

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 2401757 IN THE
NAME OF CAROL ANNE GWYNNE**

AND IN THE MATTER OF OPPOSITION NO. 94112 THERETO BY GROTTO S.P.A.

**OPPONENT'S APPEAL TO AN APPOINTED PERSON FROM THE DECISION
OF MR MIKE FOLEY DATED 19 NOVEMBER 2007**

DECISION

Case history

1. On 16 September 2005 the Applicant, Carol Anne Gwynne, applied to register a series of three trade marks, **CAS**, **Cas** and **cas**, in Classes 18 and 25 in respect of the following goods:

Class 18: Leather and imitations of leather, and goods made of these materials; straps of leather for bags; trunks and travelling bags; bags; handbags, shopping bags, travel bags, beach bags, purses, wallets, belts, briefcases, articles of luggage, suitcases, cases, vanity cases, tote bags, shoulder bags, sling bags, backpacks, rucksacks, satchels.

Class 25: Articles of clothing, footwear, headgear; shoes, sandals, boots, heels; belts for wear.

2. The Opponent, Grotto S.p.A., opposed the application by Notice of Opposition (Form TM7) dated 3 February 2006 under section 5(2)(b) of the Trade Marks Act 1994 ("the Act"), based on the following four earlier Community trade marks, three already registered and one an application under opposition:

CTM no.	Sign	App./ reg. dates	Class/specification
882548	GAS	app. 20.07.1998 reg. 20.11.2000	18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips,

			harness and saddlery. 25: Clothing, footwear, headgear.
2867463		app. 23.09.2002 (under opposition)	18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery 25: Clothing, shoes, headgear; coats, overcoats, blousons, greatcoats, pants, jeans, jackets, shirts, skirts, hosiery, tailored jackets, tracks, sweatshirts, stockings, socks, neckties, hats, berets, headscarves, footwear, boots, slippers.
306050		app. 08.07.1996 reg. 10.08.2001	25: Trousers, jackets, jeans, shirts, skirts, heavy jackets, sports jerseys, sweaters, tailored jackets, stockings, socks, footwear, boots, slippers.
654624		app. 10.10.1997 reg. 06.04.1999	18: Bags, travelling bags; umbrellas.

3. Each of the earlier trade marks covered other goods as well, but I do not reproduce the full lists here since they were not relied upon by the Opponent.
4. CTM no. 654624 had been registered for more than five years before publication of the opposed application, so the Opponent was required to make a statement of use pursuant to section 6A(3)(a) of the Act and rule 13(2)(e) of the Trade Marks Rules 2000. In the Form TM7 the Opponent stated that the mark had been used on the goods covered by the registration.
5. The Applicant defended the opposition by Notice of defence and counterstatement (Form TM8) dated 28 April 2006. Only the Opponent filed evidence. A hearing took place on 14 June 2007, at which the Opponent was represented by Mrs Gill Smaggasgale of WP Thompson & Co. The Applicant was not represented, but filed some written submissions.
6. Mr Mike Foley acting for the Registrar dismissed the opposition in a written decision dated 19 November 2007 (O/341/07).

7. On 13 December 2007, the Opponent gave notice of appeal to an Appointed Person under section 76 of the Act. The hearing of the appeal took place on 27 March 2008, at which the Opponent was again represented by Mrs Gill Smaggasgale of W P Thompson & Co. Again, the Applicant did not attend and was not represented, but her trade mark attorneys, Keltie, had filed written submissions in advance, asking for the appeal to be dismissed.

Section 5(2)(b) of the Act

8. Section 5(2)(b) of the Act provides as follows:

(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 mark is protected,

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

9. This provision implements Article 4(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks.

The Hearing Officer's decision

10. Paragraph numbers referred to in the text below are to the numbered paragraphs of the Hearing Officer's decision.
11. The Hearing Officer summarised the Opponent's evidence, which consisted of two witness statements made by Gillian Helen Smaggasgale of W P Thompson & Co (the Opponent's trade mark attorneys), with exhibits. The evidence dealt primarily with the use made of the Opponent's marks, as well as some dictionary extracts and submissions in support of the case for similarity of marks and likelihood of confusion. No issue is taken on the summary.
12. The Hearing Officer decided (paragraph 17) that he did not need to consider whether, and to what extent, the oldest of the earlier trade marks, CTM no. 654624, satisfied the requirement of use, because he did not need to base his decision on this mark. Here he referred to section 47(2)(A) of the Act as the basis for the proof of use requirement, which is the appropriate section in an invalidity application, whereas he should have referred to section 6A(3)(a). But nothing turns on this, as he clearly had the appropriate proof of use requirement in mind, and his point was correct: it made practical sense to rely on the other three trade marks in his decision.
13. Before starting his analysis, the Hearing Officer stated that he would take into account the guidance provided by the European Court of Justice ("ECJ") in *Sabel BV*

