

O-083-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2282291
BY DERICCI LEATHER PRODUCTS LIMITED
TO REGISTER A TRADE MARK IN CLASSES 18 AND 25**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 90121
BY NINA RICCI**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 2282291
by Dericci Leather Products Limited to register a
Trade Mark in Classes 18 and 25**

and

**IN THE MATTER OF Opposition thereto under No. 90121
by Nina Ricci**

BACKGROUND

1. On 4 October 2001 Dericci Leather Products Limited applied to register the trade mark DERICCI in Classes 18 and 25 of the register for the following specifications of goods:

Class 18:

Leather handbags, rucksacks, purses, briefcases, travel holdalls.

Class 25:

Leather trousers, skirts and jackets.

2. The application was subsequently published in the Trade Marks Journal and on 28 February 2002 Nina Ricci filed a Notice of Opposition under Section 5(2)(b) of the Act because the mark applied for is similar to the following earlier trade marks owned by the opponent which cover identical and similar goods and there exists a likelihood of confusion on the part of the public –

| Registration No. | Mark | Specification of goods |
|------------------|------------|--|
| 1211955 | NINA RICCI | Class 25: Dresses, blouses, skirts, jackets. |
| 2168359 | NINA RICCI | Class 09: Sun glasses and optical glasses; glasses cases. Class 14: Jewellery, precious stones; horological and chronometric instruments. Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks. |
| 1550910 | NINA RICCI | Class 25: Suits, jackets, trousers, shirts, blouses, sweatshirts, T-shirts, parkas, windcheaters, raincoats, coats, swimming suits, skirts, dresses, underwear, ties, scarves, socks, belts, |

| | | |
|--|--|---|
| | | gloves, stockings, tights, shoes, hats, fur coats, clothing made of fur, pullovers. |
|--|--|---|

3. The applicant filed a Counterstatement denying the grounds of opposition.
4. Both parties filed evidence and asked for an award of costs in their favour. The opponent also forwarded written submissions. The parties are content for a decision to be taken without recourse to a hearing.

OPPONENT'S EVIDENCE

5. The opponent's evidence consists of a statutory declaration by Robert McClatchie dated 9 October 2003. Mr McClatchie is the Managing Director of PUIG UK Limited, which, he explains, is the licensee and distributor for Nina Ricci in the United Kingdom.
6. Mr McClatchie states that goods bearing the trade mark NINA RICCI have been on the market in the UK since the late 1950s and the early 1960s. He adds that the trade mark originally used was NINA RICCI SA FRANCE and this company was sold to the PUIG Group in 1998. Mr McClatchie refers to Exhibit RM2 to his declaration which contains examples of the use of the mark applied for in the UK. The bulk of the examples relate to packaging for perfumes but two clothing labels are also attached.
7. Mr McClatchie states that approximate turnover figures for sales of goods bearing the trade mark in the UK in the last five years are as follows:

| Year | Turnover - £'s Cosmetics and Perfumes | Turnover - £'s Clothing |
|-------------|--|------------------------------------|
| 1997 | 64,300 | 61,000 |
| 1998 | 1,524,000 | 48,300 |
| 1999 | 1,951,000 | 21,400 |
| 2000 | 2,260,000 | 1,390,000 |
| 2001 | 3,936,000 | 3,145,000 |
| 2002 | 5,234,000 | |

8. Mr McClatchie draws attention to Exhibit RM2 to his declaration which contains copies of invoices relating to NINA RICCI clothing. He adds that sales of goods bearing the trade mark take place throughout the country via all major department stores. In support, he refers to Exhibit RM3 containing photographs of different cosmetic and perfume counters in department stores.
9. Turning to advertising and promotional expenditure, Mr McClatchie states that the amount spent on goods bearing the trade mark over the last five years was as follows:

| Year | Amount - £'s |
|-------------|---------------------|
| 1998 | 223,000 |
| 1999 | 506,000 |
| 2000 | 529,000 |
| 2001 | 1,595,000 |
| 2002 | 709,000 |

10. Mr McClatchie goes on to refer to Exhibit RM4 to his declaration which gives a breakdown in relation to promotional activities. He explains that promotional activities also take place at point of sale and include the giving of free gifts.

