

O/102/12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION 2537062
BY INNERSPACE GB LTD TO REGISTER THE TRADE MARK**

ORION

IN CLASSES 14, 18, 25, 35 AND 42

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 100590
BY ORION VERSAND GMBH & CO KG**

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**IN THE MATTER OF Application No 2537062
By Innerspace GB Ltd to register the trade mark**

ORION

and

IN THE MATTER OF opposition thereto under No 100590 by Orion Versand GmbH & Co KG

BACKGROUND

1. On 21st January 2010, Innerspace GB Ltd ('Innerspace') applied to register the mark as above in classes 14, 18, 25, 35 and 42. Following amendment, the goods and services, the subject of this partial opposition, are as follows:

Class 25

Womens clothing; not including lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, tights, nightshirts and nightdresses.

Class 35

Advertising; marketing services; promotion services; demonstration of goods; advertising and promotion of goods and services available by electronic mail order and the Internet; wholesale services connected with the sale of womens clothing, leather and imitations of leather, animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith; television and direct mail advertising, marketing and sales promotional services; providing online shopping services offering a wide variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith via a global computer network; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently

view and purchase those goods in a department store or a retail store; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise Internet web site; the bringing together, for the benefit of others, of a variety womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise catalogue by mail order or by means of telecommunications; none of the above services relating to lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, tights, nightshirts and nightdresses.

2. The application was allocated number 2537062 and was published in the Trade Marks Journal on 19th March 2010, and on 9th June 2010 Orion Versand GmbH & Co KG ('Versand') lodged an opposition against the goods and services specified above.
3. Versand has opposed on the basis of section 5(1) and 5(2)(a) of The Trade Marks Act 1994 ('the Act'), citing the following earlier trade marks:

| Marks. Filing and registration dates | Goods and services relied upon under section 5(1) and 5(2)(a) |
|--|--|
| UK 1422615 ('615) ORION 21 st March 1990 4 th February 1994 | <p>Class 3 Cosmetics, perfumery and essential oils, hair lotions, soaps; all included in Class 3.</p> <p>Class 25 Lingerie; underclothing for men; pyjamas; gloves for women; stockings; belts for wear; footwear; headgear; tights; nightshirts and nightdresses; all included in Class 25.</p> |
| CTM 6102776 ('776) | <p>Class 35</p> |

| | |
|---|---|
| <p>ORION</p> <p>6th July 2007</p> <p>16th June 2008</p> | <p>Retail services, wholesale services, retail mail order services, retail/wholesale Internet services, retail teleshopping services in relation to bleaching preparations and other substances for laundry use; preparations to clean, polish, degrease and abrade; soaps;perfumery, essential oils, cosmetics, in particular skin creams (cosmetic), skin care preparations (cosmetic), cosmetics, lotions for cosmetic purposes, oils for cosmetic purposes, massage oils, massage fluids and gels, orgasm creams, desensitising preparations, not for medical purposes;pharmaceutical preparations, in particular lubricants, aphrodisiacs, lubricating creams and gels, massage oils, massage fluids, massage lotions, potency-enhancing preparations for external and internal use, orgasm creams, desensitising preparations, for medical purposes;sanitary preparations for medical purposes;dietetic substances adapted for medical use; magnetic data carriers, recording discs;vibromassage apparatus, massage apparatus with and without motors, massage balls, artificial limbs, rubber dolls being sexual aids, vacuum penis pumps, medical and hygienic rubber goods, condoms;hygienic sex products and aids of silicon and other plastics, namely love balls, penile rings, dildos and functioning representations of human body parts, in particular sex organs;precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; paper, cardboard and goods made from these materials, not included in other classes; printed matter;photographs; stationery;plastic materials for packaging, included in class 16;leather and imitations of leather, and goods made of these materials and included in class 18; whips, harness and saddlery; clothing, footwear, headgear;games and playthings, in particular erotic games and toys for adults, namely games, toys and accessories for erotic and sexual games, parlour games, card games, playing cards, dice, dice cups, jokes,</p> |
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| | |
|--|--|
| | dolls for erotic and sexual games;erotic sporting equipment, included in class 28; alcoholic beverages (except beers). |
|--|--|

4. I should mention that '615 is used as the sole basis for attack against Innerspace's class 25 goods and '776 as the sole basis for attack against Innerspace's class 35 services.
5. As regards the attack against Innerspace's class 25 goods, Versand says in its statement that the marks in question are identical and that companies selling clothing of any kind may also sell lingerie and underwear and moreover it is also the case that clothing companies also offer cosmetics and perfumery under the same brand. Overall there is a likelihood of confusion.
6. As regards the attack against Innerspace's class 35 services, Versand provides no further elaboration in its statement of case as to why there is likelihood of confusion.
7. Innerspace filed a counterstatement denying that there is any likelihood of confusion. Specifically, it requests Versand to prove use of its '615 mark. It admits the respective marks are identical but denies the respective goods and services are identical or similar, such that there exists a likelihood of confusion. It notes that as of 16th August 2010 it had amended its specification to delete any potentially conflicting goods.
8. The amendment offered and effected in August 2010 had restricted the specification in class 25 to women's clothing, but not including lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, tights, nightshirts and nightdresses, where previously the specification had been for clothing, footwear and headgear at large. A matching amendment had been offered in classes 35 and 42 which is not the subject of this opposition. This amendment in the form of a limitation had not however persuaded Versand to withdraw the opposition.
9. Both parties filed evidence and written submissions which I shall take into account. Neither party wished to be heard and consequently this decision is made after a careful reading of the papers. Both parties sought costs.