v Puma AG [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723.

14. The Hearing Officer focused his attention on CTM no. 882548 for the word GAS on its own, given that Mrs Smaggasgale had submitted that this was the Opponent's best case and that there was no suggestion that the composite marks had acquired a level of distinctiveness and reputation over and above that of the word mark.
15. He then stated that, although the selection of clothing, handbags, luggage, belts etc. is primarily a visual act which places most importance on the appearance of marks, this does not negate the need to consider and balance the aural and conceptual similarities as well (paragraph 22).
16. The focus of this appeal is on the Hearing Officer's analysis of similarity of the marks CAS/Cas/cas and GAS, which I therefore set out in full here:

23. On a visual comparison there is obviously some similarity between GAS and CAS. They are the same length, have the second and third characters in common, and share a similarity in the shape of the first letter. On a quick, casual inspection it could be said that these marks could be visually similar, but the consumer is considered to be reasonably observant and circumspect. Taking into account the fact that these are very short words where small differences have a disproportionate impact, I consider these words to be visually distinct.

24. Considering now these marks from the point of view of their appeal to the ear. Both start with a strong consonant. The syllable that follows may sound the same in both marks but the dominance of the hard first consonant gives the words a different sound. In my view these are aurally different marks.

25. In the submissions provided by her representatives, the applicant disputes that there is any visual or aural similarity between the respective marks, but to the extent that there may be found to be, this is completely outweighed by the strong conceptual differences between GAS and CAS. In support they refer to *Picasso v Picarro* (Case C-361/04 P). The opponent's mark GAS is an ordinary English word with a meaning that will be familiar to most consumers as denoting something vapour like, such as that used by cooking and heating apparatus. It has other, less familiar meanings, mostly of American origin. The applicants argue that their mark CAS is often used as an abbreviation or shortened form of the female forename Carol, Carolyn, Caroline or Cassie, but is otherwise "utterly meaningless." It may well be that some will see it as such an abbreviation; I do not know and there is no evidence to assist me. I consider it to be more likely that the majority of consumers will see it as I do, that is as an invented word. Whatever is the case, the message or idea conveyed by the respective marks will be different.

26. Balancing the points for and against a finding of similarity, I find that these are marks that are not similar.

17. The next part of the decision is not contentious and so can be summarised briefly as follows:

(1) Because the goods concerned could cover anything from mass-market lines to high-end designer label goods, the channels of trade would range from high street shops and supermarkets to high-end retailers, and the degree to which the relevant consumer would be circumspect and observant ranged from “reasonably” to “highly” (paragraph 27).

(2) All of the goods in the Applicant’s specification were identical to goods covered by the GAS registration (paragraphs 28-29).

18. Mrs Smaggasgale had exhibited the results from an Internet search showing that, when one typed the term “cas clothing” into the Yahoo! search engine, the second of the ‘hits’ listed in the results had the heading “Buy Gas Clothing online here”. She submitted that this amounted to evidence of actual confusion between CAS and GAS. The Hearing Officer rejected the submission, stating (at paragraph 31):

All that this potentially shows to me is that the parameters on which the search has been done may well have included letter substitution, placed focus on any single word within the search string, or hit on the use of the opponents’ GAS trade mark as a metatag.

19. Although the Hearing Officer had found that CAS and GAS were not similar, he went on to consider whether GAS had an enhanced distinctiveness through use and found that it did: the evidence showed that the GAS brand was high profile with a strong reputation for quality clothing and related accessories. Nevertheless, he said, that did not give grounds for presuming a likelihood of confusion, particularly given his finding of lack of similarity between marks.

