

O-269-11

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2543782

BY

MOOD CLOTHING CONCESSIONS LIMITED

TO REGISTER THE TRADE MARK:

PREVIEW

IN CLASS 25

AND

THE JOINT OPPOSITION THERETO

UNDER NO 100823

BY

PEEK & CLOPPENBURG KG

AND

CBM CREATIVE BRANDS MARKEN GMBH

Trade Marks Act 1994

**In the matter of application no 2543782
by Mood Clothing Concessions Limited
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in class 25
and the joint opposition thereto
under no 100823
by Peek & Cloppenburg KG
and CBM Creative Brands Marken GmbH**

1) On 1 April 2010 Mood Clothing Concessions Limited (Mood) filed an application to register the trade mark **PREVIEW**. The trade mark was published, for opposition purposes, on 11 June 2010 with the following specification:

articles of clothing; articles of outer clothing; articles of ladies clothing; blouses, shirts, trousers, slacks, skirts, jumpers, cardigans, pullovers, jackets and coats.

The above goods are in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 11 August 2010 Peek & Cloppenburg KG (Peek) of Germany filed a notice of opposition to the registration of the application. Peek relies upon section 5(2)(b) of the Trade Marks Act 1994 (the Act). Under section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

3) Peek relies upon two earlier trade marks:

Community trade mark registration no 284307 of the trade mark **Review**. The application for registration was filed on 4 June 1996. The registration process was completed on 15 February 2001. Consequently, the registration is subject to proof of genuine use for the period from 12 June 2005 to 11 June 2010¹. The trade mark is registered for:

clothing.

The above goods are in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended. Peek claims

that it has used the trade mark for all of the goods for which it is registered in the material period. It claims:

“The applicant’s mark is visually and phonetically similar to the opponent’s earlier mark. Furthermore, the marks are conceptually similar (a ‘preview’ is an appraisal before an event; a ‘review’ is an appraisal after an event). The goods are identical. Therefore, it is likely that confusion would arise in the mind of the relevant consumer.”

Peek also relied upon Community trade mark registration no 5694377 of the trade mark:



At the time of the filing of the opposition, the registration was in the name of Peek & Cloppenburg AG, a Swiss company. On 13 October 2010, its assignment to CBM Creative Brands Marken GmbH, a Swiss company, was recorded. The application for registration of the trade mark was filed on 5 February 2007 and the registration process was completed on 28 January 2008. It is registered in respect of *clothing, footwear, headgear* in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

4) On 22 June 2011 a letter was sent to Peek in the following terms:

“The opposition under section 5(2)(b) of the Act relies upon two Community trade marks. At the time of the filing of the opposition Community trade mark registration no 5694377 was in the name of Peek & Cloppenburg AG, a Swiss undertaking and not the opponent. This CTM is now in the ownership of CBM Creative Brands Marken GmbH. Article 2 of The Trade Marks (Relative Grounds) Order 2007 states:

“2. The registrar shall not refuse to register a trade mark on a ground mentioned in section 5 of the Trade Marks Act 1994 (relative grounds for refusal) unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark or other earlier right.”

As Peek & Cloppenburg KG was neither at the time of the filing of the opposition nor now is the proprietor of CTM 5694377, reliance upon the aforementioned CTM would appear to be contrary to article 2 of the Order. This matter will be dealt with as a preliminary issue at the hearing scheduled for 21 July 2011.”

5) On 18 July 2011 a letter was received from Wynne-Jones, Lainé & James LLP, the representatives of Peek. In that letter it is stated that CBM Creative Brands Marken GmbH had appointed Wynne-Jones, Lainé & James LLP as its representative in respect of these proceedings (a form TM33 was also filed in relation to this). The letter requested that Peek and CBM as joint opponents should be substituted for the current opponent. The letter stated that CBM had had sight of all the documents submitted in the proceedings, stands by the grounds of opposition and is aware of its liability for any costs award.