Opponent's evidence

10. This takes the form of a witness statement dated 16th December 2010 from Maike Rotermund who is Chief Executive Officer Finance and Administration at Versand. He says the mark ORION was used for the promotion and

distribution of the goods registered in classes 3 and 25 since 1994, in particular for perfumery and lubricants since 2007 and also lingerie, tights, stockings and nightwear since 2007.

11. Exhibit MR 1 comprises screenshots from the ORION website (in English and described as an internetstore) showing the ORION AQUA O Lubricant and massage oils. These products have, says Mr Rotermund, been offered, promoted and distributed in Europe, including the UK, via the English-speaking ORION internetstore, as well as ORION wholesale since 2007. Exhibit MR2 consists of photographs of the ORION product 'BE MINE', a perfume described as 'Exclusive by Orion'; also sold in the UK via the English-speaking internetstore since 2007.
12. Exhibit MR3 comprises, in Mr Rotermund's words, "a collection of package photographs in which the products are sold worldwide, also in the United Kingdom via the ORION internetstore, as is shown on the screenshots of the internetshop". This package comprises two sets of photographs, the first being taken from the ORION internetshop which shows descriptions of the products in English but prices in Euros. Down the left side of the screenshots are links to various sections of the internetshop such as the 'Christmas shop', 'Novelties' and 'Bargains'. At a further level, specific items of clothing are listed such as bras, suspenders sets, swimming wear, bodies, catsuits, corsages, slippers and thongs, as well as material such as vinyl, latex, leather. The word ORION appears in bold in red at the top of the various pages and to the side, "100% erotic". Although the bulk of the products are for women, products such as novelty briefs are available for men also.
13. The second set of photographs contained in MR3 appears to be of product packaging. This is a large collection showing individual, modelled, items, described variously as, eg Netz- Kleid & String, Lack Arm Stulpen, Kleid, Body, Body & Strümpfe, Body Set, Straps Set, Straps-Hemd, Netzset, Catsuit, Strumpf-Band, String, Straps-gürtel, String- Oouvert, Straps String, Bikini and BH set. The brand 'LA FINESSE DESSOUS' also appears on each of the packages along with the red ORION sign. The words, in the form of a stamp 'ORION EMPFIEHLT' (ORION recommends) also appear on the packaging, along with the website www.orion.de. Descriptions of the various products appear in various European languages: German, English, French, Spanish, Danish, Norwegian and Swedish. Whilst the primary description of the products is, as above, in German, a translation is invariably provided: 'netzkleid', for example, means 'fishnet' in English, 'lack arm stulpen' means 'gauntlet', 'strümpfe' means stockings. All of the German descriptions are translated into English, along with the other languages listed. The vast majority of the items are intended for women but there are several male 'strings' included. The products include in MR3 have, says Mr Rotermund, been sold by ORION via its internetstore and

wholesale operations since 2007¹. An example of one of the product packaging photos contained in Exhibit MR3 is shown below:



14. Exhibit MR4 comprises a series of 5 advertisements in the magazine 'ETO', covering the years 2007 to 2010 and which were used by Versand's wholesale operation for promotional reasons in the UK². The first of these adverts has the handwritten date 20th July 2010 on it and celebrates 25 years of wholesale operation. The ORION brand is foremost on the advert and there are the words 'BEST EROTIC CLOTHING BRAND 2010' which appears to have been awarded by the magazine ETO as there is a photo of the trophy itself. It appears that the award has been given to a particular ORION collection called the COTELLI collection. The advert is in English and thanks readers for their votes. Contact details are given on the advert as follows: 'ORION wholesale, Schäferweg 14, 24941 Flensburg, Germany', and e-mail address at wholesale@orion.de, a website www.orion-wholesale.com, phone number +49 (0) 461/50 40-2010 and fax +49 (0) 461/50 40-244.

¹ Along with its internetshop and wholesale operations, Versand says it also has 180 ORION branded retail stores throughout Europe (submissions dated 28th January 2011), but no specific details are provided, in particular whether any of these are based in the UK. Furthermore, as this information is only provided in submissions it cannot be taken into account as evidence in any event.

² Further information about ETO is provided in the opponent's submissions of 28th January 2011. ETO stands for EROTIC TRADE ONLY magazine for the adult industry. It is based in Bedfordshire and distributed in the UK and the rest of Europe from 2007 until the present day. ETO also organises a yearly trade fair in Birmingham where, for the "last years" the opponent has been represented with a booth under the ORION brand.

15. The second advert is plainly dated August 2009 and is also in English. This comprises a number of dresses described, eg as “Romantic meets chic”, “The classic in ultrashort”, “Naughty duo” and “Red as sin”. The advert carries the large ORION brand as the main designation with the words ‘Grosshandel . Wholesale’ beneath. Other brands on the advert are ‘RED CORNER by COTELLI COLLECTION’. Contact details are provided which are the same as the first advert.
16. The third advert is dated August 7th 2009 and is also in English describing a “DESSOUS 10 piece package of underwear” at only 29 Euros. Other sets of 7 piece underwear for both men and women are described. Again the large ORION name is prominent and the company is described as having, eg 25 years experience. Readers are invited to call the company on its German phone number detailed in para 14 above and get the free wholesale catalogue.
17. The fourth advert is for both men’s and women’s underwear and introduces new ranges; for women the LOUISA SERIES and for men, SVEN O Underwear. The advert is in English, including full descriptions of the products, catalogue numbers and sizes. It is dated 4th August 2009 and again, invites readers to contact ORION for a free wholesale catalogue.
18. The fifth advert contains the handwritten date November 2007 and comprises gifts for Christmas including an ‘Erotic Advent Calendar’, some other 2008 calendars (both men and women), an X-Mas costume and fun items such as male thongs in the shape of a reindeer and Santa Claus. There is also mention of a ‘customized flyer’ which readers are invited to give to their clients to boost demand for the Christmas products. As with the other adverts the contact details are the same, with the Union Jack, American and German flags appearing also.
19. There is a second witness statement dated 28th January 2011 from Mr Rotermund. Exhibit MR1 consists of a print out of the internetstore www.zalando.de, offering for sale dresses under the *applicant’s* mark ORION with the word ‘London’ in smaller print underneath. The dresses are for sale at 45 Euros. This print out was made on 8th December 2010. Exhibit MR2 consist of a print out from the internetstore www.orionlondonshop.co.uk which gives an idea of the range and type of the applicant’s clothes. The website describes the dresses shown as ‘floral print’ and ‘folksy’. The applicant also provides bags and accessories. The prices are around 60 – 70 Euros. This evidence is intended to show that the parties do not, as claimed by Innerspace, operate in different sectors, with the applicant selling high street fashion wear whilst the opponent operates in the adult and sex industry market. In fact, these print outs suggest, says Mr Rotermund, the applicant operates in a lower than claimed budget area, offering the same ‘quality, price and fashion