20. In his concluding paragraph on the substance of the case, the Hearing Officer said:

32. Taking all of the factors into account and adopting a global approach as the case law requires. I come to the position that I do not consider that there is a likelihood that a member of the public, aware of the opponent’s mark and its use and/or its reputation, on seeing the applicant’s mark being used in connection with the goods for which registration is sought, will be led into believing that that the respective goods come from the same or an economically linked undertaking. This is my view even when the potential for confusion through an imperfect recollection is taken into account. I find that there is no likelihood of confusion and the opposition under Section 5(2)(b) is dismissed.

Approach to this Appeal

21. An appeal from the decision of a Registry Hearing Officer is not a re-hearing, but a review. As a case in which there was no oral evidence, I should show “a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle”: *REEF Trade Mark* [2002] EWCA Civ 763, [2003] RPC 5 at [28]. A decision does not contain an error of principle merely because it could have been better expressed.
22. Of particular relevance to this appeal is the recent observation of Daniel Alexander QC (sitting as a Deputy High Court Judge) in *Digipos Store Solutions Group Ltd v Digi International Inc.* [2008] EWHC 3371 (Ch) at [6] that:

In the context of appeals from the Registrar relating to section 5(2)(b) of the Act, alleged errors that consist of wrongly assessing similarities between marks, attributing too much or too little discernment to the average consumer or giving too much or too little weight to certain factors in the multi-factorial global assessment are not errors of principle warranting interference.

Appeal decision

23. The Opponent’s statement of grounds re-runs the arguments relied on at first instance to contend that the Hearing Officer erred in finding the marks GAS and CAS dissimilar and that there was no likelihood of confusion. The particular errors highlighted, and expanded in the Opponent’s skeleton argument and oral submission, were as follows:
 - (1) Having acknowledged (at paragraph 23) that there were obvious visual similarities between GAS and CAS, the Hearing Officer was wrong to suggest that small differences had a disproportionate impact in short words. Even a reasonably observant and circumspect consumer could not be assumed to take a substantial amount of time analysing the trade marks, nor to consider them visually side by side. The average consumer would barely notice the upturned part of the capital ‘G’ in GAS.
 - (2) The Hearing Officer erred in finding the marks to be phonetically distinct: there are similarities in pronunciation between the initial consonant of each mark, notwithstanding the difference between the letters ‘C’ and ‘G’. In normal usage, the average consumer would not take care in pronunciation, so CAS and GAS would be pronounced in much the same way. In any event, the visual similarity far outweighed any phonetic distinction.
 - (3) The Hearing Officer was wrong to find that the trade mark GAS would be taken by the consumer as “denoting something vaporous”. In the context of clothing,

the word GAS would be seen as nothing more than a brand. The marks are so visually similar that there would have to be a very striking difference in meaning to overcome the inevitable initial reaction that they are the same. In any event, the visual and/or phonetic similarities far outweigh any conceptual differences.

24. In support of its overall position, the Opponent relied particularly on a decision of the Court of First Instance (“CFI”) which involved a comparison between the trade marks TOFIX and TOPIX (stylised): Case T-57/06 *Erdal GmbH v NV Marley SA*. In that case, the Opponent pointed out, the CFI held that the marks were orally highly similar, but were only visually remotely similar and were conceptually different. Nevertheless, the high oral similarity was sufficient to give rise to a finding of likelihood of confusion. This case was said to highlight how the Hearing Officer went wrong in circumstances where not only was there virtual identity orally, but also very high visual similarity, whatever the view on the conceptual comparison.
25. Dealing with the last point first, the *TOFIX/TOPIX* case is just one example of the many cases in which the CFI have considered the issue of similarity of marks and likelihood of confusion. It does not lay down any principle that differs from those laid down in the ECJ authorities to which the Hearing Officer rightly referred in his decision. On the evidence available in that case, it was found that the products concerned (cleaning products) were frequently promoted over the radio and were also frequently bought on the basis of a friend’s recommendation (paragraph 95 of *TOPIX/TOFIX*). In those circumstances, the CFI concluded that it was right to give particular weight to the question of oral/phonetic similarity.
26. In contrast, in this case, the Hearing Officer relied not only on his own experience, but also on the decisions in *React* [2000] RPC 285, *Claudia Oberhauser v OHIM (Fifties)* [2003] ETMR 58 and *Criminal Clothing Ltd v Aytan’s Manufacturing (UK) Ltd* [2005] EWHC 1303 to conclude that greatest weight should be given to visual similarity in the case of the goods in issue, but that aural and conceptual similarities needed to be considered as well. I do not perceive any error in that approach.
27. The Hearing Officer approached the global assessment on the basis that the relevant consumer could be “highly” circumspect and observant (in the case of expensive designer items) or merely “reasonably” circumspect and observant (for the more ordinary, everyday items covered by the specification of goods). By considering the latter type of consumer, it is clear that he did not assume an unusually lengthy consideration of the respective marks; nor is there anything to suggest that he assumed that the marks would be looked at side by side, rather than taking into account the possibility of imperfect recollection.
28. The Opponent did not submit that the relevant consumer should be taken to be any less circumspect and observant than “reasonably”. Its submissions in relation to

