

O-163-06

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2298794
BY SAPROTEX INTERNATIONAL (PROPRIETARY) LIMITED
TO REGISTER THE TRADE MARK ELLE IN CLASS 23**

AND

**IN THE MATTER OF OPPOSITION No. 91666
BY HACHETTE FILIPACCHI PRESSE**

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BACKGROUND

1. Saprotex International (Proprietary) Limited (Saprotex) applied, on 24 April 2002, to register the mark ELLE in respect of “knitting wool and knitting yarn”. These goods fall within Class 23 of the International Classification system.

2. On 2 May 2003 Hachette Filipacchi Presse (HFP) filed notice of opposition to this application. HFP is the proprietor of a large number of registrations for the mark ELLE either in plain form or slightly stylised. The statement of grounds before me is in amended form and reduces the number of marks relied on by the opponent to those contained in the Annex to this decision. HFP claims that these marks have been used by it or with its consent in the UK since about 1985 in relation to the goods and services for which the marks are registered with resulting goodwill. Objections are raised to Saprotex’s application under the following heads and on the basis of wording that closely mirrors the wording of the statute itself:

Section 5(2) (a) or (b) - on the basis of identical and/or similar marks and similarity of goods/services. In relation to the latter HFP relies particularly on the following earlier trade marks, Nos. 1072225, 1241260, 2019901 and 2022323B. On the basis of these considerations HFP says there is a likelihood of confusion;

Section 5(3) - on the basis of both similar and dissimilar goods and services;

Section 5(4)(a) - by virtue of the law of passing off.

3. Saprotex filed a counterstatement that:

- admits that HFP is the proprietor of the earlier trade marks listed;
- claims that HFP’s goodwill is restricted to that arising from its ‘lifestyle’ magazine;
- denies that its goods are similar to those of the earlier trade marks relied on;

- denies the other grounds of opposition.

4. Both sides ask for an award of costs in their favour.

5. Both sides filed evidence. The matter came to be heard on 16 May 2006 when Saprotex was represented by Mr M Vanhegan of Counsel instructed by Urquhart-Dykes & Lord and HFP by Mr C Birss of Counsel instructed by Bristows.

HFP and its trading activities

6. Fabienne Sultan, the Deputy Director of HFP's Intellectual Property Department has filed evidence setting out her company's trading history and activities. HFP is the publisher and distributor of ELLE magazine. The reputation of the magazine is not, I think, in doubt. It will suffice, so far as this part of the evidence is concerned to record a few of the more salient facts that emerge from Ms Sultan's evidence:

- the original edition of the magazine was published in France in 1945. The French edition continues to be widely distributed outside France including in the UK;
- a UK edition of the magazine was first produced in 1985;
- in 1996 60 million copies of the magazine (all editions) were sold worldwide and there were 20 million regular readers;
- the UK edition has an average monthly circulation in excess of 200,000 (audited distribution figures for the years 1996 onwards are exhibited to Ms Sultan's witness statement);
- ELLE claims to be the worldwide leader in terms of advertising space, representing approximately 35% of the relevant market.

7. Ms Sultan describes the audience for and content of the magazine in the following terms;

“The ELLE magazine is tailor-made to appeal to women. It is principally a fashion and lifestyle magazine with a strong focus on women's issues, fashion goods such as women's clothing, shoes and fashion accessories, beauty and lifestyle themes. The ELLE magazine is principally directed to and read by an wide audience of all ages, urban-based, educated, career-orientated, upmarket women with significant disposable income.”

8. In addition to sales of the magazine itself, HFP has offered other, mainly fashion, goods for sale through a variety of means which can be broken down as follows:

- (i) Magazine offers - the UK edition of ELLE magazine has regularly offered for sale ELLE-branded clothing, footwear and headgear through a market section. Likewise the French edition of the magazine also contains advertisements for the sale of goods by mail order;

- (ii) Mail order sales - in addition to sales through the medium of the magazine themselves, ELLE branded goods are available through professional catalogues such as Freemans, Littlewoods, Home Shopping, Grattan, Texplant etc. Audited sales figures for this area of the business amounted to £1,121,501 in 2001;
- (iii) Website sales - this was launched in November 1995 and features ELLE-branded clothing, footwear and headgear;
- (iv) Merchandising programme - this was launched in 1996 following the appointment of London based Actif Group (also referred to as DB) as exclusive licensee for ELLE active wear. Actif/DB is also in charge of retail activity in the UK. Within this latter category are included sales to department stores, such as Debenhams, John Lewis and Bentalls, concessions in House of Fraser, a shop in shop in Harrods as well as sales to independent retailers and wholesalers and a network of ELLE boutiques (since 1999) of which there are nine in operation (Ms Sultan's witness statement was made in January 2004).
- (v) Designer/factory outlet centres - operated or run by Actif/DB.

9. A breakdown of retail sales made by Actif/DB for the year 2001 in the UK is given as follows:

ELLE Boutiques	-	£3,948,024
Factory outlets	-	£3,548,126
Concessions	-	£5,915,714

Wholesale sales by Actif/DB amounted to in excess of £5 million in the same year. There have also been export sales. Advertising expenditure for 2001/2 is given as £15,000.

10. Ms Sultan concludes from this that the reputation of HFP goes well beyond the magazine to brand extension items including women's and children's clothing, footwear, headgear and fashion accessories.

11. With the specific circumstances of this case in mind Ms Sultan goes on to exhibit copies of knitting patterns which appeared in the UK edition of ELLE magazine between 1986 and 1993 and similar material from the French edition of the magazine between 1975 and 1993. She adds that use by HFP in relation to knitting patterns is closely associated with knitting wool and yarn as covered by Saprotex's application.

12. Ms Sultan filed a second witness statement dated 26 April 2004 which supplements and expands on the evidence contained in her first statement with particular reference to goods outside the core clothing range.

13. Much of the evidence contained in this second statement relates to events after the material date of 24 April 2002. There are some exceptions including:

- advertisements for ELLE-branded towels and cushion covers dating from 1999 onwards and which appeared in the French edition of the magazine;

- a completed order form for artificial flowers advertised in the 7 January 2002 edition of the French edition of the magazine;
- copy confirmation orders from UK-based customers for ELLE towels via one of the company's websites. Only one of the two orders is within the relevant period;
- an ELLE promotional items collection brochure for 2001/2 that is said to have been circulated in the UK and France and offers for sale serviettes and towels. Reference is also made to a range of other items offered for sale in this brochure;
- in addition to the 'collection' brochure, itself Ms Sultan exhibits a blank Order Form listing the items offered for sale and 3 invoices from the 'Promotion ELLE' brochure for sewing kits. The invoices show dates in 2000 and 2001;
- further copies of knitting patterns that appeared in the French edition of ELLE magazine between 1994 and 2001.