characteristics' as his own clothing and also via worldwide market places such as AMAZON, although the link to AMAZON is unproven.

Applicant's evidence

20. This takes the form of submissions and a witness statement dated 25th March 2011 from Hyun Jeong Kim, Managing Director of the applicant. He says Innerspace has continuously produced and sold women's clothing under the 'ORION LONDON' brand since 9th December 2004. Exhibit JL1 comprises bank account statements from that date. Exhibit JL2 is a selection of invoices to ORION, based in St John's Wood in London. The first is dated 22nd December 2005, from Borderna Erikssons Dammode of Sweden for the supply of a variety of clothing items, totalling £2424. There is another invoice from this company dated 22nd January 2006 for £867.30. There is an invoice from The Laden Showroom for rent. Finally there is an invoice from The Arcadia Group Ltd dated 25th July 2006 for £5308.39.

21. Mr Kim says he is not aware of any instances of confusion (either raised with the applicant or at all) between the applicant and the opponent or their respective goods.

22. The applicant also makes submissions in lieu of formal evidence.

Opponent's evidence in reply

23. This takes the form of submissions and a third witness statement dated 15th September 2009 by Maike Rotermund. It is largely in response to criticisms of his original evidence made by Innerspace and its attorneys. He explains that the photographs of packaging and internetshop print outs, all comprising Exhibit MR3 described in paras 12 and 13 above, were printed out in December 2010. The products shown in the packages and from the internetshop 'were offered for sale since 2008 till today'.

24. Further Exhibit MR1 consists of a list of 'exemplary' customer orders from customers located in the UK. This shows orders dating from 2002 through to 2009. Customers are identified by reference to their forenames, such as 'Nick', 'Joachim', 'Claire' and 'David'. There are also abbreviated address details such as London, Nottinghamshire and Lancashire. The precise order values are provided, I understand from the witness statement, under a column entitled "Auftragswert B Porto". In the year 2006, for example, there are 24 orders, ranging in value from 43 Euros up to 312 Euros. In 2007, there are 12 orders for similar amounts as in 2006. The picture is much the same in 2008, with 17 orders. Mr Rotermund says the orders are for women's underwear, lingerie, dessous and tights.

25. Further exhibit MR2 comprises a collection of screenshots of the English language internet onlineshop, the printout being made on 15th September 2011.

DECISION

Proof of use of '615

26. The Trade Marks (Proof of Use, etc) Regulations 2004 apply in respect to one of the earlier marks ('615) relied upon in this case. The provision reads as follows:

"6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

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

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

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

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

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

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

(4) For these purposes –

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

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

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

27. Both marks relied upon comprise earlier trade marks under the Act. In the case of ‘615, it has a filing date of 21st March 1990 and a registration date of 4th February 1994. Further, as it completed its registration procedure more than five years before the publication of the contested mark (being 19th March 2010), it is subject to the proof of use requirements set out in section 6A of the Act. The relevant 5 year period ends on 19th March 2010 and starts on 20th March 2005. As far as Versand’s ‘776 mark is concerned, this has a filing date of 6th July 2007 and registration date of 16th June 2008, and as such it is not subject to proof of use requirements as its date of registration is within five years of the date of publication of the application in suit.

28. Concerning proof of use, consideration has to be taken, also, of section 100 of the Act which states:

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

Consequent upon section 100, the onus is upon the registered proprietor to prove that it has made use of the trade mark in suit, or that there are proper reasons for non-use.

29. The leading cases on use are well known: *Ansul BV v Ajax Brandbeveiliging BV*, Case C-40/01 [2003] ETMR 85 (“*Ansul*”), *La Mer Technology Inc v Laboratoires Goemar SA* [2004] FSR 38 and [2005] ETMR 114 (“*La Mer*”), *The Sunrider Corp v OHIM*, Case C-416/04P (“*Sunrider*”). A helpful synthesis of the ‘legal learning’ from these cases and several more recent ones has been provided in *Sant Ambroeus* (BL O-371-09) (“*Sant Ambroeus*”), in which Ms Anna Carboni, sitting as The Appointed Person, stated as follows:

“42. The hearing officer set out most of the key extracts from *Ansul* and *La Mer* in his decision, so I shall not reproduce them here.

Instead, I try to summarise the “legal learning” that flows from them, adding in references to *Silberquelle GmbH v Maselli-Strickmode GmbH* Case C-495/07, [2009] ETMR 28 (*Silberquelle*) where relevant:

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

(2) The use must be more than merely “token”, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] - [23].