visual and oral/phonetic similarity essentially boil down to exactly the sort of complaints that Daniel Alexander QC was referring to in the extract from *Digipos* that I have quoted above. The Opponent would like me to take a look at the case afresh and come to a different conclusion. But I am unable to do that unless there has been a distinct and material error of principle.

29. So far as conceptual similarity is concerned, the Opponent objected to the Applicant's reliance at first instance on the ECJ decision in Case 361/04P *Ruiz-Picasso v OHIM* [2006] ECR I-643, [2006] ETMR 29, on the basis that the mark PICASSO had such a clear and specific meaning in relation to any goods that it could be grasped immediately by the relevant public, whereas the same could not be said of GAS when used in relation to clothing. Although the Hearing Officer did specifically mention the Applicant's reliance on *Picasso*, he did not appear to place an unduly strong emphasis on the conceptual comparison between the marks. He was correct to have regard to the conceptual dimension of the marks. Again the Opponent's objection is really about the outcome rather than the principles applied.
30. This is a case where I would expect some other hearing officers to have found that the marks GAS and CAS were sufficiently similar to pass the "similarity of marks" test. I might have done so myself, had I been considering the case from the start. Because of the cumulative nature of the "similarity of marks" and "similarity of goods" tests, a finding that either the marks or the goods fails the test means that one does not need to go on to consider "likelihood of confusion": Case C-106/03P *Vedial SA v OHIM* [2004] ECR I-9573, [2005] ETMR 23 at [51]. Therefore, as stated by Geoffrey Hobbs QC sitting as the Appointed Person in *Home-Tek International Ltd's Applications* (O/144/05), pre-emptive findings should only be made when the degree of dissimilarity between the marks in issue is clearly sufficient, in and of itself, to preclude the existence of a likelihood of confusion.
31. Whatever my own decision on similarity of marks might have been, I can find no error of principle in the Hearing Officer's approach. He analysed similarity on the basis that the earlier trade mark had a strong distinctive character, and he approached the issue carefully, taking account of the relevant guidance of the ECJ. It was open to him to conclude that the marks GAS and CAS were dissimilar, as he did.
32. In any event, although the Hearing Officer could have stopped there, he did go on to consider whether the fact that GAS was a high profile brand with a strong reputation, when combined with his finding of identity of goods, could together lead to a likelihood of confusion. He expressly considered and rejected the suggestion that the Yahoo! search engine result was evidence of actual confusion (which was a matter that the Opponent did not press on appeal); and he concluded on a global assessment of all the factors that there was no likelihood of confusion.

33. Accordingly, even if the Hearing Officer had found the marks to be similar, he would have rejected the opposition on the basis of no likelihood of confusion. In my view, he would have been right to do so.

Conclusion

34. I conclude that the Hearing Officer made no material error in reaching his decision and I dismiss the appeal.

35. The Hearing Officer ordered the Opponent to pay the Applicant the sum of £1,750 towards her costs of the first instance proceedings. I leave that order in place in view of the outcome of the appeal. The Applicant has had to consider the Notice of Appeal, and has incurred the cost of her representatives preparing and filing the written submissions. By way of contribution to those costs, I order the Opponent to pay the Applicant an additional sum of £250.



ANNA CARBONI

16 May 2008

Gillian Smaggasgale of W P Thompson appeared for the Opponent (Appellant).
The Applicant (Respondent) was not represented.