14. Ms Sultan comments that:

“Consumers purchasing knitting wool and knitting yarn would also purchase knitting patterns and mini sewing kits and the fact that these goods (as well as goods in class 24 – such as household linen – and class 26) are located alongside each other in retail outlets and brochures in particular means that Saprotex's use of ELLE will inevitably lead to confusion that Saprotex's knitting wool and knitting yarn are connected to or endorsed by HFP.”

On 23 July 2004 Ms Sultan filed a third witness statement as part of the opponent's evidence in chief. Again this supplements and expands on the material already provided. And again some care is needed over dates as some of the material relates to periods after the filing date of the application in suit. Relevant new material includes:

- a copy of “The ELLE Knitting Book 50 Exclusive Designs from France”. The book was published in the UK in 1985;
- copies of knitting patterns which have appeared in the French edition of the ELLE magazine since 1993;
- Ms Sultan provides a copy of an affidavit adduced in UK High Court proceedings setting out, inter alia, circulation figures in the UK for the French edition of the ELLE magazine. The affidavit is dated 13 December 1996 and shows distribution figures of 119,497 copies in the year ending December 1993 along with sales of 77,641 copies in the same year;
- further confirmation is provided as to the sales revenue and advertising expenditure associated with the UK edition of the magazine along with press clippings from a wide range of public press media;

- a November 2000 advertisement is exhibited which is said to promote the ELLE range of merchandising goods. I note that it refers to clothing and accessories and refers to various stockists;
- sample offers for ELLE promotional items, particularly bags;
- various clothing catalogues and licensee sales relating to children's wear;
- invoice and other evidence showing sales of leather goods by Luana Holdings Ltd, HFP's exclusive licensee for such goods;
- invoices and other evidence showing sales of eyewear by Charmont UK Ltd, a subsidiary of HFP's exclusive licensee for such goods. Sales totalled 1,644,785 euros in 2000 but the trade is said to date back to 1997;
- total exclusive licensee sales in the UK for 2002 amounted to 23,185,620 euros but the figure is not broken down by goods category;
- a bundle of invoices is exhibited relating to ELLE promotional items. The catalogue from which these can be ordered (only the 2003 version is exhibited) allows "big accounts" and licensees to purchase promotional items as giveaways.

Saprotex's trading activities

15. Michael Peter Cole has filed a witness statement. He has worked in the yarn industry in the UK since 1965 both for the industry brand leader, Sirdar, then as a consultant and subsequently in his own business. In his capacity as a consultant he was engaged by Priory Yarns, a UK distributor of European fashion yarns and of yarns manufactured by Ipliksan AS, a Turkish company. When his association with Priory Yarns ended in 1992 he formed Quadra (UK) Limited, of which he is Managing Director, and continued his association with Ipliksan. He has since acquired the latter's shareholding in Quadra. In October 2001 Quadra finalised an agreement with Saprotex to distribute the latter's yarns in the UK including the ELLE range. Saprotex is said to be a leading player in the market for fashion yarns ranking third behind Rowan and Jaeger (under what brand or brands is not clear). Sales of ELLE yarn currently (Mr Cole is writing in October 2004) account for 60% of overall sales of Saprotex yarn products in the UK. Mr Cole gives figures for sale of ELLE branded yarns for years 2001/2 to 2003/4. Only the first of these periods is relevant but it is not clear what 12 month period is being addressed. Quadra's turnover for the year 2001/2 is given as £242,080 and estimated retail sales value as £484,161. A further schedule to Mr Cole's witness statement gives Quadra turnover for sales of ELLE knitting patterns as £27,556 for 2001/2 with an estimated retail value of £55,113.

16. Quadra's customers throughout the UK are specialist high street wool and needlecraft retail outlets. The company currently (again I take this to represent the position in 2004) supplies 500 businesses in all regions of the UK. Since 2002 (and possibly, therefore, after the relevant date) Quadra and Saprotex have exhibited at the leading public exhibition, the Knitting and Stitching Exhibition, held annually at Alexandra Palace. The companies also

hold exhibitions/shows for the benefit of local retailers and their customers. These feature ELLE knitting yarn and patterns. Advertising takes place in leading women's magazines.

The knitting business and consumer ends

17. Most of the remainder of the evidence filed in this case deals with the parties' perspectives on the relative proximity or distance between their respective businesses set against the background of trends and consumer profiles associated with the knitting industry.

18. Mr Cole says that the most recent report for the UK yarn industry was published in 1997. The size of the market was estimated to be £100 million at that time of which 90% was thought to be accounted for by traditional acrylic yarns (used in e.g. children's clothing, babywear, toys etc) and the balance taken by fashion yarns. Mr Cole says that the market has changed significantly since 1997 with a market for acrylic yarns having shrunk and fashion yarns having grown. He points to the audience profile for ELLE magazine and suggests that the ELLE branded products referred to are intended to complement the style of the magazine. The only goods that are considered to have any real connection with yarn are knitting patterns and mini sewing kits.

19. Mr Cole has this to say about knitting trends and the market for yarns and knitting patterns:

“16. As Ms Sultan's own evidence confirms, knitting is a traditional pastime and as with many other traditional forms of activity it has been greatly affected by social and economic changes over the past 20 to 30 years. In earlier times simple economics meant that hand-knit garments were more affordable than manufactured ones and many women knitted for that reason. Most clothing and similar goods are now made in the Far East and as a result of low production costs their price has not increased since the mid 1980s. An economic need for knitting has largely disappeared and it has become a hobby – a very time consuming one requiring skill, experience and dedication. The majority of women of working age, and certainly those fitting the description of the target readership of ELLE magazine, work and have little or no time to spend on pastimes such as knitting.

17. The typical UK “knitter” in the UK is female and over 50 (often over 60). She is a mother or grandmother, is often disabled and knits clothing and other items for her children or grandchildren. She does not work and is not “career orientated”. She is not “upmarket” and does not have independent “significant disposable income”. She is very unlikely to buy magazines such as ELLE, Marie Claire, Company, Prima or any of the other magazines targeted at the same sort of readership. Few women under the age of 50 have any significant knitting experience or any time to accumulate it. Sewing and craftwork are taught for A level studies in textiles, but not knitting. For many years knitting has been a declining activity and the yarn industry itself has for many years also been in decline.

18. One minor qualification might perhaps be made to the above. Certain well known celebrities such as Madonna and Gyneth [sic] Paltrow are known to

knit as a hobby. This has led some younger people to try it out as well. The impact of this has been small.