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

30. In its detailed submissions Innerspace criticises the evidence of use on the following basis:

- as far as the goods in class 3 are concerned, it says the lubricant shown as part of Exhibit MR1 properly falls in class 5. Although the massage oils, also part of Exhibit MR1, do fall into class 3, they do not clearly bear the ORION brand. The brands used are ‘FRUITY FLIRT’ and ‘SWEET DESIRE’;
- the exhibits regarding class 3 goods are undated and do not comprise the full range of goods in class 3;
- the list of items sold to the customers provided as the ‘further’ Exhibit MR1, referred to in para 24 above, does not include class 3 goods at all;
- as far as the goods in class 25 are concerned, Innerspace says the ORION name is being used in respect of retail and distribution services rather than the goods themselves which are branded with third party names such as ‘LA FINESSE DESSOUS’, “FINESSE” or the “COTELLI COLLECTION”. Selected quotes are taken from Mr Rotermund’s evidence to the effect that the earlier mark is used for “the promotion and distribution of goods” and “mail order has always been the core of the business of the company”;
- the opponent has put forward no evidence that ORION is used on the ‘physical product’;
- as a matter of law, Innerspace refers me to the principle in *KODAK* [1990] FSR 49 to the effect that whether a mark used on goods to advertise other goods could or could not be used as a trade mark was a matter of fact or degree. In that case, it was held that there could not be trade in goods which were merely ancillary to the wider trade. The wider trade here, says Innerspace, is the retail and distribution service rather than the goods themselves;
- the evidence comprising MR3 was collected some 11 months after the application was filed and so cannot be relied upon as evidence of use during the relevant period;

- the evidence of use does not clearly show use within the territory of the UK, specifically it is not possible to tell from the list of customers in further exhibit MR1 (referred to in para 24 above) exactly what goods are concerned;
- there is no proof that the magazine ETO is distributed throughout the UK or that the adverts in ETO are directed at the UK market. The placing of adverts in a UK magazine, attendance at a trade fair in the UK and having an award from that magazine all do not comprise evidence of genuine use;
- Versand's use of the ORION Mark is, in any event, significantly different from the mark as registered.

31. If, contrary to Innerspace's submissions, I am to find there has been genuine use of the earlier mark, then it says I should also find that Versand is only entitled to a restricted specification reflecting the specialised nature of its operation. Such a 'fair specification' would include all goods in class 25 being qualified by the words, "for use in the adult market or sex industry". Alternatively, the word "erotic" should proceed each individual item of clothing, eg "erotic lingerie" etc. Innerspace says that, by its own admission Versand is "Europe's second largest company in the branch of erotic articles and toys for adults, stimulants, and erotic clothing" and thus there is an acknowledgment of the particular trade in which it functions.

Use of the mark as registered or as an acceptable variant

32. Versand is required to have used its mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (Section 6A(4)(a) of the Act). This phrase has been broken down by the appointed person in the *NIRVANA* case (BL O/262/06) as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

33. In formulating this test, the appointed person had regard to a number of authorities, both European and derived from the Courts of the United Kingdom. The mark as registered is the simple word 'ORION' in plain script. The mark as used, an example of which I have provided in para 13 above, is the word ORION in bold red script, including an enlarged letter 'R', the arm of which extends and serves to underline the letters 'I', 'O' and 'N' of ORION. The distinctive character of the mark as registered is not in my view, altered by the mark as used. In particular, the average consumer may register the differences between the mark as used but such differences do not alter the distinctive character (being the word 'ORION') of that mark. I therefore find, that as far as Innerspace's submissions regarding non-compliance with section 6A(4)(a) of the Act are concerned, these are rejected.

Genuine use

34. I do not intend to dwell on the arguments regarding the class 3 goods as plainly, Versand's best case will rely on those goods in class 25 on, or in relation to, which it shows genuine use.

35. Innerspace's primary argument is that Versand has used its mark as a retailer and distributor rather than in relation to the actual goods themselves.³ However, the evidence clearly shows use of the mark on the packaging of the goods themselves, as shown in the example at para 13 above. This would not be normal practice if all the retailer was doing was selling third party branded goods. This is not a case, for example, where the retailer simply puts the third party goods into a carrier bag bearing the retailer's name. The ORION mark clearly appears on the packaging itself and it is irrelevant that other marks such as 'LA FINESSE DESSOUS' also appear. Consumers are used to seeing products, whether in the clothing sector or in any other, that bear multiple marks. It is further noted that support that Versand's use of the ORION mark is in relation to the goods is the award in the ETO Magazine for 'Best Erotic *Clothing* Brand 2010'. The award is not for a retail or distribution operation but for the clothing specifically. On that basis, I reject the claim that Versand's use of the mark is in relation only to a retail or distribution operation.

36. I next need to consider the claim that Versand's operation is not targeted at the UK or has not been shown on the evidence to have resulted in sales in the UK. Versand directs me to CJEU case law in Case C-585/08 *Pammer* and Case C-144/09 *Hotel Alpenhof* ('*Pammer*') which it says sets out several criteria for assessing the "market oriented direction of an online shop". Both cases are primarily concerned with consumer protection and

³ In this respect, Innerspace relies on a decision of the registrar in BL O-322-07 *Mobil Planet* where the hearing officer found on the evidence that the proprietor acted as a distributor or retailer selling third party brands.

jurisdictional issues; they address the assessment, under the relevant Regulation, whether a trader 'directs' his activity towards a particular Member State.

