

O-247-06

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2361886  
BY PHILIP CLOTHING LTD  
TO REGISTER A TRADE MARK  
IN CLASS 25**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER No. 92918  
BY FLIP SKATEBOARDS INC.**

## BACKGROUND

1) On 27 April 2004, Philip Clothing Ltd of 191 Kings Road, London SW3 5ED applied under the Trade Marks Act 1994 for registration of the following trade mark:

**PHLIP**

2) The mark was sought to be registered in respect of the following goods in Class 25:

“Armbands, articles of athletic clothing, articles of clothing for casual wear, articles of clothing for men, articles of clothing for underwear, articles of clothing incorporating suede, articles of clothing made from denim material, wool or leather, articles of clothing, articles of ladies clothing, athletic shoes, athletic shoes for basketball, leather shoes, men's shoes, shoes for casual wear, shoes for sports wear, baseball caps, headbands, hats, denim jeans, jeans, jeans for men, casual shirts, cotton shirts, denim shirts, men's shirts, short sleeved shirts, sweat shirts, printed T-shirts, T-shirts, belts, casual jackets, denim jackets, jackets, jackets for men and women, leather jackets, leisure jackets.”

3) On 1 November 2004 Flip Skateboards Inc., of 28364 South Western Avenue, Suite 325, 90275 Rancho Palos Verdes, California, USA filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Effective Date	Class	Specification
<b>FLIP</b>	M827838	05.02.04	25	Footwear, headgear, clothing, namely, coats, jackets, vests, T-shirts, shirts, trousers, jeans, pants, short pants, hats, caps, and shoes.
<b>FLIP</b>	CTM 2966497	10.12.02	28	Sports equipment, namely, skateboards and parts thereof, skateboard trucks, skateboard wheels and parts thereof, skateboard tapes, skateboard stirrups.

b) The mark in suit is similar to the opponent's trade marks, and the goods applied for in Class 25 are identical or similar to the opponent's goods in Classes 25 and 28. The mark applied for therefore offends against Section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994.

4) The applicant subsequently filed a counterstatement denying the opponent's claims, and counter-claiming that it had used its mark since 1985.

5) Only the opponent filed evidence in these proceedings. Both sides ask for an award of costs. Neither side wished to be heard, but the opponent did file written submissions which I shall refer to as and when necessary.

## OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 29 July 2005, by Steven Camps the Chief Operating Officer at Blitz Distribution Inc. the exclusive distributor for Flip branded products in the USA. He states that his company has exported goods under the FLIP mark to a distributor in the UK, Shiner Ltd. The goods consisted of clothing, headgear, footwear and sports equipment. He states that skateboarding is not just a sport but a lifestyle and skateboarders want the best equipment and also the latest clothing. He states that the "skater" trend in clothing has been adopted not just by skaters but by the public. He also provides the following exhibits:

SC1: Mr Camps states that this consists of a copy of a brochure issued by Shiner Ltd which shows FLIP clothing, footwear, headgear and equipment for sale in the UK. In fact it consists of copies of a website dated 2005 and a number of colour prints which are usually the first stage in producing a brochure and which show clothing and equipment which carry the FLIP mark. The only date shown is 2003.

SC2: Copies of invoices to Shiner Ltd between the years 1996-2005 which Mr Camps claims all relate to sales of FLIP products. However, the vast majority refer only to names such as "Hook-Ups", "BP" and "Freak Brothers". Indeed many of the invoices do not mention FLIP items at all. The invoices are dated January 1996 – May 2005. They do show sales of items of FLIP clothing in each of the years 1996, 97 and 99.

SC3: Copies of invoices from Shiner Ltd to various stores in the UK. These are dated between April 2002 and April 2005. I can only consider those prior to the relevant date which restricts me to eight invoices. These are addressed to four companies and show some goods under the FLIP mark. These appear to relate to sports equipment, T shirts (£1344), hats (£318) and sweatshirts (£1599)

SC4: This is said to be copies of advertisements placed in the UK promoting FLIP branded clothing. However, whilst the word FLIP can be seen on articles of clothing and sports equipment and there are two pages which state "Goldbrand by Flip" and "FLIP Welcome to America" it is not clear when these advertisements appeared or in what publication. Nor are there details of distribution. It therefore serves little purpose.

7) That concludes my review of the evidence. I now turn to the decision.

## DECISION

8) I shall first consider the ground of opposition under section 5(2)(b) which reads:

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

(a) .....