6) A response from Mood to this letter was received on 18 July 2011. Mood noted that chapter 7 of the work manual, referring to substitution of parties, states that this only applies if the transfer takes place after the proceedings are commenced. Mood note that in this case CTM 5694377 has never been in the ownership of Peek. It notes that the CTM application was filed in the name of Ellos AB of Sweden, was transferred to Peek & Cloppenburg AG and now is in the name of CBM. Mood understands that the request for recordal of Peek & Cloppenburg AG as the proprietor was filed on 5 February 2008; prior to the date of the filing of the opposition. Mood states that there is no reason to explain the delay for the request of the addition of a party. Mood makes further reference to the work manual. The relevant part of the work manual reads as follows:

“Whilst the rules make no express provision, it has been held, in the case quoted above, that parties can be substituted in proceedings. For example, where an interest in a mark or marks forming the basis of an opposition is assigned to another party; that party may apply to the Registrar to be substituted for the original opponent or applicant. It should be noted though that this only applies if the transfer takes place after the proceedings have commenced whether or not any inextensible periods for filing pleadings have expired. In cases where proceedings have been launched in the wrong name, the ability to correct the misnomer will depend on the intention of the people responsible for filing the forms which commenced proceedings (see e.g. *Caswick Ltd v The Thompson Minwax Company* (BL O/197/00)).

Once such a substitution takes place however, this does not give the new party a right to recommence proceedings based on fresh pleadings and/or evidence. There is discretion to amend pleadings, withdraw evidence or file fresh evidence, but the substitution of an opponent/applicant gives no additional right to revisit the pleadings and/or evidence. Any application to substitute a party must be made in writing, supported by copies of any transfer document (e.g. an assignment). The other party(ies) will be invited to comment before any determination is made. If substitution is allowed the new party will be asked to provide written confirmation that they:

- have had sight of any forms and evidence filed by the substituted party and if not suitable arrangements will have to be made;

- stand by the grounds of the original pleading and evidence and confirm that where the name of the original opponent/applicant appears this should be read as if it is their own name;
- are aware of and accept their liability for costs for the whole of the proceedings.

Where the Registrar is asked to allow a new party to be added or substituted as the opponent and that the request is not due to a transfer of the rights to a pending application or a registered mark, the request may not be allowed.”

Mood notes that documents in relation to the transfer of the CTM have not been adduced into the proceedings.

7) It is not considered that it is necessary to have the assignment documents adduced; the acceptance of the assignment by the Office for the Harmonization in the Internal Market (Trade Marks and Designs) is sufficient proof.

8) A witness statement was filed by Mr Victor Ivan Caddy of Wynne-Jones, Lainé & James LLP. In effect Mr Caddy states that not filing the opposition in the joint names of Peek and Peek & Cloppenburg AG was a mistake. Mr Taylor submitted at the hearing that the Act and rules did not allow joint opponents. There is not only nothing to prevent joint opponents, it is the practice of the registrar to allow joint opponents. There will be circumstances where the parties are privies where it would be contrary to good practice not to allow joint opponents. In his statement Mr Caddy states that Peek & Cloppenburg AG and CBM are part of the Peek & Cloppenburg group, of which Peek is the parent company. Mood itself states that at the time of the filing of the opposition Peek & Cloppenburg AG was the owner of the trade mark.

9) The notice of opposition advised of the rights upon which the opponent was relying, it included printout details showing the names of the owners of the trade marks. As per *Pharmedica GmbH's International Trade Mark Application* [2000] RPC 536, the registrar has the inherent jurisdiction to regulate his own procedures (with the proviso that the use of the inherent jurisdiction is not interstitial).

10) As stated above, the registrar allows joint opponents, as long as they own rights upon which the opposition is based. In this case Peek & Cloppenburg AG is a privy of Peek; this is not a matter of unrelated undertakings “ganging up” on an applicant. Peek is requesting two steps to be taken. Firstly, that Peek & Cloppenburg AG is treated as being as an opponent at the time of the filing of the opposition. Secondly, that, as the new owner of the CTM, that CBM is substituted for Peek & Cloppenburg AG.

11) The absence of Peek & Cloppenburg AG on the opposition form was an error. However, details of Peek & Cloppenburg AG were supplied with the opposition. Mood at no time raised any issue as to the ownership of CTM 5694377. If Peek & Cloppenburg AG were to be treated as the joint opponent no prejudice would accrue to Mood. CBM is now the owner of the trade mark and has agreed to stand by the opposition. There is no reason that it should not be substituted for Peek & Cloppenburg AG.

12) It is agreed that Peek & Cloppenburg AG can be treated as the joint opponent at the time of the filing of the opposition. It is also agreed that CBM Creative Brands Marken GmbH, as the current owner of CTM 5694377, can be substituted for Peek & Cloppenburg AG as the joint opponent. Consequently, CTM 5694377 will be taken into account for these proceedings. (The joint opponents will be referred to as Peek.)

13) Mood filed a counterstatement. It requires proof of use of registration no 284307. It denies that the respective trade marks are similar.

14) Only Peek supplied evidence; although Mood furnished written submissions.