37. For its part, Innerspace refers me to the case of *Euromarket Designs Inc v Peters and Crate and Barrel Ltd* [2001] FSR 20, being a request for summary judgment and concerning, inter alia, the question of whether there was use in trade in relation to goods within the UK by virtue of an advertisement and a website which could, of course, be accessed by customers in the UK.
38. These authorities are consistent in that the mere fact that a website can in theory be accessed by consumers in any country in the world is not decisive of the question of use in a particular country or that the website is 'directed' to a particular country. Such a question has to be decided on the facts and having regard to a number of factors. In *Pammer*, some of these are listed (non-exhaustively) such as: use of a particular language or currency; mention of telephone numbers with an international code; use of top-level domain names other than the country in which the service is based; mention of an international clientele composed of customers domiciled in various Member States. This is a selection only as some of the criteria are specific to the relevant parties' activities and the (non-IP) nature of the questions being asked.
39. In this case, it is clear from the printouts comprising MR3 that as far as the material on the internetshop is concerned, it is in English.⁴ The prices are, however, in Euros. I am also not certain what exactly the domain name is under which Versand operates its internetshop. In its submissions dated 28th January 2011, Versand says it owns several internet domains, being www.orion.de and www.orion.eu and these appear on the reverse of the packaging. I am not sure from which of these the consumer in the UK would be able to purchase the goods. The telephone number on the bottom of the English internetshop pages is 0180 50 70 130. Also, as I have already noted, the information on the packaging itself is, amongst other European languages, in English.
40. Further, there is the evidence of the wholesale operation taken from the magazine ETO comprising MR4. The material here is a mix of German (the word 'Grosshandel') and, predominantly, English. These pages have the Union Jack clearly shown, along with, in some cases, the German and US flags. The address in Flensburg Germany is given, along with international phone and fax numbers (by which I mean they include the dialling code for Germany). An e-mail address is given, wholesale.orion.de and a website www.orion-wholesale.com. Versand says ETO is located in Bedfordshire and distributed in the UK as well as the rest of Europe and also organises a

⁴ Versand says the site is available in other languages as well, being German and Spanish.

yearly trade fair in Birmingham at which Versand advertises. Innerspace criticises this evidence on the basis it is not proven that ETO is distributed in the UK and that in any event such distribution, attendance at a trade fair would not amount to genuine use.

41. There is the evidence of the named customers in the UK comprising further exhibit MR1. This list is said to be exemplary, the value orders are not high⁵ and it is not clear exactly what, if any, clothing within class 25 has been sold. That said, it cannot be dismissed as worthless evidence; it contributes to an overall picture.
42. Innerspace has not sought cross examination of Mr Rotermond and I must take him at his word. He is a responsible officer of the company and in an informed position. He has provided witness statements attesting to use in the UK in the relevant period. The internetshop material is in English; the packaging includes English; the wholesale adverts in ETO are plainly addressed to the UK market and the websites are not exclusively “.de” domains. This is backed up by an exemplary list of customers in the UK.
43. The other, and final criticism of the evidence from Innerspace, is that it was gathered after the relevant period. This criticism is rejected, as it is firmly established that notwithstanding that evidence may have been gathered ‘after the event’, reasonable inferences can be drawn on the situation during the relevant period⁶. This can be no more than a technical criticism and in this case I feel that the evidence as a whole speaks to the position during the relevant period.
44. Taking the evidence as a whole, and conceding that the evidence may have been better presented, given its somewhat piecemeal nature without overall figures being provided, my view is that, nevertheless, there has been genuine use of the mark in relation to customers in the UK, whether those consumers (being presumably members of the public) have accessed the relevant products through the internetshop, or the trade through the wholesale operation.

Fair specification

⁵ Although Innerspace notes the low value of the orders, it does not, as I understand it, take a specific point on the question of quantum of use and therefore I shall not deal with this. Had I been required to do so, in the light of the decision in, eg *Sant Ambroeus* I would have found that the use was not simply ‘token’.

⁶ See, eg eg Case *C-192/03P Alcon v OHIM* [2004] *ECR-I-8993* para 41, and many others.

45. My next task is to determine a fair specification for Versand's earlier mark. Class 25, which as I have already said, represents Versand's best case and as such I will focus upon, reads:

Class 25

Lingerie; underclothing for men; pyjamas; gloves for women; stockings; belts for wear; footwear; headgear; tights; nightshirts and nightdresses; all included in Class 25.

46. I must decide if the evidence reflects use on such a range of goods and if not, what would be a fair specification. I, therefore, move on to consider the scope of goods in relation to which use has been shown. In doing so, I keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would

perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

47. The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant:

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

48. Finally, I am also mindful of the guidance provided by *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) (ALADIN)* Case T-126/03:

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27

above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON) [2004] ECR II-0000, paragraph 32, and Case T-203/02 Sunrider v OHIM – Espadafor Caba (VITAFRUIT) [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of subcategories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the subcategory or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which,

although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

...

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

49. Having quoted the relevant case law, it is clear that Versand has not, in any event, used broad terms in its specification, which then may have to be reduced in the exercise of a value judgment to determine a fair specification. Versand's items in class 25 are specific and on the basis of the evidence filed, the only items in respect of which there is no evidence of use are: pyjamas, nightshirts and nightdresses. Versand's items are almost exclusively more 'revealing' than pyjamas, nightshirts and nightdresses would be understood to be. Moreover, Versand themselves has not used those terms in their own product descriptions. On that basis, I find that a fair specification would read:

Class 25

Lingerie; underclothing for men; gloves for women; stockings; belts for wear; footwear; headgear; tights; all included in Class 25.

50. The next question is whether, as urged by Innerspace, this fair specification ought to be limited, "for use in the adult market or sex industry". Alternatively, says Innerspace, the word "erotic" should precede each individual item of clothing, eg "erotic lingerie" etc. It is in relation to this question that the case law I have quoted becomes more relevant. Versand contends against this, saying these suggested limitations would end in uncertainty in terms of the coverage of the specification as well as not being a true reflection of its sale operation and customer base. The 'adult market' and 'sex industry' does not represent such a discrete market that its extent and meaning would be clear.