- (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.”

9) An “earlier trade mark” is defined in section 6, the relevant parts of which state:

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

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

10) The opponent is relying upon two marks CTM 2966497 and International Trade Mark 827838 which have effective dates of 10 December 2002 and 5 February 2004 respectively and are clearly earlier trade marks.

11) In determining the question under section 5(2)(b), I 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] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R 723. It is clear from these cases that:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*;

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG*;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

12) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the marks relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

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

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert

for details which would differentiate one mark from another. Where a mark has become more distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

14) I also have to consider whether the marks that the opponent is relying upon have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. The opponent has claimed that it has goodwill and reputation in the marks. However, the evidence filed is scant and does not establish that the opponent has an enhanced reputation in the mark FLIP in the UK. Therefore, the opponent cannot benefit from an enhanced reputation. In my opinion, the opponent’s marks are inherently distinctive for the goods for which they are registered.

15) I shall now consider the specifications of the two parties. For ease of reference they are reproduced below:

Applicant’s specification	Opponent’s specifications
In Class 25: Armbands, articles of athletic clothing, articles of clothing for casual wear, articles of clothing for men, articles of clothing for underwear, articles of clothing incorporating suede, articles of clothing made from denim material, wool or leather, articles of clothing, articles of ladies clothing, athletic shoes, athletic shoes for basketball, leather shoes, men's shoes, shoes for casual wear, shoes for sports wear, baseball caps, headbands, hats, denim jeans, jeans, jeans for men, casual shirts, cotton shirts, denim shirts, men's shirts, short sleeved shirts, sweat shirts, printed T-shirts, T-shirts, belts, casual jackets, denim jackets, jackets, jackets for men and women, leather jackets, leisure jackets.	CTM 2966497: In Class 28: Sports equipment, namely, skateboards and parts thereof, skateboard trucks, skateboard wheels and parts thereof, skateboard tapes, skateboard stirrups.
	M827838: In Class 25: Footwear, headgear, clothing, namely, coats, jackets, vests, T-shirts, shirts, trousers, jeans, pants, short pants, hats, caps, and shoes.

16) In carrying out the comparison of the specifications of the two parties I take into account the factors referred to in the opinion of the Advocate General in *Canon*; page 127, paragraphs 45-48. In its judgement, the ECJ stated at paragraph 23:

“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, their end users and their method of use and whether they are in competition with each other or are complementary.”

17) Clearly, the sports equipment in Class 28 for which CTM 2966497 is registered are not identical or similar to the clothing items of the applicant’s specification. Conversely the opponent’s specification for International trade mark 827838 encompasses the whole of the applicant’s specification. The goods must be regarded as identical or very similar. The applicant accepts this in their counterstatement.

18) I now turn to the marks of the two parties. For ease of reference I reproduce them below.

Applicant's mark	Opponent's marks	
	CTM 2966497 <b>FLIP</b>	M827838 <b>FLIP</b>

19) In discussing the opponent's marks I regard them as effectively identical. The amount of stylisation in the international trade mark is extremely limited to the extent that most consumers would simply view the mark as being in a normal typeface. Therefore, I will regard the opponent's marks as the simple word FLIP in normal font.

20) There are obvious visual differences in the beginnings of the marks. Clearly, the applicant's mark begins with the letters "PH" whereas the opponent's mark begins with the letter "F". Thereafter the marks are identical. The applicant's mark is written as though it is "on a wave", which although slightly unusual does not detract from the fact that this is a word mark. Phonetically, the marks are identical. The letters "PH" sound like a letter "F" as in the word phone.

21) Conceptually the opponent's mark conveys the idea to throw, flick or toss. I believe that the applicant's mark will be viewed as having no meaning. Whilst I accept that the beginnings of marks have prominence the average consumer views marks as wholes. These days the average consumer is used to companies using strange and bizarre spellings which nevertheless produce identical phonetic results.

22) Taking account of all the above, and also the dictum of imperfect recollection, it is my opinion that the similarities between the marks far outweigh the differences

23) Taking account of all of the above when considering the marks globally, I believe that there is a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore succeeds. Given this finding I do not need to consider the issue under Section 5(4)(a).

24) As the opponent is successful they are entitled to a contribution towards their costs. I order the applicant to pay the opponent the sum of £800. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 31st day of August 2006**

**George W Salthouse  
 For the Registrar  
 the Comptroller-General**