19. Yarn is not sold in High Street multiple stores or by mail order. Most yarn is sold in specialist wool and needlecraft retail outlets and, as stated earlier in this statement, Quadra currently supplies 500 or so such businesses throughout the UK. Shops of this kind typically sell yarn, cross stitch tapestry materials, perhaps paper craft materials (e.g. for making greetings cards) and fabrics. The sale of fabrics in such shops is becoming less common as increasingly fewer women have the time to make clothing. Such shops do not sell “brand extension items” of the kind for which HFP has licensed the use of its name. HFP does not publish knitting patterns outside the confines of ELLE magazine itself and in the course of literally thousands of visits to retail customers over a period of 38 years, I have never seen HFP branded knitting patterns in these or any other shops.”

20. Mr Cole, therefore, denies that knitting wool and knitting yarn, along with items such as linen, would be located alongside each other in retail outlets etc. Furthermore, ELLE magazine has not offered knitting patterns since 1993 (or 2001 in the case of the French edition).

21. In relation to knitting instructions, Mr Cole claims that the decline in the tradition of knitting has been more pronounced in the UK and other English speaking countries than in continental European ones. In particular he suggests that the typical French knitter is able to interpret knitting instructions to a greater extent than her UK equivalent. In addition there are different sizing conventions and ball sizes in the UK. He claims that, as a result, for a pattern written for use by French knitters to be of any use in the UK it must be rewritten according to UK conventions. Furthermore, in the UK the buying decision will be based on an assessment by the knitter/customer of the information carried on the knitting pattern which is, therefore, key in determining decisions of this kind. He exhibits a knitting pattern to demonstrate the point.

22. Mr Cole says that none of ELLE’s competitors, such as Marie Claire, Prima and Company, publish knitting patterns. Quadra, on the other hand, produces knitting patterns for magazines such as Women’s Weekly, My Weekly and The People’s Friend, all of which have different consumer profiles. The knitting patterns would typically specify ELLE yarn. Examples are provided.

23. He goes on to make further observations on what he calls the separation of UK and continental markets. He says that “French yarn manufacturers cannot sell their products in the UK because their patterns are not suitable and yarn of the specification to comply with a French pattern will not be available in the UK. French and other continental European yarn manufacturers now have no more than a de minimis presence in the UK market, a position already substantially reached by about 1993 when HFP stopped publishing knitting patterns in the UK edition of ELLE.”

24. He refers to Ms Sultans exhibit, “The Knitting Book – 50 Exclusive Designs from France” (published in 1985) as offering confirmation of this state of affairs. He points out that the introduction describes the distinctively different French approach to knitting, the fact

that the knitting patterns reproduced in the book had been rewritten for English knitters and the fact also that the French yarns used were in many cases unobtainable in the UK.

25. Finally, Mr Cole offers a number of conclusions and observations in relation to the impact of the above on the likelihood of confusion. He also exhibits a bundle of material intended to show that other companies (in addition to HFP) have been using the mark ELLE. Particular reference is made to a supplier of hosiery.

26. Third party use and registration of marks consisting of or containing the word ELLE has also been the subject of a witness statement by Philip de Chastelain Sloan, a Director of Greenwoods Solicitors LLP and, together with Urquhart-Dykes & Lord, trade mark agents for Saprotex. He exhibits:

- the results of a trade marks search carried out by Urquhart-Dykes & Lord;
- material from the website of a company called Elle Limited indicating that it specialises in hand tailored clothing for men;
- material relating to the business of Elle Ltd/Stone Cove Limited. I note that the company is “principally engaged in the wholesale distribution of textiles and hosiery”. Enquiries made by Mr Sloan have indicated the entire turnover takes place under the ELLE brand;
- reference is also made to the marks SAFEWAY ELLE and ELLE (Class 5 in each case) which are now in the ownership of Morrison’s Supermarket plc following that company’s acquisition of Safeway group. It is said that HFP unsuccessfully opposed applications to register the mark ELLE for tampons, the matter being the subject of a High Court judgment (not itself exhibited but a copy was supplied at the hearing).

27. The registered proprietor’s final piece of evidence is a witness statement by Sharon Desiré Farr, Saprotex’s Group Marketing Manager. Her evidence largely reiterates and supports the evidence given by Mr Cole. She also provides supplementary information on Saprotex’s marketing and fashion show programme though I note it is for a period in October 2004. She says that those attending the events referred to were almost exclusively middle aged or elderly women of the kind described earlier in her statement as the typical UK knitter (“a homemaker, a grandmother, with little disposable income, who knits clothing for her grandchildren, or perhaps for sale at village fêtes”). Like Mr Cole, she is not aware of any instances of confusion.

28. The opponent has filed a further three witness statements.

29. The first is a fourth witness statement by Ms Sultan which responds in detail to Mr Cole’s evidence and observations on the knitting market. The main points are:

- she disputes Mr Cole’s claim that ELLE magazine ‘diversified away’ from knitting patterns in 1993. She refers in particular to the patterns appearing in the French edition and also exhibits a print out from www.abebooks.co.uk showing that there is a second hand market for “The Elle Knitting Book” along with confirmation of specimen purchases;

- a copy of a knitting pattern for a cardigan designed for ELLE magazine by John Galliano is exhibited. It featured in the December 2002 issue;
- in response to Mr Cole's reference to fashion shows hosted by Quadra, Ms Sultan exhibits a copy of an invitation to an ELLE catwalk show which took place in March 2003;
- Ms Sultan exhibits print-outs of Internet and other articles referring to the resurgence of knitting and the fact that many celebrities are known to knit;
- in response to Mr Cole's claim that ELLE's competitor magazines do not publish knitting patterns, Ms Sultan exhibits material to show that Vogue has in fact done so.

30. The remainder of the witness statement consists mainly of submissions in relation to Mr Cole's evidence.

31. David Watt, Director of Operations at Designer Yarns, an importer and distributor of fashion yarns, has submitted a witness statement. He has extensive experience in the knitting sector having held positions with a number of different companies since 1969. He confirms that the business is split between what he describes as the 'charity' or 'bottom end' which uses cheap yarns and the 'top' or 'fashion' end which uses more expensive yarns. The latter is said to have been enjoying a resurgence since around 2001. One of the firm's biggest customers is the John Lewis Department Store. His company also works with young designers, Jane Ellison and Louisa Harding who produce "hip and funky" knitted goods such as hats and scarves. He exhibits print outs from Internet searches on these designers.

