

O-133-16

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NOS. 3053259 & 3064021
BY SWISSGEAR SÁRL
TO REGISTER THE TRADE MARK:**

DigitalSHIELD
BY SWISSGEAR SARL

IN CLASSES 9, 14 AND 18

AND



SWISSGEAR

IN CLASSES 39, 41 AND 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NOS. 402783 & 403188 BY WENGER S.A.**

Background and pleadings

1) This dispute involves consolidated opposition proceedings filed against the following two trade mark applications. Both applications were filed in the name of Swissgear Sarl (“the applicant”). Whilst these proceedings are consolidated, I shall consider each opposition in turn:

Statements of case

OPPOSITION NO. 403188

2) On 14 July 2014, the applicant applied for the following trade mark application:



Mark:

Number: 3064021 (“021 application”)

Publication date: 8 August 2014

Goods and services:

Class 39: Storage / warehousing, storage information, transport reservation, transportation information, transportation logistics, unloading cargo, vehicle rental, rental of vehicle roof racks, vehicle breakdown assistance [towing], rental of warehouses; advice, consultancy and information relating to the above.

Class 41: Education information; language interpreter services; organization of competitions [education or entertainment]; photography; practical training [demonstration]; sign language interpretation; arranging and conducting of symposiums; teaching / educational services / instruction services; translation; arranging and conducting of workshops [training]; advice, consultancy and information relating to the above.

Class 42: Design of interior decor; engineering; industrial design; information technology [IT] consultancy; packaging design / packaging design services; quality control; scientific laboratory services; styling [industrial design]; technical research; material testing; textile testing; advice, consultancy and information relating to the above.

3) On 6 November 2014, Wenger S.A. (“the opponent”) opposed the ‘021 application. The opposition was based upon its earlier European Community Trade Mark (“CTM”) Registration under sections 5(2)(b) and (3) of the Trade Marks Act 1994 (“Act”).

4) For the section 5(2)(b) claim the opponent argues that the respective goods and services are similar and that the marks are similar. In support of this claim, the opponent relies upon the following earlier registrations:



Mark:

Number: 7555436

Date on Register: 17 February 2010

Publication date: 2 November 2009

Goods relied upon in this opposition¹:

Class 12: Vehicles; apparatus for locomotion by land, air or water; bicycles and tricycles, including their spare parts and their structural parts, included in this class; baby buggies; rain covers for baby buggies; mosquito nets for baby buggies; sunscreens for baby buggies; buggy boards; prams; child safety seats for vehicles; sun-blinds for automobiles; stirrups for children, for automobiles; bicycle seats for children; covers for vehicles (fitted); pram covers (fitted); bump belts for mothers-to-be; bump belts for children; tightening cushions for car seats for children; car seats booster cushions for children; seat covers for vehicles.

5) Also under section 5(2)(b) the opponent relies upon classes 12 and 20 of the following earlier registration to oppose classes 39 and 42 of the application.



Mark:

Number: 1023587

Date on Register: 15 November 2010

Goods relied upon in this opposition:

Class 12: Vehicles; apparatus for locomotion by land, air or water; bicycles and tricycles, including their spare parts and their structural parts, included in this class; baby buggies; rain covers for baby buggies; mosquito nets for baby buggies; thermal sleeping bags for baby buggies; sunscreens for baby buggies; buggy boards; prams; child safety seats for vehicles; sun-blinds for automobiles; stirrups for children, for automobiles; bicycle seats for children; covers for vehicles (fitted); pram covers (fitted); safety belts for mothers-to-be; safety belts for children; safety belt buckles for children; tightening cushions for car seats for children; car-seat booster cushions for children; seat covers for vehicles.

Class 20: Furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum, substitutes for all these materials, or of plastics; camping furniture; sleeping bags for camping, air cushions, air beds (not for medical purposes).

6) The opponent argues that the respective goods of the above mentioned registrations are similar to the application and so too are the marks.

¹ The registration also covers classes 8, 9, 11, 14, 16, 18, 20, 22, 25 and 34

7) With regard to the section 5(3) of the Act the opponent relies upon the following to oppose all of the applied for services:



Mark:

Number: 7555436

Date on Register: 17 February 2010

Publication date: 2 November 2009

Goods relied upon in this opposition²:

Class 9: Camera cases; computer carrying cases, mobile phone and cell phone cases and speciality holsters for carrying personal digital assistant; laser pointers; luminous pointers.

Class 14: Watches of Swiss origin.

Class 18: All-purpose dry bags, luggage, backpacks, daypacks, duffel bags, utility bags, shoulder bags, casual bags, briefcases, non-motorized wheeled packs, cosmetic cases sold empty and toiletry cases sold empty, travel bags, small personal leather goods, namely, wallets, billfolds, credit card cases, neck, necklace wallets, and shaving bags sold empty; umbrellas and name and calling card cases, cosmetic cases sold empty, toiletry cases sold empty, luggage tags, waistpacks, bags worn on the body, business cases, travel bags, all-purpose personal care bags, small personal leather goods; shoe bags for travel; unfitted bags for handheld electronic devices; waistpacks for holding electronic devices; leather airline ticket holders.



Mark:

Number: 1023587

Date on Register: 15 November 2010

Goods relied upon in this opposition:

Class 9: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity, in particular adapters, converters, transformers and battery chargers; measuring apparatus, in particular altimeters, pedometers, thermometers, directional compasses, compasses; computer carrying cases; sunglasses; cases for sunglasses; spectacle cases; straps for sunglasses or spectacles; mouse mats; camera cases; mobile phone cases; mobile phone straps; memory sticks; cases for laptops; wristbands with flash drives; cases for CDs or DVDs; light-beam pointers, laser-beam pointers.

² The registration also covers classes 8, 9, 11, 14, 16, 18, 20, 22, 25 and 34

Class 14: Precious metals and their alloys and products made from these materials or coated therewith, not included in other classes, in particular fancy keyholders; jewellery, precious stones; timepieces and chronometric instruments, in particular watches, watch bands, chronometers, chronographs, clocks; component parts, spare parts included in this class for all the aforementioned goods; accessories included in this class for all the aforementioned goods, in particular boxes and caskets for watches, cases, chests, display boxes.

Class 18: Leather and imitation leather, goods made thereof included in this class, including fine leather goods; trunks and suitcases; handbags, bags for campers, travelling bags, all-purpose sport bags, all-purpose athletic bags, all-purpose carrying bags, athletic bags, baby backpacks, baby-carrying bags, backpacks, bags and holdalls for sports clothing, bags for carrying babies' accessories, bags for sports, barrel bags, beach bags, belt bags, book bags, bumbags, carry-all bags, bags, carry-on bags, daypacks, diaper bags, duffel bags, duffel bags for travel, fanny packs, garment bags for travel, harness fittings, harness straps, hiking bags, hiking rucksacks, hunting bags, infant carriers worn on the body, haversacks, luggage, saddle bags, roll bags, rucksacks for mountaineers, saddle pommel bags, pannier bags, saddlery, in particular pommel bags, school bags, school book bags, school knapsacks, school children's backpacks, shoulder bags, shoulder straps, sling bags, slings for carrying infants, small backpacks, small bags for men, small rucksacks, sports packs, sportsmen's hunting bags, straps for holdalls, straps for luggage, tool pouches, tool pouches sold empty, tote bags, travel bags, waist bags, waist packs and related accessories; umbrellas.

Mark: SWISSGEAR
Number: 7197783
Date on Register: 16 June 2009
Publication date: 16 February 2009
Goods relied upon in this opposition³:

Class 9: Computer carrying cases; camera cases; electronic travel accessories, namely adapters, converters, transformers and battery chargers for electronic devices.