51. I cannot see that Versand's clothing is exclusively for sale to the 'adult market or sex industry', even assuming I knew exactly what those terms meant. Anyone can access the clothing as far as I can see; many of the items are for private fun and amusement, but that does not mean they are the exclusive preserve of the 'adult or sex industry'. This is the kind of clothing that may be available, for example, in many shops on the high street these days.
52. Furthermore. I am unable to accept that consumers or traders would be able to distinguish between (or regularly use) the terms 'erotic lingerie' and just 'lingerie'. Although Versand may describe itself as in the field of erotic clothing and have been awarded 'Best Erotic Clothing Brand 2010', this is not decisive of the scope of protection to which it is entitled in trade mark terms. On that basis I do not accept Innerspace's argument that there should be a(ny) limitation to the fair specification I have determined above at para 49.

Section 5(1) and 5(2)(a)

53. The opposition is founded upon Section 5(1) and 5(2)(a) of the Act. This reads:

5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(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),

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

Comparison of marks

54. Plainly the respective (that is, both earlier marks and the application) are identical.

Comparison of goods and services

55. For the comparison of goods and services I need to do two separate analyses in relation to both earlier marks. As far as the '615 mark is concerned, I will focus on the goods in class 25 only as these represent Versand's best case

'615

56. Versand relies on its '615 mark in respect of the goods in Innerspace's class 25 and so the respective specifications for comparison are as follows:

| Versand's class 25 specification (following proof of use) | Innerspace's specification |
|--|--|
| Class 25 Lingerie; underclothing for men; gloves for women; stockings; belts for wear; footwear; headgear; tights; all included in Class 25. | Class 25 Womens clothing; not including lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, tights, nightshirts and nightdresses. |

57. Given Innerspace's exclusion which expressly excludes the individual items specified by Versand, I cannot find identity in respect of the goods. But such an exclusion would not be decisive of the question of similarity.

58. In assessing the similarity of the goods and services, it is necessary to apply the approach advocated by case law and to take account of all the relevant factors relating to the goods and services in the respective specifications. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at para 23 of the Judgment:

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

59. Other factors have been identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281, such as the nature of the users and the channels of trade.

60. Versand says, despite the exclusion the respective goods are similar, given their nature (to clothe and decorate the body); their respective manufacture (made from the same materials); the fact that lingerie, belts, stocking and tights are often worn in combination with other clothing (as complementary to); their respective channels of trade (including on the internet); the recognised pattern in trade where manufacturers of underwear or lingerie offer outerwear under the same brand, eg “esprit”, “H&M”, or “Zara”, also “Burberry”, “Hilfiger”, “Boss” “D&G” and “Gucci”, and finally; that the respective customers are the same.

61. For its part, Innerspace draws attention to the fact that Versand’s clothing would not be normally found in any boutique, lingerie store, department store or shopping mall. It is aimed at the narrow erotic market and this is manifest from the use of topless models and seductive poses in its advertising and packaging.

62. What matters here is what the respective specifications cover. It is a notional assessment I am required to make, which is not susceptible to arguments about the particular methods (including prices) or marketing activities adopted by the parties.⁷

63. Bearing all the relevant factors in mind (ie those identified in para 60 above), I find that despite the exclusion, the respective goods in class 25 are similar to a high degree.

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64. The respective services for comparison are:

| Versand’s class 35 specification | Innerspace’s class 35 specification |
|--|---|
| Class 35 Retail services, wholesale services, retail | Class 35 Advertising; marketing services; |

⁷ See, eg the case of *C-171/06P T.I.M.E Art v OHIM and Devinlec Developpement Innovation Leclerc*, the CJEU says:

“59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks.”

mail order services, retail/wholesale Internet services, retail teleshopping services in relation to bleaching preparations and other substances for laundry use; preparations to clean, polish, degrease and abrade; soaps;perfumery, essential oils, cosmetics, in particular skin creams (cosmetic), skin care preparations (cosmetic), cosmetics, lotions for cosmetic purposes, oils for cosmetic purposes, massage oils, massage fluids and gels, orgasm creams, desensitising preparations, not for medical purposes;pharmaceutical preparations, in particular lubricants, aphrodisiacs, lubricating creams and gels, massage oils, massage fluids, massage lotions, potency-enhancing preparations for external and internal use, orgasm creams, desensitising preparations, for medical purposes;sanitary preparations for medical purposes;dietetic substances adapted for medical use; magnetic data carriers, recording discs;vibromassage apparatus, massage apparatus with and without motors, massage balls, artificial limbs, rubber dolls being sexual aids, vacuum penis pumps, medical and hygienic rubber goods, condoms;hygienic sex products and aids of silicon and other plastics, namely love balls, penile rings, dildos and functioning representations of human body parts, in particular sex organs;precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; paper, cardboard and goods made from these materials, not included in other classes; printed matter;photographs; stationery;plastic materials for packaging, included in class 16;leather and imitations of leather, and goods made of these materials and included in class 18; whips, harness and saddlery; clothing, footwear, headgear;games and playthings, in particular erotic games and toys for adults, namely games, toys and accessories for

promotion services; demonstration of goods; advertising and promotion of goods and services available by electronic mail order and the Internet; wholesale services connected with the sale of womens clothing, leather and imitations of leather, animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith; television and direct mail advertising, marketing and sales promotional services; providing online shopping services offering a wide variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith via a global computer network; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods in a department store or a retail store; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols,

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|--|---|
| <p>erotic and sexual games, parlour games, card games, playing cards, dice, dice cups, jokes, dolls for erotic and sexual games;erotic sporting equipment, included in class 28; alcoholic beverages (except beers).</p> | <p>walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise Internet web site; the bringing together, for the benefit of others, of a variety womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, umbrellas, parasols, walking sticks, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise catalogue by mail order or by means of telecommunications; none of the above services relating to lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, nightshirts and nightdresses.</p> |
|--|---|

65. Versand has retail, wholesale, mail order, retail/wholesale internet and retail teleshopping, all in relation to, inter alia, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, leather and imitations of leather and goods made of these materials in class 18, whips, harness and saddlery, clothing, footwear and headgear.