32. Mr Watt claims that knitting started to decline around 1990 due to the popularity of the fleece. He attributes the resurgence of interest in knitting from around 2001 to a variety of reasons:

"..... People have more leisure time. They also spend more time at home than previously and take up more hobbies, many of which involve using their hands. The internet has also played a part as it allowed communication of new ideas and designs so these reached the public more quickly than they would have done otherwise. "Celebrity knitters" such as Julia Roberts, Emma Bunton and even Russell Crowe claiming knitting to be "the new yoga" have created positive publicity for knitting. So too have lifestyle and fashion magazines which feature articles and editorials on knitting along with knitting patterns. News websites also feature articles on knitting from time to time and I attach as **Exhibit DW2** copies of some of the articles which I have seen published by the BBC on its website www.bbc.co.uk entitled "Celebrity knitting "sparks boom"" (5 December 2005), "Chicks knit at first flick meet" (20 November 2004), "Knitting casts off its old image" (20 March 2004) and "Knitting honour for Graham Norton" (10 January 2003)."

33. Contrary to the applicant's view Mr Watt suggests that the "UK knitting market is vibrant and fashionable with the average knitter becoming younger all the time". He exhibits examples of articles/editorials which have appeared in various magazines but these date from some time after the relevant date.

34. The final witness statement is from Abida Rifat Chaudri, a solicitor with Bristows who act for HFP. The purpose of her witness statement is to introduce evidence in the form of a card which has as its main heading HELL and sub-heading 'Knitter's Special'. Ms Chaudri purchased the card and, when she indicated that she was acting on behalf of ELLE magazine, was advised that the card was being discontinued following a complaint by ELLE's owner. She refers to various aspects of the layout, presentation and use of HELL and suggests that it is clearly intended to be a parody of ELLE magazine and knitting patterns published in the magazine. She suggests that the parody would only work if the thing being parodied had a reputation with its target audience.

35. That completes my review of the evidence to the extent I consider it necessary at this stage.

DECISION

36. The evidence and submissions in the case have dealt at length with the knitting trade in this country, the profile of a typical knitter, and the ELLE brand's reputation and link with knitting. As a result issues arise in relation to who constitutes the average consumer for knitting wool and yarn on the one hand and the goods for which ELLE enjoys a reputation on the other. I propose, therefore, to deal with my findings in relation to these issues as a preliminary to considering the grounds of objection themselves.

The Knitting Market

37. There is a measure of agreement between the parties as to what has happened to knitting since the early 1990s. Both sides accept that knitting started to decline from around 1990. It is not simply a coincidence that the UK ELLE magazine ceased to publish knitting patterns from about 1993. The change may be attributed either to the decline in popularity of knitting as a pastime or simply the fact that it was no longer in keeping with the image of the magazine and the interests of the audience for the magazine.

38. There is also a measure of agreement that knitting enjoyed something of a revival about a decade later. As will be apparent from my summary of the evidence, and as might be expected, it is difficult to be precise about the date of this resurgence or its extent. Mr Watt puts it at 2001. The applicant dates it from around 2002. The articles featured in Mr Watt's own Exhibit DW2 suggest rather later dates in 2003-5. Thus, the South Wales Evening Post article of 18 November 2005 refers to it as a cool new craze. It is attributed to both an increase in leisure time and the fact that a number of celebrities revealed themselves to be knitters.

39. What is more difficult to establish is whether the renewed interest in knitting amongst a younger generation progressed beyond a number of catchy news items and became a more deep-seated revival of knitting as a pastime. On the evidence before me I am unable to conclude that the latter was the case by the material date in these proceedings.

The profile of a typical knitter

40. Even Mr Watt, who has given evidence for the opponent, concedes that "once the typical UK knitter could have been described as 50-60 years old, a mother or grandmother knitting

for her children or grandchildren, not working and not a career woman, not having independent significant disposable income and unlikely to buy magazines such as Elle, Marie Claire, Company or Prima”. That broadly accords with Mr Cole’s view of the matter. As both men are experienced in the trade I think it is reasonable to reply upon this evidence. Where they differ is in their view of more recent developments – by more recent I mean sometime from 2001/2 but recognising in saying that that it is notoriously difficult to date new developments or trend changes with any great precision. Mr Cole discounts the celebrity knitter effect as being small. Mr Watt qualifies his above-quoted view by suggesting that the profile of the typical knitter has changed and by implication that the historical profile needs to be adjusted. Reference is made to the Vogue knitting magazine and other press and magazine material at Exhibit DW3 in support of the view that knitting is now seen as an ‘integral part of fashion’. In my view that goes too far. The Vogue Knitting magazine is a US publication from well after the relevant date and of doubtful relevance in relation to practice and trends in this country. Of the other items Knitting magazine is dated January 2006 and is in any case a specialist publication rather than a fashion magazine and the two other items are from the regional press (Yorkshire Post and South Wales Evening Post for dates in 2005).

41. There is some evidence that fashion designers have had associations with knitting, - the most relevant from the opponent’s point of view is an Elle magazine exclusive involving a knitting pattern for a cardigan designed by John Galliano. It appeared in the December 2002 edition of the UK magazine. What impact it made is unclear. The feature invited interested readers to send a self-addressed envelope for a copy of the knitting pattern but I have been given no information on the number of requests made. Its impact as a one-off ‘exclusive’ in the magazine is difficult to judge and, technically, it is also after the relevant date. There are also the designer knits of Jane Ellison and Louise Harding referred to by Mr Watt. But again their impact is hard to judge.

42. I conclude from the evidence that at some time during the period commencing in 2001/2, knitting may have come to the attention of a wider audience than had traditionally enjoyed it as a pastime. But it is not possible to ascertain how deeply an interest in knitting penetrated a younger audience and it is not possible to say with certainty what the position was at April 2002 or whether occasional links with celebrities and fashion designers had any lasting impact in terms of giving knitting more of a fashion image. I will, therefore, approach the average consumer test with these considerations in mind when I turn to my decision.

The ELLE brand’s link with knitting.

43. Mr Birss relied on four things – the fact that knitting patterns appeared in the UK edition of Elle magazine up until 1993; similarly in the French edition of the magazine up to 2001; the Elle knitting book; and the parody document (Exhibit ARC1).

44. It is accepted that what featured regularly in the UK edition of the magazine up until 1993 was knitting patterns rather than offers for sale of wool itself. Nevertheless, it is relied on by Mr Birss as indicating a natural association with the magazine. Mr Purvis countered by saying that the fact that such patterns ceased to be regular features in the magazine in 1993 was indicative of the fact that it no longer fitted the image the opponent wished to project. He noted that the opponent had not pointed to any other promotions, features, articles and such like dealing with knitting consistent with the view that it no longer wished to be associated with knitting.

45. The French edition of the magazine included knitting patterns up until 2001 but appears to have had a very much more restricted circulation in the UK. Documentation at FS2 indicates sales of something in excess of 40,000 copies in the year to December 2001 but it is a weekly magazine so individual issues achieved limited coverage in this country (say 800 per week). Mr Purvis speculated that this might be mainly an expatriate market in this country. That may or may not be the case. There is no evidence one way or the other.

