissions	£350

85. I therefore order Giorgio Armani S.P.A. to pay SEH International, Ltd. the sum of £1200. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 4th day of June 2021

**Rosie Le Breton
For the Registrar**