15) A hearing was held on 21 July 2011. Peek was represented by Mr Simon Malynicz of counsel, instructed by Wynne-Jones, Lainé & James LLP. Mood was represented by Mr Keiron Taylor of Swindell & Pearson Ltd.

Evidence for Peek

Witness statement of Dr Michael Pruessner

16) Dr Pruessner is the general counsel of Peek. Dr Pruessner also has internal responsibility for all trade mark matters of the Peek & Cloppenburg fashion group and is, therefore, responsible for the day-to-day operations of the Review brand. The information in the statement comes from Dr Pruessner's own knowledge or documents and records held by Peek or from information from his colleagues at the Peek & Cloppenburg fashion group.

17) Peek & Cloppenburg fashion group runs more than 60 retail stores in Germany. It also distributes goods to Austria, Belgium, the Netherlands and Poland. One of Peek & Cloppenburg fashion group's fashion brands is Review. Peek has licensed its brand Review to Review GmbH & Co KG, a member of the Peek & Cloppenburg fashion group.

18) Dr Pruessner states that between 11 June 2005 and 10 June 2010 Peek & Cloppenburg fashion group has been continuously distributing clothing articles labelled with Review in Peek fashion stores in Germany and various fashion stores in Austria, Poland, the Netherlands, Belgium, Hungary and the Czech

Republic. He states that between 11 June 2005 and 10 June 2010 articles of clothing labelled Review included, inter alia, sweatshirts, t-shirts, long sleeve shirts, shirts, blouses, trousers, shorts, scarves and jackets. Dr Pruessner states that sewn into each article of clothing was a label bearing the trade mark Review. Exhibited at MP-3 are what are described as “exemplary labels”. These bear the trade mark REVIEW in red, some form of wording appears below REVIEW but is illegible. Exhibited at MP-4 are pictures of some “exemplary items of “Review” clothing” taken on 2 August 2008:

Page 25 – some form of trousers with REVIEW written in a slightly skewwhiff fashion and with various device elements.

Page 26 – a shirt with a label bearing the trade mark REVIEW.

Page 27 – the inside of a jacket bearing a label showing REVIEW, with the number 14 in a circle next to it and the word COLLECTION in small print beneath it.

Page 28 – a jumper with a label bearing the trade mark REVIEW and a jacket with a label bearing the trade mark REVIEW over which is written the word KIDS.

Page 29 – a t-shirt which has a label that is “Frür jahr” (early year), it bears the trade mark REVIEW with a device above it. Also appearing on the page is a picture of the sleeve of what appears to be a jacket, on the outside of this Review in italicised form appears.

Page 30 – various trousers can be seen on a clothes rail and from one of these a label bearing the trade mark REVIEW, above which there are various devices, is hanging. Also appearing on the page is a picture of a pair of underpants upon which a label bearing the trade mark REVIEW can be seen. A label upon the underpants bears the wording “Frür jahr”.

Page 31 – some form of top. A label bearing the trade mark REVIEW appears on the garment, above the trade mark size XS appears and above this several devices.

19) Dr Pruessner gives the following figures for sales of articles of clothing:

11 June – 31 December 2005	231,248 items
2006	431,175 items
2007	291,372 items
2008	245,787 items
2009	149,165 items
1 January – 10 June 2010	60,186 items
Total	1,408,933 items.

20) Dr Pruessner states that between 11 June 2005 and 10 June 2010 in addition to distributing Review clothing through Peek's stores throughout Europe, Peek & Cloppenburg fashion group established special Review retail stores, where exclusively Review fashion items are sold. As well as Moscow and Croatia, these Review stores are located in Germany; in Cologne, Düsseldorf, Leverkusen and Ludwigshafen. "In these stores the collection of "Review" clothing is distributed, covering men's (/boy's) and women's (/girl's) clothes from sports to casual and formal." (The Ludwigshafen store was opened on 29 September 2010, after the date of the publication of the trade mark.)

21) Dr Pruessner states that a sign displaying the trade mark Review is located prominently above the main entrance of the stores. He states that inside the stores the trade mark Review is prominently displayed ie on display stands. Dr Pruessner states that the goods sold in these stores are branded Review and were so branded between 11 June 2005 and 10 June 2010. Photographs of the exteriors and interiors of Review stores are exhibited at MP-6; there is no indication as to when the photographs were taken. There is prominent use of REVIEW in and outside of the stores. A large variety of outer clothing for males and females can be seen in the photographs.