46. The Elle knitting book is a 1985 publication. The only evidence as to its continuing impact is the website material at FS73 and 74 showing second-hand copies of the book available for purchase on www.abebooks.co.uk and documentation showing a purchase from a private seller. The book has apparently never been re-issued and, in Mr Purvis's submission, was not evidence of an on-going reputation or link between the Elle brand and knitting.

47. The parody HELL Knitters Special card is a curious document. It was purchased by one of the opponent's professional representatives from a shop in Holborn on 24 August 2005. How long the card had been available, how widely available and how many had been sold are not made clear. Nor, therefore, is it possible to say what impact it may have had on consumers in establishing a continuing link between the magazine and knitting.

48. It seems to me that these latter two items, the Elle knitting book and the parody card, contribute little to establishing what public perception was in April 2002. The French edition of the Elle magazine may have had some slight impact but it has to be borne in mind that the knitting patterns included in this publication would have been just one of the many articles/feature/advertisements contained therein. Mr Cole also points to potential difficulties for knitters in this country working from French instructions due to the different conventions involved. It is possible and even probable that a few UK consumers would have seen the knitting patterns in the French edition of Elle so some lingering association between the Elle brand and knitting would result. But in reality the impact and effect can only have been small.

49. Furthermore, I am not convinced that the existence of knitting patterns in the UK Elle magazine up to 1993 can have had any material residual effect almost a decade later.

50. Taking this part of Mr Birss's submission in the round I consider that it was overstating the position to claim that the above-mentioned factors established a natural association between knitting and the magazine/clothing.

Section 5(2)

51. With the above points in mind I turn to the first of the opponent's objections which is under Section 5(2)(a) or (b). These read as follows:

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

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

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

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

52. I was referred to and take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v. Klijsen Handel B.V.* [2000] FSR 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723. The guidance from these cases is now well known and was not the subject of dispute at the hearing. Nor is there any real debate about the marks – they are identical and, therefore, bring this matter within the boundaries of Section 5(2)(a)

53. Submissions at the hearing, therefore, concentrated on the distinctive character of the opponent’s mark and whether the respective sets of goods passed the threshold test for similarity and, if so, whether as a consequence and as a matter of global appreciation there is a likelihood of confusion.

54. In relation to the marks both inherent and acquired distinctiveness must be considered. In both cases it must also be a matter of degree. I should just add that for Section 5(2) purposes HFP bases its case on its various clothing registrations and to a lesser extent the Class 41 services of No 2019901.

55. Mr Purvis’ starting point was that ELLE, as a word, was at the low end of the scale in terms of its inherent distinctiveness being well understood as an ordinary French word (and a woman’s name) and one which consumers would expect to see adopted in relation to fields of trade generally connected with women.

56. In support of this he referred me to the following passage from the judgment of Jacob J (as he was then) in oppositions brought by HFP against the marks PRESTO ELLE and ELLE in the name of Safeway Stores PLC (cases HC 1999 01866 and 01865):

“Further the word ELLE itself is not a particularly strong mark inherently. It has a well-known meaning in French and has been adopted by other traders in this country, particularly a hosiery maker who appears to have been going for a long time.”

57. Mr Birss’ answer to this was that these oppositions were brought at a time when it was acknowledged that the magazine had “only just started going in for brand extensions, selling fashion goods”. On a factual basis, HFP’s position in April 2002 was materially different to that pertaining more than a decade earlier. In the end Mr Purvis accepted that HFP’s position in relation to clothing had improved and a reputation could be claimed in relation to ELLE branded women’s clothing. I agree that that must be so even allowing for the difficulty in certain parts of the evidence in establishing the precise position at the material date (for instance it is not clear how many ELLE stores and boutiques there were at that time). It is not, however, disputed that DB Actif Group has been exclusive licensee since 1996 and in charge of retail activity in this country. This retail activity embraces boutiques at high profile locations such as Bluewater, leading mail order catalogues, designer outlets and concessions as well as sales through the magazine itself. Mr Purvis’ criticisms of parts of the

evidence do not seem to me to detract significantly from the overall conclusion that the modest inherent qualities of ELLE as a mark had been improved through use by April 2002.

58. In terms of the nature of the clothing trade under the ELLE brand Mr Purvis drew my attention particularly to the catalogues at FS14 in submitting that the reputation related primarily to active wear (see for instance the Autumn/Winter 1998 catalogue) rather than knitwear.

59. That is perhaps rather too restrictive. If one had to categorise the catalogue material it covers active wear, sportswear, summer wear, sleepwear, underwear and light casual garments. It is fair to say that knitwear does not feature heavily though there are examples of what I take to be machine limited and yarn-based garments. Most of the product offerings appear to be directed at a youngish audience consistent with image of the magazine itself.

60. I turn now to the issue of similarity of goods. The ECJ has given the following guidance when it comes to comparing goods (and services);

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

(see paragraph 56 of Case T-169/03 explaining the change from ‘end consumers’ to ‘intended purpose’. This appears to have resulted from a mis-translation of the original text.)

61. Jacob J in *British Sugar Plc v James Robertson & Sons Ltd (Treat)*, [1996] RPC 281 gave the following list of factors which were referred to and considered at the hearing:

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

62. Reverting to *Canon I* was also reminded that:

“It is, however important to stress that, for the purpose of applying Article 4(1)(b), even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods or services concerned.”

63. Finally by way of introduction, Counsel are agreed that there is a threshold test that has to be passed as indicated in the following passage from *Intel Corp v Sihra* [2004] ETMR 44 and which is referred to in Kerly’s at 9-056:

“It is clear that the flexibility inherent in this global approach leaves intact the threshold requirement for a recognisable degree of similarity between the goods and services in question. The distinctiveness and strength of the earlier mark may lessen the degree of similarity required, but it does not eliminate it. The remedy for the proprietor of a distinctive mark which is challenged in respect of non similar goods is to oppose registration under Section 5(3).”

64. The comparison I have to make is between on the one hand knitting wool and knitting yarn and on the other women’s fashion clothing directed particularly at a younger audience.

65. The most obvious point to be made is that knitting wool and yarn can be used in the production of clothing. Difficult issues can arise where an item is an ingredient, component, part or otherwise used in the production of a finished article. It does not necessarily mean that one is similar to the other. Mr Purvis took the example of sheet steel compared to an item made out of or using that product (a car say) to show that there can be quite a distance between the raw material and a finished product made from that material. Yet one might say that at the other end of the spectrum a major component such as a car engine has a much closer association with the car itself. It probably does no more than show that you can prove anything or nothing by way of examples.