11. Mr McClatchie states that the advertising that his company carries out, appear in magazines which are distributed throughout the UK and are aimed at various different sectors of the public. Examples of the magazines given are monthly glossies such as Red, Marie Claire, Good Housekeeping, Elle, Cosmopolitan, Glamour, Tatler, Harpers & Queen, Vogue, Newspaper supplements such as You Magazine and Telegraph Magazine, weekly magazines and men's magazines such as GQ, Maxim and Men's Health. He adds that Nina Ricci products have also been featured in various press articles in such newspapers as the Sunday Telegraph and Manchester Evening News. Exhibit RM6 to Mr McClatchie's declaration contains copies of advertisements in relation to numerous products which include clothing.

APPLICANT'S EVIDENCE

12. The applicant's evidence consists of a witness statement by Edis Cinar. Mr Cinar is Director of Dericci Leather Products Limited.

13. Mr Cinar explains that his company has operated in the UK since 1995 and is in the business of sale of leather handbags and other items of luggage as well as leather clothing. He states that his company has also used the trade mark FABIO DERICCI. The DERICCI trade mark has been in use since 1999.

14. Mr Cinar sets out the following turnover figures relating to the sale of goods during the period 1999 – 2003:

| Year | Turnover (£) |
|-------------|---------------------|
| 1999 | 100,000 |
| 2000 | 140,000 |
| 2001 | 146,000 |
| 2002 | 185,000 |
| 2003 | 530,000 |

15. In support of his claim to use of the DERICCI trade mark since 1999, Mr Cinar refers to Exhibit AC1 to his statement which contains sample invoices and correspondence referring to Dericci Leather Products Limited.

16. Mr Cinar states that the trade mark DERICCI is derived from the Turkish word "deri" meaning leather combined with the letters "ci" which mean maker of. He adds that the mark is always presented in capital letter format and Mr Cinar believes that, as a result, it will be perceived as a surname or alternatively an invented word of international origin.

17. Mr Cinar states that his company's products are distributed through agencies and through retail outlets and he adds that his company has three outlets, photographs of the "fronts" of which are at Exhibit AC2 to Mr Cinar's statement. The word DERICCI is often preceded by the word "Fabio" in the shop names, although there are instances where DERICCI is shown

without the preceding word “Fabio”. Exhibit AC3 to Mr Cinar’s statement contain copies of pages from the applicant company’s 2003 and 2004 handbag catalogues.

OPPONENT’S EVIDENCE IN REPLY

18. The opponent’s evidence in reply consists of a witness statement by Alison Elizabeth Fraser Simpson dated 29 December 2004. Ms Simpson is a trade mark attorney and a member of Urquhart-Dykes & Lord, the opponent’s professional advisors in these proceedings.

19. Ms Simpson refers to the applicant’s submission that the trade mark DERICCI is derived from the Turkish word DERI meaning “leather”, combined with the letters CI meaning “maker of”. In response, she draws attention to Exhibit AS1 of her statement which is a printout of Companies House online database which shows that Dericci Leather Products Limited was previously named Derico Leather Products Limited, the change of name taking place in 1998. Ms Simpson submits that this does not support the applicant’s contention.

OPPONENT’S WRITTEN SUBMISSIONS

20. The opponent’s written submissions are attached to a letter dated 17 February 2005, from Urquhart-Dykes & Lord LLP.

21. Regarding similarity of marks, the opponent submits that the prefix DE in the applicant’s mark would be recognised as the French for “of” and the word RICCI would be exclusively associated with the opponent. As a result, the mark would be seen as a direct reference to goods emanating from the opponent. The opponent also submits that normal, fair use of the applicant’s mark would encompass the mark presented as De Ricci, which would heighten the scope for confusion.