Class 18: All-purpose dry bags; luggage; backpacks; daypacks; duffel bags; utility bags; shoulder bags; casual bags; briefcases; non-motorized wheeled packs; cosmetic cases sold empty and toiletry cases sold empty; travel bags; small personal leather goods, namely, wallets, and shaving bags sold empty; umbrellas and name and calling card cases; cosmetic cases sold empty; toiletry cases sold empty; luggage tags; waistpacks; bags worn on the body; business cases; travel bags; all-purpose personal care bags; small personal leather goods, namely, billfolds, credit card cases, neck and necklace wallets; leather airline ticket holders.

³ The registration also covers classes 12, 16, 20, 22 and 25

8) During the hearing Ms McBride stated that the opponent later amended its pleadings to rely upon class 14 of 7197783. Having reviewed all of the correspondence filed, I cannot see this to be the case. Therefore, the opponent may not rely upon class 14 of 7197783.

OPPOSITION NO. 402783

9) On 28 April 2014, the applicant filed the following trade mark application:



Mark:

Number: 3053259 (“259 application”)

Publication date: 6 June 2014

Goods and services:

Class 9: Receivers (capturing fitness data); Watch with altimeter, barometer & compass; Electric measuring devices; Headphones; GPS Function watch; Electronic whiteboards; Blank USB flash memory drives; Heart rate monitors for performance-oriented training; mobile phone and tablet computer accessories, namely, batteries, electric battery chargers, data communication cables, headsets, ear phones, battery chargers for use in a car, leather cases adapted for mobile phones and tablet computers, flip covers for mobile phones and tablet computers, hands frees kits and snap on cases adapted for mobile phones and tablet computers, stylus, audio docking stations, screen protective films adapted for mobile phones and tablet computers and portable speakers; Portable media players; 3D glasses; Stylus for portable electronic devices; tablet computers; smart phones; Wearable computer peripherals; Sunglasses; wearable peripherals (computers, cellphones, and mobile data receivers); odometers, speed meters, pedometers, altimeters, and barometric altimeters (used in orienteering and hiking); Computer bags; Computer case; Heart rate monitor; Heath bracelet namely heart rate monitor; bracelet namely a computer and telecommunications device; Headphone; Chargers for electric batteries; Plugs, sockets and other contacts [electric connections]; Theft prevention installation, electric; Fire extinguishing apparatus; Sound recording apparatus; Internet communication apparatus; Helmets (Protective-) for sports; Solar Batteries; Protection devices for personal use against accidents; Notes verifier; computer software (recording, organizing, transmitting, manipulating, and reviewing text, audio files, video files and computer game programs in connection with televisions, computers, music players, video players, media players and mobile phones).

Class 14: Clocks; parts for watches; watch clasps; watch bands; watch straps; wristwatches; electronic clocks and watches; bracelets; Control clocks; Watches (monitoring fitness data); Watches (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Watchband (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites

and other computer and electronic communication networks); Bracelets (communicate data to personal digital assistants, smart computers and other computer and electronic communication network); bracelets (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Sports watches; Diving watches; Cuff links; Tie clips; Stopwatches; Straps for wristwatches; Chronographs; Time meter; all manufactured in Switzerland.

Class 18: Travelling trunks; Backpacks; Wallets; Handbags; Bags for sports; Briefcases; School bags; Leather straps; Umbrellas; Clothing for pets; Garment bags for Travel; Bags for campers; Toiletry bag (empty); Lunch box bag; Vanity cases (not fitted); Bags for baby accessories; Credit card wallet; Tool bags of leather; Covers for Horse-saddles; Saddlery.

10) On 3 September 2014, Wenger S.A. (“the opponent”) opposed the application. The opposition was initially based upon its European Community Trade Mark (“CTM”) Registration under sections 5(2)(b) and (3) of the Trade Marks Act 1994 (“Act”). However, the section 5(3) claim was subsequently withdrawn by the opponent⁴, so the opposition proceeds under section 5(2)(b) only.

Mark: SWISSGEAR
Number: 7197783
Date on Register: 16 June 2009
Publication date: 16 February 2009
Goods relied upon in this opposition⁵:

Class 9: Computer carrying cases; camera cases; electronic travel accessories, namely adapters, converters, transformers and battery chargers for electronic devices.

Class 14: Watches of swiss origin.

Class 18: All-purpose dry bags; luggage; backpacks; daypacks; duffel bags; utility bags; shoulder bags; casual bags; briefcases; non-motorized wheeled packs; cosmetic cases sold empty and toiletry cases sold empty; travel bags; small personal leather goods, namely, wallets, and shaving bags sold empty; umbrellas and name and calling card cases; cosmetic cases sold empty; toiletry cases sold empty; luggage tags; waistpacks; bags worn on the body; business cases; travel bags; all-purpose personal care bags; small personal leather goods, namely, billfolds, credit card cases, neck and necklace wallets; leather airline ticket holders.

Counterstatements

11) The applicant filed counterstatements for each opposition denying the claims made.

⁴ Its representative’s letter of 1 December 2014 refers

⁵ The registration also covers classes 12, 16, 20, 22 and 25

Hearing

12) Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. The oppositions were subsequently consolidated and a hearing took place on 30 September 2015, with the opponent represented by Ms Fiona McBride of Withers and Rogers LLP. The applicant filed written submissions in lieu of attendance.

OHIM invalidity and revocation proceedings

Invalidity

13) On 19 August 2015 OHIM issued an invalidation decision relating to an attack against trade mark registration no. 7197783. The invalidation claim was based on Article 7(1)(b) and (c) of the CTMR, which is equivalent to the UK sections 3(1)(b) and (c) of the Act, i.e. the registration was either devoid of distinctive character or descriptive. The invalidation action was successful against class 14 “watches of Swiss origin” but unsuccessful against the remaining goods. This decision has been appealed and, to date, a decision has yet to be issued.

What impact (if any) does the invalidation action have on these proceedings?

Opposition no. 403188

14) Since the opponent is not relying upon class 14 to support its section 5(3) claim against the application, it has no bearing on opposition no. 403188.

Opposition no. 402783

15) In the event that class 14 of the earlier relied CTM registration no. 7197783 is declared invalid, the opponent will no longer be able to rely upon that class. If the appeal is successful, and there are no further appeals, the opponent will be able to rely upon class 14. This will be outlined further once this opposition action has been discussed.

Revocation

16) On 14 July 2015 the Cancellation Division of the OHIM issued a decision revoking CTM 7197783 in its entirety. The effective date of revocation is 17 June 2014. My understanding is that, to date, the decision of the cancellation division has been appealed and the proceedings are yet to be concluded.

17) The general principle of relying upon registrations which have been revoked, or subject to revocation was considered in *Tax Assist*, BL O/220/12 whereby Professor Ruth Annand, sitting as the Appointed Person, stated (my emphasis):

“Prospective not retrospective

27. Section 46(6) of the Act states that:

“Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date.”

28. Section 46(6) contrasts with Section 47(6) which provides in relation to invalidity (as opposed to revocation):

“Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made...”

29. It is clear from this that in contrast to invalidation, a mark that is revoked pursuant to Section 46(1) (whether on grounds of non-use or one of the other grounds mentioned in that sub-section) continues to have effect up until the date of revocation.

30. These issues and the case law to date were considered by Ms. Amanda Michaels sitting as the Appointed Person in NOWIRELESS. She refused to stay the appeal before her pending resolution of revocation proceedings in OHIM concerning CTMs on which the opposition was based because inter alia even if the marks were revoked this would be from a date after the relevant dates for the opposition (see paras. 23 – 34).

31. Likewise in *RAPIER* the distinction between prospective and retrospective effect (*ex nunc, ex tunc*) led Mr. Geoffrey Hobbs QC sitting as the Appointed Person to conclude that the surrender of a trade mark did not render a pending revocation action moot or academic (see in particular paras. 29 – 35 and the case law therein cited).