66. Accordingly, I think it is safest to apply the *Canon/Treat* tests to the circumstances of this case. The uses of the respective products are clearly different - one is to make something, the other is an item to be worn. There is some overlap in terms of users but not at a particularly material level (particularly when it comes to the young women’s fashion clothing for which the opponent’s mark has a reputation). A wide variety of consumer goods often share users taken at a high level of generality. The physical nature of knitting wool/yarn differs from clothing. The mere fact that one can be made from the other does not change that fact.

67. On the evidence before me, trade channels are well separated even if one concentrates on the domestic as opposed to industrial market for knitting wool and yarns. Knitting wools and yarns are produced by specialist manufacturers (Sirdar, Wendy, Patons etc) and there is no evidence to suggest that these companies also produce clothing or that clothing companies produce wool or yarn. The same distinction between trade channels also appears to exist throughout the distribution process. Both sets of goods fall within the *Treat* self-serve consumer items category. They may well both be found in department stores but not, I think, in close proximity. Generally speaking the market for knitting wools and yarns is through specialist outlets. It has not been suggested that retail outlets engage in cross-over trade between the two goods areas (either at all or to any material extent).

68. Are they complementary or in competition one with the other? I suppose it might be said that someone who wants a knitted jumper can either buy the finished article off the shelf or buy the wool to make one. To that extent the goods are alternatives. But that does not seem to me to be a realistic test and not the sort of choice that the average consumer will find herself making. In reality a decision will be made at the outset to either buy the finished product or make it. The goods are not in any real sense in competition. Nor are they complementary save at the margins and even then it would require a broad view of the meaning of that word – compare for instance Case T-169/03 *Sergio Rossi v OHIM* which refers to OHIM’s opposition guidelines as indicating that complementary goods are goods which are closely connected in the sense that one is indispensable or important for the use of the other so that consumers may think that the same undertaking is responsible for the production of both goods (paragraph 60 of the decision).

69. Consumer perception is, of course, important in all this and that in turn will be informed and influenced by trade practices. My overall conclusion based on the above considerations is that, whilst I cannot say that there are no points of similarity between the respective goods, they fail in my view to pass the threshold test referred to in *Intel Corp v Sihra*. If I am wrong in that then I would hold that there is a low degree of similarity. The difference between those positions is not of purely academic interest. If the goods do not have the requisite “recognisable degree of similarity” then the applicant’s case fails under Section 5(2) on this point alone. If the better view is that there is a low level of similarity but one which at least passes the threshold test then I must go on and consider whether there is a likelihood of confusion.

70. As indicated, my view is that opponent’s case does fall at this hurdle. However, recognising that it is a marginal decision I propose to give my views on the alternative position. Assuming, therefore, against my primary finding that the threshold test is met, the question becomes one of the impact on likelihood of confusion of a greater degree of distinctiveness on the part of the opponent’s (identical) mark despite a low or lesser degree of similarity between the goods (see *Merlin Trade Mark O/043/05* at paragraph 44).

71. The goods for which the opponent’s mark can be said to enjoy an enhanced degree of distinctiveness are women’s clothing. One might add the additional qualification that the reputation is more particularly in relation to women’s fashion clothing of a kind that is consistent with the image of the magazine and the target audience for that magazine as described in the evidence. On the whole I find that this points to an average consumer profile that is quite different to that for knitting wool and yarn. However, these are not and cannot be rigid boundaries. No doubt there are older women who read *Elle* magazine and follow the fashion trends in that magazine and younger women who enjoy knitting as a pastime. The ebb and flow of fashion trends such as the claimed resurgence of knitting may further blur the boundaries but I am not persuaded that these considerations seriously undermine the basic proposition.

72. Mr Birss reminded me that this case involves identical marks. The evidence does not suggest that there has been widespread adoption of the word ELLE as a trade mark by other traders in the field. However, evidence has been filed (Exhibit P de CS 4 to Mr Sloan’s witness statement) showing a company called Elle UK Limited using the mark in relation to hosiery. It is shown as having a turnover of £736,295 in 2004 which is well after the relevant date but this is thought to be the same company as was referred to by Jacob J in the opposition action against the Safeway Stores marks. At the time it was said to have sold £1.9

million worth of goods in 1995. It appears, therefore, to be a continuing presence in the marketplace. Although not heavily relied on there is also evidence again from Mr Sloan about a company called Elle Limited which, according to the website material exhibited (Exhibit P de CS 2), was established in 1979 and specialises in menswear. The ELLE brand does not, therefore, enjoy a monopoly in the marketplace.

73. Before drawing the threads of the argument together there is one further point I should mention. Mr Purvis noted that there had been no instance of confusion – even low level confusion such as misdirected telephone calls – put before me despite the applicant’s own existing trade since 2001 and the presence of the other ELLE brands as noted above. Mr Birss observed that absence of evidence of confusion is not the same as evidence of absence.

74. Confusion may be fleeting or trivial and thus go unrecorded, or it may be so absolute that the consumer is completely taken in. I do not think it is profitable for me to enter this particular debate. The absence of any instances of actual confusion has not influenced my decision.

75. It seems to me that in the light of the opponent’s reputation, use of an identical mark on knitting wool and knitting yarn may for some people trigger an association. But, even assuming as I do for present purposes, that there is ‘threshold’ similarity between the goods I am not persuaded that any such association will amount to more than a bringing to mind. I do not consider that a sufficiently close link has been established between the respective sets of goods that a significant number of consumers will consider that they share the same trade source.

76. The way that the matter has been put in the European cases is that the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense (*Marca Mode CV v Adidas AG*, paragraph 41). But if the association between the marks causes the public to wrongly believe that the respective goods came from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section (*Canon v MGM* paragraph 29). This is not a case which in my view leads to the consequence mentioned in the *Canon* case. The opposition fails under Section 5(2) in so far as it is based on HFP’s women’s clothing registrations. Mr Birss accepts that in the event of such a finding he cannot do any better when it comes to the Class 41 services.

Section 5(3)

77. As a result of regulation 7 of The Trade Marks (Proof of Use etc) Regulation 2004 Section 5(3) now reads:

5.-(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, 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.”

78. As is clear from the explanatory note to the regulation this amended wording in Section 5(3) comes about as a result of the ECJ's decisions in *Davidoff & Cie SA & Zino Davidoff SA v Gofkid Ltd* of 9 January 2003 (C-292/00) and *Adidas-Salomon AG & Adidas Benelux BV v Fitnessworld Trading Ltd* of 23 October 2003 (C-408/01). The effect of the ECJ's decisions was to clarify that the scope of the equivalent provision in the Directive extended to identical and similar goods as well as 'not similar' goods. The opponent has put its case on the basis of both similar and not similar goods depending on the outcome of my comparison of the respective sets of goods. It follows from my finding in relation to Section 5(2) that I approach Section 5(3) on the basis that the goods do not pass the threshold test for similarity.