66. Innerspace's specification, though lengthy, for the most part conveniently breaks down into a repeated list of core goods, which is the same. This list of core goods is then applied in relation to various settings: wholesale services, online shopping services, department or retail store services, general merchandise internet web site and a general merchandise catalogue by mail order or by means of telecommunications. At the end of

the specification is an exclusion by reference to the goods in Versand's earlier '615 mark.

67. Based on a plain reading of the specifications the following services are identical:

| Versand's specification | Innerspace's specification |
|--|--|
| <p>Retail services, wholesale services, retail mail order services, retail/wholesale internet services, retail teleshopping services in relation to... precious metals and their alloys and goods in precious metals or coated therewith; jewellery, precious stones,.... leather and imitations of leather and goods made of these materials in class 18, whips, harness and saddlery; clothing, footwear and headgear.</p> | <p>Wholesale services connected with the sale of women's clothing, leather and imitations of leather, animal skins, hides, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith; providing online shopping services offering a wide variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith via a global computer network; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods in a department store or a retail store; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation</p> |

| | |
|--|---|
| | <p>jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise Internet web site; the bringing together, for the benefit of others, of a variety womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise catalogue by mail order or by means of telecommunications;</p> |
|--|---|

68. I would just note in relation to this finding that Versand's specification is not limited to the specific items of clothing the subject of the '615 specification. Instead it has retail of clothing at large. Secondly, for a finding of identity it is not necessary that exactly the same wording has to be used or that the specifications even have to be co-extensive⁸. For example, Innerspace's specification covers animal skins, hides, bags, trunks and travelling bags, watches, cuff links and key rings. None of these items are specifically mentioned by Versand, but it nevertheless has 'leather and imitations of leather and goods made from of these materials'. This is a broad term which would encompass the items specified by Innerspace. Likewise, jewellery would encompass cuff links and watches.

⁸ See, eg the General Court case in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) ("Merici")* Case T-133/05, where, at para 29, it is stated:

"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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42)."

69. The only specific goods in Innerspace’s core list which have caused me to pause slightly are the retail services in respect of umbrellas, parasols and walking sticks, all of which do not seem to ‘fit’ with Versand’s items. However, they are nonetheless, ‘ similar to a high degree’ as (and in particular) they are sold in clothing shops (in the normal or online environment), as accessories, often alongside items of outdoor clothing.

70. This leaves me with the following: “advertising, marketing services, promotion services, demonstration of goods, advertising and promotion of goods and services available by electronic mail order and the internet, television and direct mail advertising, marketing and sales promotional services”.

71. It is assumed that such services are offered to others. Someone who advertises, markets or demonstrates its own products is not offering an advertising, marketing or demonstration *service* themselves. Retail services bring products together with the aim of securing a sale. The other services listed, whilst they may have someone else’s sales as a goal, are offered with the aim of assisting other businesses and do not, in and of themselves, involve sales. Even in a department store where goods are being demonstrated (Versand’s best case) it is not necessarily assumed by the consumer that the demonstrator is necessarily associated with the store. With such demonstrations it is often someone from the manufacturer who will be demonstrating. Taking all factors into consideration I find these services are dissimilar to those of Versand.⁹

Conclusions in relation to comparison of goods/services

72. I need to bring my conclusions together in respect of the goods and services, as follows:

| Innerspace’s specification | Versand’s specification |
|---|--|
| <p>Class 25</p> <p>Womens clothing; not including lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, tights, nightshirts and nightdresses.</p> | <p>Class 25</p> <p><i>Similar to a high degree to</i> Lingerie; underclothing for men; gloves for women; stockings; belts for wear; footwear; headgear; tights; all included in Class 25.</p> |
| <p>Class 35</p> <p>Wholesale services connected with the</p> | <p>Class 35</p> <p><i>Identical to:</i> Retail services,</p> |

⁹ A finding consistent with eg Case R 1673/2010-,1 PRO-KEDS, before the OHIM BoA (see para 26) and B 672 453, VEGA, a decision of the OHIM Opposition division dated 27th October 2011.

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| <p>sale of women's clothing, leather and imitations of leather, animal skins, hides, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith; providing online shopping services offering a wide variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith via a global computer network; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods in a department store or a retail store; the bringing together, for the benefit of others, of a variety of womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise Internet web site; the bringing together, for the benefit of</p> | <p>wholesale services, retail mail order services, retail/wholesale internet services, retail/wholesale internet services, retail teleshopping services in relation to... precious metals and their alloys and goods in precious metals or coated therewith; jewellery, precious stones,.... leather and imitations of leather and goods made of these materials in class 18, whips, harness and saddlery; clothing, footwear and headgear.</p> |
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others, of a variety womens clothing, leather and imitations of leather, and animal skins, hides, bags, trunks and travelling bags, jewellery, imitation jewellery, jewellery boxes, jewellery pins, cuff links, earrings, rings, bracelets, broaches, watches, time pieces, key rings, trinkets, goods of precious metal or coated therewith enabling customers to conveniently view and purchase those goods from a general merchandise catalogue by mail order or by means of telecommunications; none of the above services relating to lingerie, underclothing for men, pyjamas, gloves for women, stockings, belts for wear, footwear, headgear, nightshirts and nightdresses.