32. A more direct authority to the case in hand is RIVERIA Trade Mark [2003] RPC 50 (referred to in T-MOBILE), a decision of Mr. Allan James for the Registrar. There the registration of a later mark was declared invalid on the basis of an earlier mark, which itself was revoked by a decision of equal date from a time after the filing date of the later mark and the date of the application for invalidation.”

18) Further, at paragraph 28 of *NOWIRELESS*, BL O/338/10, Ms Amanda Michaels decided (my emphasis):

“Article 55(3), which provides that the retroactive effect of revocation shall not affect previous decisions on infringement or contracts concluded prior to the revocation, does not seem to me to detract from the generality of Article 55(1). In my view, all of those provisions make it clear that revocation does not affect the validity of the mark up to the date when revocation takes effect, unlike a declaration of invalidity which affects the mark from the outset.”

What impact (if any) does the revocation action have on these proceedings?

Opposition no. 403188

19) The opponent's earlier CTM 7197783 is used as the basis to oppose the '021 application under section 5(3) of the Act. Since the filing date of trade mark application no. 3064021 is 14 July 2014, i.e. after the effective date for revocation, if the revocation action is maintained then the opponent may not rely upon this earlier mark in opposition number 403188.

Opposition no. 402783

20) The '259 application was filed on 28 April 2014, i.e. before the effective date for revocation. This means that when the '259 application was filed, the earlier relied upon CTM number 7197783 would have been extant at that time regardless of the revocation being successful or not. Therefore, despite the earlier registration being revoked, at the date on which the trade mark application was filed, i.e. 28 April 2014, the CTM number 7197783 was still valid and may be relied upon in opposition number 402783.

Evidence

Opponent's evidence in chief

Witness statement of Fiona McBride and exhibits FMB1 – FMB3

21) Ms McBride is a Partner and trade mark attorney at Withers & Rogers, the opponent's professional representatives.

22) Ms McBride states that the history of the opponent dates back to 1893, the date of foundation of the opponent's predecessor company, Paul Boechat & Cie. She states that the predecessor had a contract with the Swiss army to produce knives. Manufacturing of the knives, and other goods such as utensils and cutlery, then in 1988 the opponent began designing and manufacturing watches.

23) Exhibit FMB1 consists of print outs from the opponent's website which details the history of the company. However, there is no reference to SWISSGEAR. The exhibit also includes print outs from the Amazon website whereby a search was conducted for "SWISSGEAR backpacks".

24) Exhibit FMB2 are print outs from the opponent's website dated 25 November 2014. The print outs show products available on its website. These include bags, luggage, travelling accessories and watches which the opponent claims to be the same as those offered by the applicant.

Witness statement of Jean-Daniel Bussard and exhibits JDB1 – JDB5

25) Mr Bussard is the CFO of Wenger SA (the opponent). He has been employed by the opponent since February 2006.

26) Mr Bussard sets out the history of the opponent which reflects what was stated by Ms McBride. He states that two of the opponent's most valuable trade marks are its



iconic SWISSGEAR and the following emblem which he describes as the Wenger Emblem. He claims that the opponent has made significant investment in the advertising and promotion of these marks. Further, he states that the marks have been used in the UK since 2007. Attached to the witness statement are the following exhibits:

- Exhibit JDB1: copies of advertising materials from 2006, 2009, 2011 and the latest 2011/2012 collection showing use of the "Wenger Emblem". Mr Bussard claims that the examples provided are purely illustrative of the vast range of advertising materials. The specific examples come from the Daily Telegraph and Easy Jet in-flight magazines.
- Exhibit JDB2: internet screen shots showing use of the trade marks. They are dated 27 April 2015, which is after the relevant date.
- Exhibit JDB3: a selection of invoices produced by Classic Time, the opponent's UK distributor of watches, dating back to 2006. None of the invoices show use of the word SWISSGEAR. Some of the invoices do include  **WENGER**

but not  *solus*. Mr Bussard does claim that via Classic Time the opponent's UK sales for watches bearing device are as follows:

	
Year	Swiss Francs
2006	34,806
2007	55,328
2008	135,728
2009	145,584
2010	222,380
2011	193,623
2012	180,236
2013	242,992
2014	148,247

- Exhibit JDB4: samples of invoices from EB Brands (UK) Limited, the opponent's UK distributor for travel gear bearing the applications, the subject of the opposition. The invoices are dated between 2011 and 2012 but do not include any of the relied upon marks. The exhibit also contains what appears to be total sales for certain goods

27) It is noted that on Mr Bussard states that the total sales to EB Brands (UK) Limited are as follows:

SWISS  GEAR®	
Year	US\$ IN EXCESS OF
2011	1,053,362
2012	247,941
2013	292,484
2014	208,684

 WENGER®	
Year	US\$ IN EXCESS OF
2011	779,008
2012	2,057,847
2013	1,862,919
2014	1,854,866

- Exhibit JDB5: samples of invoices from VTG Europe, the opponent's UK distributor for "business gear" bearing the marks. They are dated 2010 to 2014, though the total sales to VTG Europe are as follows:

SWISSGEAR with 	
Year	US\$ IN EXCESS OF
2011	912,600
2012	1,266,993
2013	1,675,709
2014	2,052,180

WENGER trade mark with Wenger Emblem	
Year	US\$ IN EXCESS OF
2011	777,400
2012	1,217,307
2013	1,546,810
2014	1,894,320

28) Mr Bussard states that the opponent advertises its marks on various websites. He states that the marketing and advertising spend in the UK by VTG Europe is in the region of £60,000 per annum. However, he does not provide a breakdown of how this annual spend equates to which goods.

DECISION  **(Opp no. 402783)**
BY SWISSGEAR SARL

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

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

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

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

General principles

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

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

Average consumer

31) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

32) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer at paragraph 60 in these terms:

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

33) The goods in question are broad, though the average consumer is likely to be the general public. The cost of the goods could vary greatly. For example, watches of Swiss origin can be very expensive since some enthusiasts would be willing to spend thousands of pounds for a single watch. Of course, many watches are also relatively inexpensive. The cost of the remaining goods are not likely to be particularly high so the degree of care and attention paid will be medium. I consider the purchasing process to follow a visual perusal of websites, brochures and the goods being on a shop shelf. Aural considerations will also form (albeit to a lower degree) part of the purchasing process, i.e. shop assistant, friends and family recommendations.

Comparison of the marks

34) The respective marks are:

Application (no. 3053259)	Earlier mark (CTM no. 7197783)
	SWISSGEAR

35) The '259 application comprises the words DigitalSHIELD BY SWISSGEAR SARL with a small device at the top of the letter i. Whilst the small device will not go unnoticed I am of the view that the initial impression of the mark would be DigitalSHIELD and of then BY SWISSGEAR SARL. Since the earlier mark consists of the combination of the words SWISSGEAR, this is what would be initially recalled.

36) Visually the application does contain the earlier mark so there is an inevitable degree of visual similarity. However, given the additional words and SWISSGEAR being a smaller font than DigitalSHIELD I consider this renders the visual similarity to low.

37) From an aural perspective, SWISSGEAR will be one of the words pronounced in the '259 application though since it is the fourth word of five it is more likely that consumers would refer to the '259 application as DigitalSHIELD. Therefore, based on the assumption that the average consumer would enunciate each word the '259 application would be pronounced as DigitalSHIELD by Swissgear Sarl and the earlier mark as SWISSGEAR. Therefore, I assess the degree of aural similarity to be low to medium.