79. The scope of the Section has been considered in a number of cases. I was referred to the following relevant authorities: *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42 and *Creditmaster Trade Mark* [2005] RPC 21.

80. There is no dispute between the parties that relevant principles can be derived from these cases.

81. Mr Birss' case shortly stated is that HFP's ELLE mark is highly distinctive, and that Saprotex have adopted an identical mark which will call to mind the ELLE brand and obtain a free-ride on the reputation established by HFP. The opponent's case is thus based on taking unfair advantage. Detriment is also said to be inevitable but in reality is not said to offer as strong a case as unfair advantage.

82. Mr Purvis' skeleton argument conveniently set out the elements of the test under Section 5(3) by reference to the *Creditmaster* case as follows:

- (a) The burden of proof is on the opponent;
- (b) The opponent must show that the relevant public would establish a "link" between the marks;
- (c) The link so established must be such as to cause actual detriment or take actual unfair advantage of the earlier mark or its reputation – it is not enough that some members of the public might be stimulated by the later trade mark to recall the earlier one;
- (d) The stronger the distinctive character and reputation of the earlier mark, the easier it is to establish detriment;
- (e) Detriment may lie in making the earlier mark less attractive (tarnishing) or less distinctive (blurring);
- (f) Unfair advantage may lie in feeding on the fame of the earlier mark to substantially increase the marketability of the goods offered under the later mark.

83. Implicit in the above is the requirement set out in the Act that the opponent must show that its mark(s) has a reputation. HFP relies for Section 5(3) on its reputation for magazines as well as clothing. The test for reputation is that set out in the *Chevy* case. Mr Purvis accepted that the opponent had the requisite reputation in so far as the ELLE magazine is concerned. I asked him whether he also accepted that a sufficient reputation existed to establish a starting point for the objection in so far as it is based on clothing. He hesitated and was initially minded to accept that such a reputation did exist but eventually said that it did not.

84. I can understand the doubts he entertained on this point. Like Mr Purvis I accept that ELLE enjoys a considerable reputation as a women's fashion magazine. Although I have accepted an enhanced degree of distinctiveness for Section 5(2) purposes I consider HFP's claim to be one at the margins when it comes to the *Chevy* test. It is with some hesitation that I have come to the conclusion that the evidence described and commented on above does establish HFP's starting position. In coming to that view I bear in mind particularly the value of clothing sales, the range of retail outlets, the magazine's association with fashion clothing and the fact that clothing is sold through the medium of the magazine.

85. I have already accepted for Section 5(2) purposes (where the opponent's case was based primarily on its clothing registrations) that because of the reputation of the ELLE brand some people may make an association if they also encounter the same mark in use in relation to knitting wool or knitting yarn. The same also holds true in relation to the magazine where there is a longer standing and more deeply-rooted reputation.

86. The link comes about in each case because ELLE is a mark that is strongly associated with female fashion. Mr Birss referred me to Exhibit FS4 as capturing the essence of the brand concept and hence the values associated with the brand. FS4 is a Hachette Filipacchi Merchandising booklet from 1998/9 entitled 'ELLE The Brand Business'. It describes the ELLE consumer target as being "18 to 35 year old women, urban, educated, career-orientated, upper-middle case, active, modern, open-minded, feminine and sensitive to fashion".

87. As I have already indicated that represents a very different target audience to the market for knitting wool and knitting yarn. I accept there will be cross-over trade at the margins and it may well be that knitting will enjoy the occasional fashion revival with a younger audience.

88. There is no evidence from consumers themselves to help me gauge the nature, extent and effect of any association that is or may be made between the respective product areas or what would flow from any such association. My own view is that an association may exist at the margins but that it will not be particularly strong.

89. I go on to consider whether the applicant will gain unfair advantage as a result of any such association. The first point to consider is the standard of the test. In the *Chevy* case the Advocate General said:

"43. It is to be noted in particular that Article 5(2), in contrast to Article 5(1)(b), does not refer to a mere risk or likelihood of its conditions being fulfilled. The wording is more positive: "takes unfair advantage of, or is detrimental to" (emphasis added). Moreover, the taking of unfair advantage or the suffering of detriment must be properly substantiated, that is to say, properly established to the satisfaction of the

national court: the national court must be satisfied by evidence of actual detriment, or of unfair advantage. The precise method of adducing such proof should in my view be a matter for national rules of evidence and procedure, as in the case of establishing likelihood of confusion see the tenth recital of the preamble.”

90. More recently in *Mastercard International Incorporated and Hitachi Credit (UK) Plc* Mr Justice Smith dealt with a submission by Counsel for the Appellant (on appeal from a Registry opposition decision) that Section 5(3) was concerned with possibilities rather than actualities. Commencing with the above passage from *Chevy*, the judge reviewed the leading cases dealing with the point including observations by Pumfrey J in the *Merc* case and Patten J in *Sihra*. He concluded that the Registry Hearing Officer had been right to conclude that there must be “real, as opposed to theoretical, evidence” that detriment will occur and that the Registry Hearing Officer was “right to conclude that there must be real possibilities as opposed to theoretical possibilities”.

91. I should just add that, whilst the above extract refers to real evidence of the claimed form of damage, this cannot mean that there must be actual evidence of unfair advantage or detriment having occurred. In many cases that come before Registry Hearing Officers the mark under attack is either unused or there has been only small scale and recent use. No evidence of actual damage is possible in such circumstances. I, therefore, interpret the above reference to mean that the tribunal must be possessed of sufficient evidence about the use of the earlier trade mark, the qualities and values associated with it and the characteristics of the trade etc that it is a reasonably foreseeable consequence that use of the other side’s mark will have the claimed adverse consequence(s).

92. I note too the following from Mr Geoffrey Hobbs QC (sitting as a Deputy Judge) in *Electrocoin Automatics Ltd v Coinworld Ltd*, [2005] FSR 7:

“102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place need to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.” (footnotes omitted).

93. Mr Birss’ submission is that Saprotex will gain a free ride on the back of HFP’s promotion of and reputation in its ELLE brand. He postulated a number of circumstances where customers of the respective sets of goods might meet or find themselves in circumstances whereby this free-riding might occur.