Wholesale services connected with the sale of umbrellas, parasols and walking sticks; providing online shopping services offering umbrellas, parasols and walking sticks; the bringing together, for the benefit of others of variety of umbrellas, parasols and walking sticks enabling customers to conveniently view and purchase those goods via a global computer network; the bringing together, for the benefit of others of a variety of umbrellas, parasols and walking sticks in a department store or a retail store; the bringing together, for the benefit of others, of a variety of umbrellas, parasols and walking sticks enabling customers to conveniently view and purchase those goods from a general merchandise internet web site; the bringing together, for the benefit of others, of a variety of umbrellas, parasols and walking sticks enabling customers to conveniently view and purchase those goods from a general merchandise catalogue by mail order or

Similar to a high degree to: Retail services, wholesale services, retail mail order services, retail/wholesale internet services, retail teleshopping services in relation to... precious metals and their alloys and goods in precious metals or coated therewith; jewellery, precious stones,.... leather and imitations of leather and goods made of these materials in class 18, whips, harness and saddlery; clothing, footwear and headgear.

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| <p>by means of telecommunications.</p> <p>Advertising, marketing services, promotion services, demonstration of goods, advertising and promotion of goods and services available by electronic mail order and the internet, television and direct mail advertising, marketing and sales promotional services</p> | <p><i>Dissimilar to:</i> All Versand's listed class 35 specification</p> |
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73. As a consequence of my findings above, plainly the opposition under section 5(1) has achieved a measure of success in class 35. For the remaining goods and services, not including those I have held to be dissimilar, I need to continue the analysis in respect of section 5(2)(a). This section requires there to be a likelihood of confusion.

74. In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union ("CJEU") in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and nature of the purchase

75. I need to assess who exactly the average consumer is and the nature of acquisition and purchase. This is a notional assessment and the average consumer for both parties' goods and services will be the general public.

76. The nature of the purchase will, in both parties' cases, be one in which a reasonable level of attention will be paid. These are personal items and services and although they may vary in value considerably, they will be selected with reasonable care.

77. I will need to factor in these observations into my final analysis of likelihood of confusion.

Distinctiveness of the earlier mark

78. My discussion above leads me into a final assessment which must be done prior to an assessment of likelihood of confusion, namely, the distinctiveness of the earlier mark. A mark comprising an invented word, such as KODAK for example, will inevitably be very high on the scale of distinctiveness, whereas a known word which has a more obvious connection with the relevant goods or services will be lower on the scale of distinctiveness.
79. The earlier mark is the word ORION. For many it will be a recognisable word, even though its precise meaning or derivation (as a constellation or, in Greek mythology, a hunter) will not be known. However, even if people do know the precise derivation of the word, it will still bear no obvious connection with the goods and services in relation to which it used and for that reason it has an inherently high degree of distinctiveness.
80. It is common at this point to consider whether that level of inherent distinctiveness is enhanced though the use made of the mark by Versand. The evidence is not however clear on the total amount of sales in the UK and whilst I was prepared to accept that genuine use of the mark had been made I do not have enough on which to base any finding of enhanced distinctiveness, and accordingly find that no case is made for enhanced distinctiveness.

Global assessment under section 5(2)(a) - likelihood of confusion

81. At this point I need to remind myself of my various findings and bring them together in a global assessment taking into account of course the doctrine of imperfect recollection, namely that consumers rarely have the opportunity to compare marks side by side.
82. I have found the earlier mark to be inherently distinctive to a high degree. I have found the respective marks to be identical. I have observed that the nature of the purchases and acquisitions will be one involving reasonable care. I also remind myself that the nature of 'confusion', whether it be direct or indirect, for the purposes of section 5(2) does not include mere association in the sense of 'bringing to mind'. Bearing all these factors in mind I find that there will be a likelihood of confusion in this case, in respect of all the goods and services I have found to be similar to a high degree.
83. Having made that finding I should like to address the submission from Innerspace to the effect that there have been no instances of actual confusion despite the two marks being used at the same time. Whilst it is well established that evidence of what is often referred as "parallel trading" may be a factor which could potentially assist in a determination of this kind,

such evidence needs to establish that the respective marks have actually been put to use in the same market, without the consumer being confused regarding economic origin. If such evidence is forthcoming, this can inform the tribunal's decision. Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18 gave weight to an absence of confusion in the marketplace, however, this should be tempered by a number of decisions which express caution about the circumstances in which it is appropriate to give these factors weight (see the Court of Appeal in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paras 42 to 45.) In the first of the above cases Millet LJ stated:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

84. The evidence does not establish to my satisfaction that the respective marks have been put to use in the 'same market'. The fact that both parties may have an internet presence does not in my view assist the argument; it is only when the competing marks have such a proximity that absence of confusion can really be a factor and in this case the marks are not, for example, traded under the same retailer's roof. On that basis, I cannot factor in absence of actual confusion in the market place as a factor mitigating against likelihood of confusion.

85. The opposition under section 5(2)(a) accordingly succeeds for all those goods and services I have found similar to a high degree.

86. The opposition fails however in respect of the following, which services I have found to be dissimilar to those of Versand.

Class 35

“Advertising, marketing services, promotion services, demonstration of goods, advertising and promotion of goods and services available by electronic mail order and the internet, television and direct mail advertising, marketing and sales promotional services.”

Costs

87. In substantial part, Versand has been successful in its opposition and is entitled to a contribution towards its costs. Neither party sought costs off the normal scale and I am of course mindful that neither party sought a hearing.

In the circumstances I award Versand the sum of £1500 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Statutory fee - £200
Filing statement and considering counterstatement £400
Filing evidence and considering evidence - £600
Filing submissions £300

Total £1500

88. I order Innerspace GB Ltd to pay Orion Versand GmbH & Co KG the sum of £1500. The sum should 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 7th day of March 2012

**Edward Smith
For the Registrar,
the Comptroller-General**