38) Conceptually the earlier mark will be remembered as SWISSGEAR. Although the '259 application contains a device which resembles the Wi-fi symbol it is not obvious what it would mean to a consumer. Therefore, it will not play a part in the conceptual comparison. The applicant argues that the DigitalSHIELD is the brand name and "BY SWISSGEAR SARL" is ancillary. Whilst I agree that DigitalSHIELD is more prominent it is likely that this would be viewed as the name of the goods and given the use of "BY" this signifies who produced them. Therefore, I am of the view that there is a medium degree of conceptual similarity.

Comparison of goods

39) In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

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

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

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

41) I am also mindful of the comments made in *Kurt Hesse v OHIM*, Case C-50/15 P, whereby the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

42) In *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

43) The respective goods are set out below:

Class 9

Applicant	Earlier relied upon goods
Class 9: Receivers (capturing fitness data); Watch with altimeter, barometer & compass; Electric measuring devices; Headphones; GPS Function watch; Electronic whiteboards; Blank USB flash memory drives; Heart rate monitors for performance-oriented training; mobile phone	Class 9: Computer carrying cases; camera cases; electronic travel accessories, namely

<p>and tablet computer accessories, namely, batteries, electric battery chargers, data communication cables, headsets, ear phones, battery chargers for use in a car, leather cases adapted for mobile phones and tablet computers, flip covers for mobile phones and tablet computers, hands frees kits and snap on cases adapted for mobile phones and tablet computers, stylus, audio docking stations, screen protective films adapted for mobile phones and tablet computers and portable speakers; Portable media players; 3D glasses; Stylus for portable electronic devices; tablet computers; smart phones; Wearable computer peripherals; Sunglasses; wearable peripherals (computers, cellphones, and mobile data receivers); odometers, speed meters, pedometers, altimeters, and barometric altimeters (used in orienteering and hiking); Computer bags; Computer case; Heart rate monitor; Heath bracelet namely heart rate monitor; bracelet namely a computer and telecommunications device; Headphone; Chargers for electric batteries; Plugs, sockets and other contacts [electric connections]; Theft prevention installation, electric; Fire extinguishing apparatus; Sound recording apparatus; Internet communication apparatus; Helmets (Protective-) for sports; Solar Batteries; Protection devices for personal use against accidents; Notes verifier; computer software (recording, organizing, transmitting, manipulating, and reviewing text, audio files, video files and computer game programs in connection with televisions, computers, music players, video players, media players and mobile phones).</p>	<p>adapters, converters, transformers and battery chargers for electronic devices.</p>
---	--

44) During the hearing Ms McBride helpfully conceded that the following goods are not similar to the earlier relied upon goods:

“Watch with altimeter, barometer & compass; Headphones; GPS Function watch; Electronic whiteboards; Heart rate monitors for performance-oriented training; headsets, ear phones; flip covers for mobile phones and tablet computers; stylus, audio docking stations, screen protective films adapted for mobile phones and tablet computers and portable speakers; Portable media players; 3D glasses; Stylus for portable electronic devices; tablet computers; smart phones; Wearable computer peripherals; Sunglasses; wearable peripherals (computers, cellphones, and mobile data receivers); odometers, speed meters, pedometers, altimeters, and barometric altimeters (used in orienteering and hiking); Heart rate monitor; Health bracelet namely heart rate monitor; bracelet namely a computer and telecommunications device; Headphone; Theft prevention installation, electric; Fire extinguishing apparatus; Sound recording apparatus; Internet communication apparatus; Helmets (Protective-) for sports; Protection devices for personal use against accidents; Notes verifier; computer software (recording, organizing, transmitting, manipulating, and reviewing text, audio files, video files and computer game programs in connection with televisions, computers, music players, video players, media players and mobile phones)”

45) In view of the above mentioned concessions, the remaining class 9 goods of the application are:

“Receivers (capturing fitness data); Electric measuring devices; Blank USB flash memory drives; mobile phone and tablet computer accessories, namely, batteries, electric battery chargers, data communication cables, battery chargers for use in a car, leather cases adapted for mobile phones and tablet computers, hands frees kits and snap on cases adapted for mobile phones and tablet computers; Computer bags; Computer case; Chargers for electric batteries; Plugs, sockets and other contacts [electric connections]; Solar Batteries”

46) Before I carry out the comparison of goods it is noted that the goods of the application and earlier relied upon goods contain the word “namely”. Use of the word “namely” in a specification must be approached as follows (as indicated in the Trade Mark Registry’s classification guidance):

“Note that specifications including “namely” should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above “dairy products namely cheese and butter” would only be interpreted as meaning “cheese and butter” and not “dairy products” at large. This is consistent with the definitions provided in Collins English Dictionary which states “namely” to mean “that is to say” and the Cambridge International Dictionary of English which states “which is or are.”

47) Accordingly, the scope of the applied for specification are all of the goods not affected by “namely” plus: “*batteries, electric battery chargers, data communication cables, battery chargers for use in a car, leather cases adapted for mobile phones and tablet computers, hands frees kits and snap on cases adapted for mobile phones and tablet computers*”. The earlier relied upon mark also contains the word namely so its scope of protection is: “computer carrying cases; camera cases; adapters, converters, transformers and battery chargers for electronic devices”.

48) I consider the applied for “Computer case” to be identical to the earlier “Computer carrying cases”. I also consider the applied for “chargers for electric batteries” are identical to the earlier “electronic travel accessories, namely, battery chargers for electronic devices”.

49) With regard to the applicant’s “Computer bags”, these are clearly highly similar, if not identical to “Computer carrying cases”.

50) I find the applied for “mobile phone and tablet computer accessories, namely, electric battery chargers, battery chargers for use in a car” to be identical to “battery chargers for electronic devices”.

51) I consider the applied for “mobile phone and tablet computer accessories, namely, leather cases adapted for tablet computers” to be identical to “computer carrying cases” since they are essentially cases for the same goods.

52) With regard to the applied for “Batteries” and “solar batteries”, these are goods which are used to power electronic devices. Whilst these goods are not in competition with the earlier “battery chargers for electronic devices”, they are complementary because if you buy rechargeable batteries you will need to recharge them. I accept that solar batteries will be charged from daylight, however they are nevertheless still likely to be sold in the same outlets, used by the same users and there is a degree of similarity in purpose (i.e. to charge or power something). In view of this, I find that the goods are similar to a low to medium degree.

53) The applied for “Plugs, sockets and other contacts [electric connections]; data communication cables” are all used to transfer or convert electrical charge from one item to another. Therefore, they are likely to be sold in the same outlets, are in competition with one another and will be used by the same users to the earlier “adapters, convertors, transformers and battery chargers for electronic devices”. I find the goods to be similar to a low to medium degree.

54) My understanding is that the applied for “hands frees kits” are used to speak on your telephone without using one’s hands. I do not consider the purpose of these goods to be similar to any of the earlier relied upon goods. Whilst the goods are likely to be sold in the same electronic and electronic accessory type outlets they are not in competition with one another, nor are they complementary. In view of the aforementioned, I do not consider the goods to be similar.

55) I find the applied for “snap on cases adapted for tablet computers” to be identical to “computer carrying cases”.

56) With regard to “snap on cases adapted for mobile phones”, I find these to be highly similar to “computer carrying cases; camera cases”. Since many people own cameras, mobile phones and computers (which also covers tablet computers) the end users are likely to be the same and there is a degree of competition. They will be sold in the same outlets. Further they are the same in nature insofar that they are cases for goods, albeit different types of electronic goods and those covered by the earlier mark are also used to carry the products. I find that there is an above medium degree of similarity.

57) Finally, the applied for “Receivers (capturing fitness data); Electric measuring devices; Blank USB flash memory drives” are not similar to the earlier relied upon goods. They differ in purpose, nature, uses and are not in competition.