22. Turning to the respective goods, the opponent contends that the application clearly covers identical goods to the goods covered in Classes 18 and 25 of the opponent’s earlier registrations.

23. The opponent goes on to make the following additional points:

- (i) The applicant’s turnover figures do not specify the amount of turnover which relates to products sold under the DERICCI mark only;
- (ii) The sample letter and invoices of the applicant does not suffice to prove use of the DERICCI mark since 1999;
- (iii) The English speaking public will be unaware of any Turkish derivation of the word RICCI but it is likely to be seen as a surname preceded by the prefix DE which is likely to be known by the English speaking public as meaning “of”, so that the mark will be interpreted as “of RICCI”;
- (iv) The pictures of the stores show that the mark FABIO DERICCI is used;
- (v) The handbag catalogues do not show use of the mark in suit and there is no information as to how these catalogues are distributed.

24. This completes my summary of the evidence filed and the submissions. I turn now to the decision.

DECISION

Section 5(2)(b)

25. Section 5(2) of the Act reads as follows:

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

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

26. An earlier right is defined in Section 6, the relevant parts state:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks”.

27. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

28. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*;

- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*;
- (g) account should be taken 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 was registered; *Lloyd*;
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*;
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*.

29. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) considerations in that it may enhance the distinctive character of the mark at issue and widen the penumbra of protection for such a mark. The opponent has filed evidence relating to the use of its NINA RICCI trade mark. The evidence confirms use of the mark, provides information on the turnover of goods sold under the mark, and also shows examples of how the mark is promoted. The market for the relevant goods in these proceedings ie. clothing and bags, is a very large one. Nevertheless, on the basis of the evidence provided I am able to find that at the relevant date for these proceedings (4 October 2001) the opponent had, to some degree, a reputation in respect of clothing. However, the evidence does not show that the mark has been used to any significant degree in respect of bags.

30. The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was recently considered by David Kitchen QC sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I

do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion.”

31. In the present case it seems to me that the opponent’s NINA RICCI mark is fully distinctive in an inherent context, notwithstanding any reputation in relation to clothing. It is entitled to a wide penumbra of protection in relation to both the Class 25 and Class 18 goods for which it is registered. I shall take this into account.

32. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those differing elements, taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, in addition to making comparisons which take into account the actual use of the respective marks, I must compare the mark applied for and the opponent’s registrations on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods within the respective specifications.

33. The applicant claims use of its mark since 1999 which goes to the point that the opponent has not demonstrated any instances of confusion in the market place. However, the applicant’s use appears to be in relation to bags, which are not goods in which the opponent appears to have any significant turnover. Furthermore, the applicant’s goods appear to be sold largely through its three retail outlets, outside of which the name FABIO DERICCI is prominent. In any event, the fact that no actual instances of confusion are demonstrated is not necessarily telling in relation to relative grounds – see *Compass Publishing BV v Compass Logistics Ltd* [2004] EWCA (Ch). As stated earlier, the comparisons must take into account notional, fair use of the respective marks across the full width of the relevant specifications.

34. I turn to a consideration of the respective goods covered by the application in suit and the opponent’s earlier registrations. It is obvious that the respective goods in Classes 18 and 25 are identical.

35. Now, a comparison of the respective marks. The mark applied for consists of the word DERICCI, the opponent’s earlier mark consists of the two words NINA RICCI.

36. The guiding authorities make it clear that I must compare the marks as a whole and by reference to overall impression. However, as recognised in *Sabel BV v Puma AC* (mentioned earlier in this decision) in any comparison, reference will inevitably be made to the distinctiveness and dominance of individual elements. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how the marks would be perceived by customers in the normal course and circumstances of trade. I must bear this in mind when making the comparisons.