94. He also referred me to *Mango Sport System S.R.L. v Diknah S.L.* [2005] ETMR 5. This was a case that came before one of the OHIM Boards of Appeal and involved an application for ‘protective helmets for work, sport, leisure and do-it-yourself purposes’ which was opposed by the proprietor of an identical mark (MANGO) on the basis of a clothing registration. There was extensive evidence as to the opponent’s reputation. The objection based on unfair advantage was upheld for the following reasons:

“34 As to the mark applied for, whilst it may be the case that technical considerations are relevant, aesthetic considerations may be equally relevant since the goods in the application could be sold for use in leisure and other sporting activities and be targeted at the non-professional. Thus it is

conceivable that the public buying “MANGO” clothing might also carry out a sporting, leisure or DIY activity in which protective helmets are worn and the goods covered by the earlier mark could complement the goods in the application, which, as discussed already, cannot be restricted to the sport of cycling. It cannot be excluded that young, sporty, dynamic and fashion conscious women, who are precisely the focus of the opponent’s MANGO marketing strategy, will strive to match their accessories to their collections of MANGO clothes, and as part of that image will wear co-ordinating headgear.

35. Given the identify of the marks, the complementary nature of the goods, and the fact that the word MANGO is highly distinctive in relation to the goods concerned, and the extensive nature of the reputation throughout Spain, unfair advantage within the meaning of Article 8(5) cannot be excluded. It is highly likely based on those considerations that the applicant will benefit from and free ride on the opponent’s successful marketing efforts. In that sense it will derive an unfair advantage in Spain from the link the relevant public will make to the earlier mark which already enjoys substantial reputation there.”

95. Mr Birss noted the importance attached to identity of marks. It is also clear from the above passage that the Board of Appeal accepted that the goods were complementary in nature and that the applicant’s goods could be targeted at the same group of consumers that would constitute the relevant public for the goods for which the opponent enjoyed a reputation.

96. I accept that particular care is needed where identical marks are involved. But in other respects the circumstances in MANGO do not seem to me to be helpful to the opponent’s cause. The goods, whether one takes magazines or clothing, are not complementary and at the most (in the case of clothing) have a low degree of similarity. Importantly, too, the image and qualities associated with the opponent’s brand do not appear to be particularly relevant to the applicant’s goods given the typical consumer profile associated with those goods and even allowing for some grey areas at the margins of the respective trades.

97. The matter can be considered from the perspective of Mr Hobbs’ question posed in the *Electrocoin* case (see the passage quoted above). Would the economic behaviour of the actual or potential purchaser of ELLE brand knitting wool or knitting yarn be influenced to a material extent as a result of any association that might be made with the goods for which the opponent’s mark has a reputation? For instance would Saprotext’s sale of knitting wool increase to a material extent (or at all) as a result of such an association. In my view it would not or, if it did occur at all it is likely to be to an immaterial extent.

98. On that basis the opposition fails on the basis of the unfair advantage claim. As I indicated earlier the case on detriment was not pressed and would not afford the opponent any better prospect of success.

Section 5(4)(a)

99. I do not need to deal with this in any details. Mr Birss did not actually give up the passing off claim but accepted that it was unlikely to succeed if the opponent was not also successful under either or both Sections 5(2) and 5(3). That is also my view of the matter. I should add that it is doubtful whether any more broadly based case is available to the

opponent under Section 5(4)(a) in the light of the way the pleadings have been drafted. Paragraph 3 of the grounds refers to “the goodwill that resides in the business of supplying the said goods and services under and by reference to the said indicia” (my emphasis). The “said” goods and services and indicia linked the objection back to the 26 registrations originally pleaded. When that list was whittled down so as to concentrate on the opponent’s core goods there does not appear to have been any corresponding attempt or request to keep a wider claim running for passing off purposes. Paragraph 8 of the statement of grounds may be thought to retain a more broadly based attack referring as it does to the “goodwill associated with the business of HFP”. However, this too is linked to the “aforementioned indicia”. I mention the point in case it arises in the context of any appeal but it is of largely academic interest in the light of the way the opponent’s case was put at the hearing.

Costs

100. The applicant has been successful and is entitled to a contribution towards its costs. Mr Purvis’ skeleton argument invited me to consider an award on a high scale than normal. His reasons for doing so can be summarised as being:

- the applicant originally relied on some 26 different trade marks. Most are said to have been for irrelevant goods and services. This expanded the area of dispute.
- it was only after Saprotex succeeded in revocation actions that the list of marks relied on was reduced to 7 by which time evidence had been filed.
- the opponent’s evidence was not well directed towards relevant marks with the result that the applicant has had to pick through the evidence to decide what was relevant in the context of the pleaded case.
- other evidence goes to the period after the relevant date or the position outside the UK.

101. I was not addressed at the hearing on the precise sequence of events but it is clear from the amended statement of grounds (the third such amended version) that the original lengthy list of earlier trade marks was eventually reduced to the marks representing the core goods that formed the basis of the opponent’s case at the hearing.

102. I issued decisions in a number of Saprotex’s revocation actions referred to by Mr Purvis in December 2004. Whether there were other such actions I do not know. It was not unreasonable in my view for HFP to maintain its more broadly based position pending the outcome of the revocation actions which at one time included an attack on HFP’s clothing registrations (not in the event pursued save in respect of certain items of footwear – see O/381/04).

103. On the other hand I think Mr Purvis is right to suggest that the opponent’s evidence did suggest that the proceedings were being pursued on a broader front than was eventually the case at the hearing. Accordingly, some of the evidence was not well directed in terms of the goods concerned and the period covered (Ms Sultan’s second witness statement is a prime example of this). The applicant was put to some unnecessary trouble in sifting this evidence though not, I think, in dealing with it in its own evidence where a pragmatic view appears to

have been taken as to the relevance of the evidence. I propose to adjust my costs award to reflect this state of affairs.

104. In the normal course of events I would have ordered the opponent to pay the applicant the sum of **£2300**. I will increase that to **£2500** to reflect the above circumstances. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of the case if any appeal against this decision is unsuccessful.

Dated this 20th day of June 2006

**M REYNOLDS
For the Registrar
The Comptroller-General**

ANNEX

HFP's trade mark registrations (to the extent of the Classes relied on):

No.	Mark	Class	Specification
1072225	ELLE	25	Outer clothing for women, but not including stockings, body stockings, tights or swimwear. CANCELLED IN RESPECT OF : Socks.
1145485		16	Periodical publications relating to women
1241260	ELLE	25	Clothing for women, but not including socks, stockings, body stockings or tights.
1248444	ELLE	16	Cardboard articles, notebooks, folders, books, printed matter, stationery, writing instruments, all included in Class 16.
1282347		41	Publishing, arranging and organising of competitions; all included in Class 41 and all for others.
2019901	ELLE	41	Educational, teaching and training services, instruction and teaching of beginners and advanced classes; all in the fields of fashion,.....lifestyle, home, household,.....design and decoration
2022323B		25	Clothing including boots and shoes for women, but not including socks, stockings or tights.