Class 14

Applicant	Earlier relied upon goods
Class 14: Clocks; parts for watches; watch clasps; watch bands; watch straps; wristwatches; electronic clocks and watches; bracelets; Control clocks; Watches (monitoring fitness data); Watches (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Watchband (communicate data to personal digital	Class 14: Watches of swiss origin.

assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Bracelets (communicate data to personal digital assistants, smart computers and other computer and electronic communication network); bracelets (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Sports watches; Diving watches; Cuff links; Tie clips; Stopwatches; Straps for wristwatches; Chronographs; Time meter; all manufactured in Switzerland.	
---	--

58) I find that the following goods are identical: “wristwatches; watches; watches (monitoring fitness data); Watches (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Stopwatches; Chronographs; Sports watches; Diving watches; all manufactured in Switzerland” to the opponent’s class 14 goods.

59) By their nature, intended purpose, users and uses, I find the following goods to be highly similar to the earlier relied upon goods: “Clocks; electronic clocks; Control clocks; time meters”.

60) The applied for “parts for watches; watch clasps; watch bands; watch straps; Watchband (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); “Bracelets (communicate data to personal digital assistants, smart computers and other computer and electronic communication network); bracelets (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Straps for wristwatches” are all used not only in the manufacture of watches but are also complementary to them. Further, they are offered through the same trade channels of trade and to the same consumers. Therefore, I find that they are similar to a high degree.

61) Since “bracelets” may include watch bracelets, for the reasons set out in the aforementioned paragraph I find that these goods are highly similar to the goods covered by the earlier relied upon mark.

62) The purpose of the applied for “cuff links” are to fasten shirt sleeves in an aesthetically appealing manner. Therefore, they clearly differ in nature to “watches”. Further, they are not in competition or complementary with one another. They may be sold in the same outlets but they would not be in close proximity. I do not consider the respective goods to be similar. With regard to “tie clips” these are used to clip a tie to a person’s shirt. They are clearly different in nature to watches, they are not in competition or complementary, have the same use or sold in close proximity to one another. Therefore, they are not similar.

Class 18

Applicant	Earlier relied upon goods
Class 18: Travelling trunks; Backpacks; Wallets; Handbags; Bags for sports; Briefcases; School bags; Leather straps; Umbrellas; Clothing for pets; Garment bags for Travel; Bags for campers; Toiletry bag (empty); Lunch box bag; Vanity cases (not fitted); Bags for baby accessories; Credit card wallet; Tool bags of leather; Covers for Horse-saddles; Saddlery.	Class 18: All-purpose dry bags; luggage; backpacks; daypacks; duffel bags; utility bags; shoulder bags; casual bags; briefcases; non-motorized wheeled packs; cosmetic cases sold empty and toiletry cases sold empty; travel bags; small personal leather goods, namely, wallets, and shaving bags sold empty; umbrellas and name and calling card cases; cosmetic cases sold empty; toiletry cases sold empty; luggage tags; waistpacks; bags worn on the body; business cases; travel bags; all-purpose personal care bags; small personal leather goods, namely, billfolds, credit card cases, neck and necklace wallets; leather airline ticket holders.

63) The application and earlier relied upon goods both contain the following identical terms, “Backpacks; briefcases; umbrellas”, therefore they are identical.

64) Whilst the goods are defined slightly differently, I find “Toiletry bag (empty)” are identical to “all-purpose personal care bags” and “toiletry cases sold empty”. Further, I find that the applied for “Garment bags for travel” are identical to the earlier “travel bags”.

65) The applied for “handbags; bags for sports; school bags; bags for campers; lunch box bag; bags for baby accessories” are all types of bags. They are all used to carry various goods albeit possibly adapted in some manner. They are purchased for their practical and aesthetically pleasing nature. They are likely to be sold in the same establishments as the earlier “all-purpose dry bags; luggage; backpacks; day packs; duffel bags; utility bags; shoulder bags; casual bags; travel bags”. I consider the respective goods to be highly similar.

66) I also consider the applied for “travelling trunks” to be identical to “luggage; travel bags”.

67) Since the applied for “wallets” will also cover the earlier “neck and necklace wallets”, I consider these to be identical. I also find “credit card wallets” to be identical.

68) I consider “Vanity cases (not fitted)” to be merely a different description for “cosmetic cases sold empty”. Therefore, I find them to be identical.

69) With regard to the earlier relied upon “utility bags” I consider this to be a broad term which covers bags which have been adapted in some manner for them to be useful. In *Gérard Meric v Office for Harmonisation in the Internal Market, Case T-133/05*, the General Court stated at paragraph 29 that:

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

70) Since “tool bags of leather” are specially adapted bags used to carry tools, I consider this to fall within the scope of utility bags. Therefore, they are identical.

71) This leaves “covers for horse-saddles; saddlery; clothing for pets” which I do not consider to be similar to the goods covered by the earlier mark. All of the aforementioned goods are for animals, therefore the nature and users will differ. Further, they generally will be sold in different outlets than the earlier relied upon goods and are not in competition with one another. Therefore, I find that they are not similar.

72) Finally, I consider the applied for “leather straps” to be similar to the various bags covered by the earlier mark to a low to medium degree. Whilst they are different in purpose (i.e. one is a bag and the other is a strap which may be used on a bag) they would be sold in the same outlets and would therefore share distribution channels. Further, the users are likely to be the same since a leather strap may be purchased to replace existing or broken ones. Therefore, I also consider the “leather straps” to be complementary to “bags”. They are similar to a low to medium degree.

Distinctive character of the earlier mark

73) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

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

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

74) I have already set out the case law relating to assessing the distinctive character of the earlier mark.⁶ The opponent has submitted evidence of use though I do not consider this results in an enhanced degree of distinctive character. The turnover figures are not substantial and the extent of advertising is low. Therefore, the opponent has not demonstrated an enhanced degree of distinctive character by virtue of its use.

75) The inherent distinctive character of the mark SWISSGEAR has previously been the subject of a decision before OHIM. In that instance the OHIM concluded that the mark is devoid of distinctive character for the applied for class 14 goods. This decision has been appealed though the first instance decision is not binding on this tribunal.

76) In Mr Pienaar's submissions he states that "the term SWISSGEAR is clearly made up of two words namely SWISS & GEAR. This would be obvious to the average consumer. The term SWISSGEAR is, I submit, a descriptive and non-distinctive term. Both components of the trademark are commonly known in the English language."

77) Whilst I see some merit in Mr Pienaar's argument I am mindful of the comments made in *Formula One Licensing BV v OHIM*, Case C-196/11P, the Court of Justice of the European Union found at paragraphs 41 to 44 that:

".....it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.

It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

However, as the appellant rightly points out, their verification has limits.

Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii)."

78) In my view, the earlier mark consists of SWISS, which would be recognised as reference to the country Switzerland, and GEAR which is a broad reference to goods. The combination of the two is suggestive of the goods being of Swiss origin. Further,

⁶ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 at paragraphs 22 and 23.

it cannot be in dispute that Switzerland has a significant reputation for the manufacture of watches.

79) Balancing my view on the earlier mark and the guidance provided by the *Formula One* case, I find that the mark SWISSGEAR for watches and other timekeeping devices (in class 14) is low in distinctive character. With regard to goods which Switzerland does not have a significant reputation, i.e. all of the remaining goods for which the registration covers, I find it to have a slightly above low degree of distinctive character.

Likelihood of confusion

80) Where there is no degree of similarity between the goods, there cannot be a likelihood of confusion. Therefore, the opposition fails against the following goods:

- Class 9: “receivers (capturing fitness data); electric measuring devices; blank USB flash memory drives; hands free kits”
- Class 14: “cuff links; tie clips”
- Class 18: “covers for horse-saddles; saddlery; clothing for pets”

81) When considering whether there is a likelihood of confusion there is no scientific approach and I must consider each of my above findings then take a global assessment. I have already found that with the exception of some watches, the average consumer of the goods will pay a medium degree of care and attention. The purchase will follow a visual perusal of the goods, though I do not discount aural considerations. With regard to the comparison of marks I found them to be visually similar to a low degree, aurally similar to an above low but not medium degree, and conceptually similar to a medium degree. Therefore, whilst there is an overall degree of similarity between the marks, it is considered to be below medium but not low.