37. There is no evidence before me as to how the respective marks would be perceived by the relevant customer for the goods ie. the public at large. The applicant submits that its mark is derived from Turkish words meaning ‘maker of leather’ but I do not believe this would be apparent to the relevant customer in the UK. Furthermore, the applicant also submits that its mark would be perceived as a surname or a word of international origin. In my view this latter submission has merit. It seems to me that the customer encountering the mark in suit would not perceive it as having any particular meaning but could well think it was a surname or word of Southern European origin, or possibly an invented word with a Southern European nuance.

38. The opponent submits that the public would perceive DERICCI as being essentially two words – the prefix DE meaning ‘of’ and the word RICCI, the second word of the opponent’s earlier mark. Furthermore, the opponent also submits that normal fair use of the applicant’s mark would include use as DeRicci ie. two words. In my view the opponent’s approach amounts to an artificial dissection of the applicant’s mark. It is far from obvious as to why the UK customer encountering the trade mark DERICCI in the normal course of trade, would go on to divide the mark into two elements and take the message that the mark means “of RICCI”. I do not believe this is the overall impression conveyed by the mark in suit. Turning to the issue of normal, fair use, it is my view that splitting the mark DERICCI into two separate words ie. DeRicci, alters the identity of the mark to a material degree. On a prima facie basis it seems to me that the above amendment would not constitute normal fair use of the mark in suit and on this point I note that there is no evidence to show that the applicant has used the mark in this amended form.

39. I go to a visual comparison of the respective marks. The opponent’s mark consists of two words, which in my view are likely to be perceived as a full name, albeit an unusual and highly distinctive name. The applicant’s mark consists of one word, which could be perceived as a surname, or foreign, or invented word. The first word within the opponent’s mark, NINA, is a distinctive and striking element within the mark as a whole. It shares no similarity with the applicant’s mark. On the other hand, the second word RICCI, which is also a striking and distinctive element is subsumed within the opponent’s DERICCI mark. However, the letters DE in the applicant’s mark, appear before the RICCI element or suffix. This difference is obvious and important, so that when the marks are considered in their totalities, they look different overall and indicate different business undertakings.

40. In relation to the aural comparison of trade marks used in respect of articles of clothing, I agree with the view expressed by the Registrar’s Hearing Officer in the matter of Opposition thereto by Update Clothing Limited under No. 45787 (BL O/258/98) when he said:

“There is no evidence to support Ms Clarke’s submission that, in the absence of any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection of goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely *primarily* on visual means to identify the trade origin of clothing, although I would not go so far as to say that aural means of identification are not relied upon”.

41. This view was supported on appeal to the Appointed Person (*REACT Trade Mark* [2000] 8 RPC 285 lines 22 to 26) and I believe it appropriate to the present case. I also believe it relevant to bags (particularly hand bags) where purchasing considerations are similar.

42. In aural use, the differences apparent in visual use ie. the additional dissimilar word within the applicant's mark and the different commencement to the applicant's mark from that of the second word within the opponent's mark, would also be apparent. In spoken use, the marks would sound different overall and be readily distinguished.

43. Conceptually both marks could be perceived as names. However, the applicant's mark would be perceived as a surname, whereas the opponent's mark would be perceived as a full name. In my view, the names or marks would be regarded as being different overall.

44. In my considerations I must also consider the relevant customer for the goods, which, in these proceedings, are the public at large. The relevant goods are often necessities as well as being fashion items and are sold through a wide variety of outlets and at a wide range of prices. They are usually purchased with a reasonable degree of care e.g. as to size, colour, appearance, function, and after a visual reference.

45. On a global appreciation, taking into account all the relevant factors, I have reached the conclusion that while the goods of interest are identical, the differences in the respective trade marks are such that there is no likelihood of confusion to the average customer for the goods.

46. The opposition under Section 5(2)(b) of the Act fails.

COSTS

47. The applicant is entitled to a contribution towards costs and I order the opponent to pay the applicant the sum of £1,100, which takes into account that no hearing took place on this case. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 23rd day of March 2005

JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General