82) With regard to the inherent distinctive character of the earlier mark I found this to be low for the class 14 goods, and a slightly above low for the remaining goods. Just because a mark is low in distinctive character, this does not preclude there being a likelihood of confusion. In *L’Oréal SA v OHIM*, Case C-235/05 P, the Court of Justice of the European Union found at paragraph 45 that:

“The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight

difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

83) I have found that generally there is a low to medium degree of similarity between the respective marks and some of the goods are identical or highly similar, I do not consider there is a likelihood of direct confusion, i.e. mistaking one mark for another. However, confusion need not be direct and can, instead be indirect. The difference between the two forms of confusion was summed up in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, whereby Mr Iain Purvis Q.C. as the Appointed Person noted that:

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

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

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

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

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

84) I bear in mind that the three categories of indirect confusion identified by Mr Purvis are just illustrative – he stated that indirect confusion “tends” to fall in one of them. The categories should not, therefore, be considered a straightjacket. Whilst I acknowledge the relatively low distinctive character of the earlier mark and given the number of the additional elements in the application, I nevertheless find that the average consumer will be confused into believing that where the goods are a “sub-brand” of the opponent and that both marks belong to economically linked undertakings. This is enhanced by

virtue of the use of “by Swissgear” in the application which indicates that “Digitalshield” is the sub-brand and SWISSGEAR is the trade origin, or primary mark.

OUTCOME (opposition number 402783)

85) Subject to the conclusion of the invalidation action against CTM 7197783, the opposition succeeds and the application shall be refused for the following goods:

Class 9⁷

“Computer case; chargers for electric batteries; mobile phone and tablet computer accessories, namely, batteries, electric battery chargers, data communication cables, battery chargers for use in a car and snap on cases adapted for mobile phones and tablet computers; computer bags; mobile phone and tablet computer accessories, namely, leather cases adapted for tablet computers; plugs, sockets and other contacts [electric connections]; solar batteries”

Class 14

“Clocks; parts for watches; watch clasps; watch bands; watch straps; wristwatches; electronic clocks and watches; bracelets; Control clocks; Watches (monitoring fitness data); Watches (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Watchband (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Bracelets (communicate data to personal digital assistants, smart computers and other computer and electronic communication network); bracelets (communicate data to personal digital assistants, smart phones, table PCs, PDA, and personal computers through internet websites and other computer and electronic communication networks); Sports watches; Diving watches; Stopwatches; Straps for wristwatches; Chronographs; Time meter; all manufactured in Switzerland.”

Class 18

“Travelling trunks; Backpacks; Wallets; Handbags; Bags for sports; Briefcases; School bags; Leather straps; Umbrellas; Garment bags for Travel; Bags for campers; Toiletry bag (empty); Lunch box bag; Vanity cases (not fitted); Bags for baby accessories; Credit card wallet; Tool bags of leather”

86) Subject to the conclusion of the invalidation action CTM 7197783 the application shall proceed to registration for the following goods:

⁷ Many of the goods were not challenged

Class 9⁸

“Receivers (capturing fitness data); electric measuring devices; blank USB flash memory drives; mobile phone and tablet computer accessories, namely, hands free kits; stylus, audio docking stations; Watch with altimeter, barometer & compass; Headphones; GPS Function watch; Electronic whiteboards; Heart rate monitors for performance-oriented training; headsets, ear phones; flip covers for mobile phones and tablet computers; stylus, audio docking stations, screen protective films adapted for mobile phones and tablet computers and portable speakers; Portable media players; 3D glasses; Stylus for portable electronic devices; tablet computers; smart phones; Wearable computer peripherals; Sunglasses; wearable peripherals (computers, cellphones, and mobile data receivers); odometers, speed meters, pedometers, altimeters, and barometric altimeters (used in orienteering and hiking); Heart rate monitor; Health bracelet namely heart rate monitor; bracelet namely a computer and telecommunications device; Headphone; Theft prevention installation, electric; Fire extinguishing apparatus; Sound recording apparatus; Internet communication apparatus; Helmets (Protective-) for sports; Protection devices for personal use against accidents; Notes verifier; computer software (recording, organizing, transmitting, manipulating, and reviewing text, audio files, video files and computer game programs in connection with televisions, computers, music players, video players, media players and mobile phones)”

Class 14: “Cuff links; tie clips”

Class 18: “Covers for horse-saddles; saddlery; clothing for pets”

87) In the event that the invalidation action against class 14 of CTM no. 7197783 is maintained the opponent will not be able to rely upon those goods and the application shall proceed to registration for all of the applied for class 14 goods.

88) Should the invalidation action before OHIM be overturned and class 14 is maintained, then my findings set out above will apply.

89) In view of the above, this decision is provisional and subject to the conclusion of CTM no. 7197783.



DECISION (Opposition no. 403188)

90) The opposition against the '021 application is based upon section 5(2)(b) of the Act which has already been set out in paragraph 29, page 12.

Average consumer and the purchasing act

91) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion,

⁸ This includes the goods which were not opposed.

it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

92) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer at paragraph 60 in these terms:

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

93) The goods and services covered by the '021 application and earlier marks are broad and varied. The earlier marks class 12 vehicles are an expensive considered purchase which would be carried out by the general adult public following searches of websites, magazine reviews and word of mouth recommendations. In view of this, I consider the purchase to follow a visual perusal of the goods but also take into account aural considerations since friend, family and car salespeople may also influence the purchasing process.

94) The remaining goods cover, *inter alia*, bicycles, accessories for baby buggies, furniture, etc. These goods will be purchased by the general public following a visual perusal of the goods in shops, websites or brochures. However, I also take into consideration aural recommendations made by shop assistants, friends or family. The cost of the goods will vary from the inexpensive products to high end bikes for cycling enthusiasts. Accordingly, I find that there is an above medium degree of care and attention paid when purchasing the goods.

95) Whilst some of the '021 application services may be sought by the general public, for example, *inter alia*, vehicle rental, vehicle breakdown assistance, design of interior décor, photography) will be sought by the general public and businesses. However, the remaining services appear to be niche and therefore would be sought by specific businesses to suit their individual requirements. They are likely to be purchased following visual perusal of websites, brochures or magazines and possibly followed up by a face to face meeting. Therefore, the purchase is likely to follow a visual inspection though aural recommendations will also be taken into account.

Comparison of goods and services

96) In the judgment of the Court of Justice of the European Union in *Canon, Case C-39/97*, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended

purpose and their method of use and whether they are in competition with each other or are complementary”.

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

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

98) In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

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

99) In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

100) In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

101) The respective goods and services are:

Applicant’s (no. 3064021)⁹	Earlier mark (no. 1023587)
Class 39: Storage/warehousing, transport reservation, transportation information, transportation logistics, vehicle rental, rental of vehicle roof racks, vehicle breakdown assistance [towing], advice consultancy and information relating to the above.	Class 12: Vehicles; apparatus for locomotion by land, air or water; bicycles and tricycles, including their spare parts and their structural parts, included in this class; baby buggies; rain covers for baby buggies; mosquito nets for baby buggies; sunscreens for baby buggies; buggy boards; prams; child safety seats for vehicles; sun-blinds for automobiles; stirrups for children, for automobiles; bicycle seats for children; covers for vehicles (fitted); pram covers (fitted); bump belts for mothers-to-be; bump belts for children; tightening cushions for car seats for children; car seats booster cushions for children; seat covers for vehicles.

Applicant’s vehicle breakdown assistance [towing] v the earlier vehicles

102) During the hearing Ms McBride argued that the applied for class 39 services are complementary to class 12 “vehicles”. She also argued that “vehicles” should be considered similar to “vehicle breakdown assistance [towing]” since many cars now have a telephone number within the car for you to call and they would then send somebody to tow your car. There is no evidence to support this argument, however my view is not the case for the majority of car owners. Many car owners are members of AA, RAC or another vehicle breakdown company which specialise in such things. To my mind, they are not similar.

Applicant’s vehicle rental v the earlier vehicles

103) The purpose of vehicles and the rental of vehicles are to transport someone or something from A to B. Therefore, they are similar in purpose. However the nature of goods and services and methods of use differ. It is not usual to purchase vehicles from the same place as consumers would rent a vehicle. The natural meaning of vehicle rental is that it is a temporary rental of a vehicle. The person purchasing the service may still own a car but may need to rent one. For example somebody may need to rent a vehicle to go to the airport or if their own car is being repaired. The respective goods and services are not in competition with one another since a person

⁹ The application also covers “storage information, unloading cargo” though these have not been opposed.

will not be deciding whether to rent or buy a vehicle. In view of the aforementioned, I find that there is a low degree of similarity between the applied for vehicles and vehicle rental.

104) Turning to the remaining applied for services, namely “storage/warehousing, transport reservation, transportation information, transportation logistics, rental of vehicle roof racks, advice consultancy and information”, I do not see any reason why they would be considered to be similar to the earlier mark.

Class 42

Application (no. 3064021) ¹⁰	Earlier mark (no. 1023587)
Design of interior décor	Class 20: Furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum, substitutes for all these materials, or of plastics; camping furniture; sleeping bags for camping, air cushions, air beds (not for medical purposes).

105) Initially the opposition was also against the applied for “engineering; industrial design”, however during the hearing Ms McBride helpfully conceded that there is no degree of similarity.

106) With regard to “Design of interior décor” it was argued that these services are similar to class 20 “furniture” etc. It is argued that the consumers of the goods and services will be the same. I disagree. The design of interior décor is a niche service for those who seek assistance in designing the interior of their house or business premises. They will advise on what best suits the customer’s individual requirements and advise on what to purchase. Consumers of the earlier class 20 goods will be the general public, who seek to purchase furniture etc. They are not in competition, the users will generally not be the same and the nature clearly differ. I do accept that some retailers who sell furniture etc. may offer some interior design service, but the earlier mark covers the goods themselves rather than the retailing thereof. Nevertheless, I do not consider there to be any degree of similarity.

107) The opponent also relies upon class 12 of its earlier 7555436 to oppose the same class 39 services as listed above. Since it is the same comparison of services there is no need to duplicate my existing findings.

Comparison of marks

108) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual

¹⁰ The application also covers class 42 “information technology [IT] consultancy; packaging design/packaging design services; quality control; scientific laboratory services; styling [industrial design]; technical research; material testing; textile testing”. It also covers “engineering; industrial design” but it was conceded at the hearing that these services were not similar.

similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

110) The respective trade marks are shown below:

Application (no. 3064021)	Earlier mark (no. 1023587)
	

111) The '021 application consists of the word SWISSGEAR and a relatively complex device. There is no one element which is dominant therein. It is not obvious that the device is a representation of a product or an element thereof. It consists of a number of elements with a black plus in the middle within a black border. Below this is three stripes and the outer part of the device is shaped like a mask with two holes in either corner. Whilst the device is more prominent and is what the eye would initially notice, the word is easily read as “SWISS” (the country) and “GEAR” (enter meaning).

112) Visually, each of the respective marks include a cross within a rectangular border. The cross within the earlier mark is shaded on a darker background with the border the same shade as the cross. The application includes a blacked out cross, also within a rectangular border with a plain background. As already stated the device in the '021 application also includes other elements and includes the word SWISSGEAR. Given all of the additional elements which make up the '021 application, I am of the view that there is only a low level of visual similarity between the respective marks.

113) The '021 application will be pronounced as SWISSGEAR. No other element, including the cross device, will be spoken. The earlier mark will be referred to as a cross (if at all). Therefore, there is no degree of aural similarity between the respective marks.

114) Whilst the application contains a cross device, the device is complex and it is the word SWISSGEAR which is more likely to be remembered and referred to. The earlier mark will be remembered as a cross device. In view of this, there is no degree of conceptual similarity between the marks.

115) With regard to the opposition based on the earlier CTM no. 7555436, the respective trade marks are shown below:

Contested trade mark (no. 3064021)	Earlier trade mark (CTM no. 7555436)
	

116) Apart from the shading, the comparison between this earlier mark and the opponent's no. 1023587 is largely the same. I cannot see any reason why the aural and conceptual comparisons differ and I find that there is no degree of similarity in this respect. With regard to the visual considerations, I accept that since the earlier mark is not shaded this could increase the prospect of visual similarity. However, the device is one element within a mark which contains many elements.

117) Whilst the earlier mark is white on a black background and the contested trade mark is black on a white background, this has little impact on the overall similarity and I find that there is a slightly above low, but not medium, degree of visual similarity.

Distinctive character of the earlier marks

118) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

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

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

119) Each of the earlier marks are, in essence, a cross within a rectangular border. They do not consist of any additional matter and are not presented in a particularly fanciful manner (I do accept that 1023587 is slightly more stylised than 7555436). Therefore, I find that each of the respective earlier marks are at the bottom end of the distinctiveness spectrum to the extent I consider 7555436 to be low and 1023587 to be slightly above low, but not medium.

LIKELIHOOD OF CONFUSION

120) Where there is no similarity between the services a likelihood of confusion cannot exist. I have already found that a large proportion of the applied for services are not similar to the earlier goods. Therefore the opposition fails against the following:

Class 39: Storage / warehousing, storage information, transport reservation, transportation information, transportation logistics, unloading cargo, rental of vehicle roof racks, vehicle breakdown assistance [towing], rental of warehouses; advice, consultancy and information relating to the above.

Class 41: Education information; language interpreter services; organization of competitions [education or entertainment]; photography; practical training [demonstration]; sign language interpretation; arranging and conducting of symposiums; teaching / educational services / instruction services; translation; arranging and conducting of workshops [training]; advice, consultancy and information relating to the above.

Class 42: Design of interior décor; engineering; industrial design; information technology [IT] consultancy; packaging design / packaging design services; quality control; scientific laboratory services; styling [industrial design]; technical research; material testing; textile testing; advice, consultancy and information relating to the above.

121) With regard to the remaining services (vehicle rental), I must now consider whether there is a likelihood of confusion. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The general principles which I must take into consideration is set out in paragraph 30, page 13. More specifically, one determining factor is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark, as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also bear in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

122) Based on the earlier CTM no. 7555436 I have already found that:

- The earlier mark has a low degree of distinctive character

- The average consumer will pay a high degree of care and attention when considering some of the goods (vehicles) and an above average degree for the remaining goods and services. The purchase will be visual, though aural consideration are taken into account.
- There is a low degree of similarity between the goods and services, namely “vehicles” and “vehicle rental”.
- There is no degree of aural or conceptual similarity. There is a low degree of visual similarity.

123) Taking all of the above factors into consideration, since there is a) only a low degree of visual similarity between the marks (and no aural or conceptual similarity), and b) a low degree of similarity between the respective goods and services, I find that there is no likelihood of direct or indirect confusion. I do take into consideration that there is a greater degree of care and attention paid when purchasing “vehicles” though for the aforementioned reasons there is no likelihood of confusion.

124) With regard to the opposition based on no. 1023587 many of the considerations set out above equally apply. For example, the average consumer and purchasing act are the same, the respective goods and services are similar to a low degree. Further, there is no degree of aural or conceptual similarity and there is a low degree of visual similarity. The only consideration which differs is that the distinctive character of the earlier mark is slightly above low (rather than low). Taking all of the above factors into consideration, I do not consider there to be a likelihood of confusion between the application and the earlier 1023587.

Section 5(2)(b) outcome

125) The opposition under section 5(2)(b) fails.

SECTION 5(3)

126) Section 5(3) states:

“(3) A trade mark which-

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

General section 5(3) principles

127) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure*

[2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

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

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

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

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

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

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

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases

where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

128) The section 5(3) claim is based upon the following earlier marks:

Mark	Goods whereby a reputation is claimed
 <p>7555436</p>	<p>Class 9: Camera cases; computer carrying cases, mobile phone and cell phone cases and speciality holsters for carrying personal digital assistant; laser pointers; luminous pointers.</p> <p>Class 14: Watches of Swiss origin.</p> <p>Class 18: All-purpose dry bags, luggage, backpacks, daypacks, duffel bags, utility bags, shoulder bags, casual bags, briefcases, non-motorized wheeled packs, cosmetic cases sold empty and toiletry cases sold empty, travel bags, small personal leather goods, namely, wallets, billfolds, credit card cases, neck, necklace wallets, and shaving bags sold empty; umbrellas and name and calling card cases, cosmetic cases sold empty, toiletry cases sold empty, luggage tags, waistpacks, bags worn on the body, business cases, travel bags, all-purpose personal care bags, small personal leather goods; shoe bags for travel; unfitted bags for handheld electronic devices; waistpacks for holding electronic devices; leather airline ticket holders.</p>
 <p>1023587</p>	<p>Class 9: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity, in particular adapters, converters, transformers and battery chargers; measuring apparatus, in particular altimeters, pedometers, thermometers, directional compasses, compasses; computer carrying cases; sunglasses; cases for sunglasses; spectacle cases; straps for sunglasses or spectacles; mouse mats; camera cases; mobile phone cases; mobile phone straps; memory sticks; cases for laptops; wristbands with flash drives; cases for CDs or DVDs; light-beam pointers, laser-beam pointers.</p> <p>Class 14: Precious metals and their alloys and products made from these materials or coated therewith, not included in other classes, in particular fancy keyholders; jewellery, precious stones; timepieces and chronometric instruments, in particular watches, watch bands, chronometers, chronographs, clocks; component parts, spare parts included in this class for all the aforementioned goods; accessories included in this class for all the aforementioned goods, in particular boxes and caskets for watches, cases, chests, display boxes.</p>

	<p>Class 18: Leather and imitation leather, goods made thereof included in this class, including fine leather goods; trunks and suitcases; handbags, bags for campers, travelling bags, all-purpose sport bags, all-purpose athletic bags, all-purpose carrying bags, athletic bags, baby backpacks, baby-carrying bags, backpacks, bags and holdalls for sports clothing, bags for carrying babies' accessories, bags for sports, barrel bags, beach bags, belt bags, book bags, bumbags, carry-all bags, bags, carry-on bags, daypacks, diaper bags, duffel bags, duffel bags for travel, fanny packs, garment bags for travel, harness fittings, harness straps, hiking bags, hiking rucksacks, hunting bags, infant carriers worn on the body, haversacks, luggage, saddle bags, roll bags, rucksacks for mountaineers, saddle pommel bags, pannier bags, saddlery, in particular pommel bags, school bags, school book bags, school knapsacks, school children's backpacks, shoulder bags, shoulder straps, sling bags, slings for carrying infants, small backpacks, small bags for men, small rucksacks, sports packs, sportsmen's hunting bags, straps for holdalls, straps for luggage, tool pouches, tool pouches sold empty, tote bags, travel bags, waist bags, waist packs and related accessories; umbrellas.</p>
<p>SWISSGEAR 7197783</p>	<p>“Class 9: Computer carrying cases; camera cases; electronic travel accessories, namely adapters, converters, transformers and battery chargers for electronic devices.</p> <p>Class 18: All-purpose dry bags; luggage; backpacks; daypacks; duffel bags; utility bags; shoulder bags; casual bags; briefcases; non-motorized wheeled packs; cosmetic cases sold empty and toiletry cases sold empty; travel bags; small personal leather goods, namely, wallets, and shaving bags sold empty; umbrellas and name and calling card cases; cosmetic cases sold empty; toiletry cases sold empty; luggage tags; waistpacks; bags worn on the body; business cases; travel bags; all-purpose personal care bags; small personal leather goods, namely, billfolds, credit card cases, neck and necklace wallets; leather airline ticket holders.”</p>

129) The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its earlier marks have achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, the opponent must establish that the level of reputation and the similarities between the parties' marks will cause the public to make a link between the marks, in the sense of the earlier marks being brought to mind by the applications. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the applicant will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

130) In *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572 the CJEU stated:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

131) I note that the earlier mark relied upon by the applicant is a CTM. In *Pago International GmbH v Tirol Milchregistrierte Genossenschaft mbH C-301/07* (“*Pago*”) the CJEU held that, in appropriate circumstances, the territory of a single Member State may be considered to constitute a substantial part of the territory of the Community.

132) The opponent’s claim is that:

“The Opponent has also filed opposition under Section 5(3) on the basis that the Opponent’s Marks have a reputation in the EU and allowing use and registration of the Applicant’s Mark in the UK without due cause would take unfair advantage of, or be detrimental to the distinctive character of repute of the Opponent’s Marks. In particular the Opponent’s Marks have been used in the UK since 2007 in respect of the goods for which they have been registered in classes 9 and 18. The Opponent is well known for making the original Swiss army knife and has been in existence since 1893. The trade marks SWISSGEAR and the “Cross” logo are associated exclusively with the Opponent on account of the use and reputation over seven years throughout EU, including the UK. Allowing the existence of the identical term SWISSGEAR and the identical “Cross” logo, within the Applicant’s Mark would lead the consumer to believe that there was an association or economic link between the Applicant and the Opponent and in doing so, the Applicant’s Mark will take unfair advantage of, or be detrimental to the repute of the Opponent’s Marks.”

133) The opponent has submitted evidence of use of the mark though many of the examples provided are after the relevant date. Further, much of the use made of the device mark is in conjunction with the word Wenger.

134) Whilst the opponent has provided advertising figures, it is not clear how the annual spend (£60,000) covers. The opponent has also provided turnover figures which I do not consider demonstrates that the opponent has established a significant reputation. Therefore, I find that the opponent has not shown the requisite reputation and fails to overcome the first hurdle.

135) For the avoidance of doubt, if it was established that the opponent did amend its pleadings and could rely upon a reputation for the class 14 goods of CTM 7197783, it would not have been successful under section 5(3) of the Act. Whilst sales and advertising of its SWISSGEAR mark for class 14 goods are not low, they are not sufficiently high to have supported the argument that a substantial part of the relevant public would have been aware of the mark. Further, even if it had got over the reputation hurdle, there would not be a link in the minds of the relevant consumer. The

distance between the class 14 watches of Swiss origin is by far too great for there to be a link with, *inter alia*, class 39 “storage, vehicle rental”, 41 “education, language interpreter services” and class 42 “design of interior décor”.

136) The claim under section 5(3) of the Act fails.

Outcome

137) The opposition fails in its entirety. Subject to appeal, the application shall proceed to registration for all of the applied for services.

Status of this decision

138) This is a provisional decision. When the appeals against the earlier mark CTM no. 7197783 have been resolved, I will issue a supplementary decision which will include a decision on costs. The appeal period will run from the date of the supplementary decision.

Direction to Wenger S.A.

139) I direct Wenger S.A. (the opponent in these proceedings) to inform me once the outcome of CTM no. 7197783 is determined.

Dated this 11th day of March 2016

**MARK KING
For the Registrar,
The Comptroller-General**