22) Dr Pruessner states that Review articles of clothing have been sold widely to independent third party fashion retailers. He states that there are more than 200 points of sale, in, inter alia, Germany, Austria, Spain, Greece, Slovenia, the Czech Republic and Luxembourg. Exhibited at MP-7 is a list of what Dr Pruessner describes as third party fashion retailers; in fact, the list includes some Peek stores. The list also includes stores outside of the European Union ie in Switzerland, Russia and Turkey.

23) Dr Pruessner states that between June 2005 and June 2010 Peek spent a "substantial marketing budget" for promoting its Review trade mark. Several times a year Peek & Cloppenburg fashion group issued, and issues, coloured advertising brochures that are distributed both as supplements to the subscribers' editions of major German newspapers (such as *Rheinische Post*, *Hamburger Abendblatt*, *Kölner Stadtanzeiger* and *Rhein-Main-Kurier*) and directly by putting them into the letter boxes of the public. In each of the years from 2005 to 2009, more than 1 million copies of each issue were distributed. Dr Pruessner states that Review articles of clothing are prominently displayed in these brochures. Exhibited at MP-8 are copies of some of these brochures. The front covers bear the Peek name. The brochure exhibited at pages 55-63 bears a date of 13 May 2008. In the brochure there are references to a number of brands. The Review

references relate to REVIEW KIDS polo piqué, REVIEW KIDS bluse, REVIEW KIDS t-shirt, REVIEW KIDS bade shorts and REVIEW KIDS polo piqué kleid. The final page bears a number of trade marks including REVIEW. The brochure exhibited at pages 64 to 69 bears a date of 2 April 2008; it is for clothing for children. Pages 65 and 66 bear the trade mark REVIEW overwritten upon which is the word KIDS. Pages 67 and 68 bear the trade mark REVIEW, underneath FOURTEEN is written in much smaller type face. A variety of clothing for children is shown, including: dresses, shorts, t-shirts, sweatshirts, hats, shirts and headscarves. The brochure exhibited at pages 70 to 75 bears a date of 4 April 2006; it is for clothing for children. REVIEW and REVIEW overwritten with the word KIDS, appear on the pages. Clothing promoted by reference to these trade marks includes t-shirts, shorts, skirts and dresses.

24) Dr Pruessner states as well as in its high street department stores, that Peek & Cloppenburg fashion group “presents its “Review” fashion items to the costumers also on the internet”. The review-fashion.de website was launched in 2006, and the review-fashion.com website after this. The Review trade mark also appears on the website peek-cloppenburg.com. Exhibited at MP-9 and MP-10 are screenshots from the two .com websites.

Witness statement of Gareth Peter Jenkins

25) Mr Jenkins is a registered trade mark attorney. Mr Jenkins exhibits a number of references for the meaning of the words preview and review. At the hearing Mr Malynicz did not rely upon this evidence, accepting that review and preview clearly were commonly known words, the meanings of which were well-known.

Proof of genuine use for the period 12 June 2005 to 11 June 2010

26) A convenient summary of the criteria relating to genuine use was given by the General Court (GC) in *Anheuser-Busch Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-191/07*:

“99 In interpreting the concept of genuine use, account should be taken of the fact that the ratio legis of the requirement that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade mark application is to restrict the number of conflicts between two marks, in so far as there is no sound economic reason resulting from an actual function of the mark on the market (Case T-174/01 *Goulbourn v OHIM – Redcats (Silk Cocoon)* [2003] ECR II-789, paragraph 38). However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade-mark protection to the case

where large-scale commercial use has been made of the marks (Case T-203/02 Sunrider v OHIM – Espadafor Caba (VITAFRUIT) [2004] ECR II-2811, paragraph 38, and judgment of 8 November 2007 in Case T-169/06 Charlott v OHIM – Charlo (Charlott France Entre Luxe et Tradition), not published in the ECR, paragraph 33).

100 There is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the registration (Case C-234/06 P Il Ponte Finanziaria v OHIM [2007] ECR I-7333, paragraph 72; see also, by analogy, Case C-40/01 Ansul [2003] ECR I-2439, paragraph 43). In that regard, the condition of genuine use of the mark requires that the mark, as protected on the relevant territory, be used publicly and externally (Silk Cocoon, paragraph 99 above, paragraph 39; VITAFRUIT, paragraph 99 above, paragraph 39; Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 34; see also, by analogy, Ansul, paragraph 37).

101 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (VITAFRUIT, paragraph 99 above, paragraph 40; Charlott France Entre Luxe et Tradition, paragraph 99, paragraph 35; see also, by analogy, Ansul, paragraph 100, paragraph 43).

102 As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (VITAFRUIT, paragraph 99 above, paragraph 41, and Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 36).

103 The question whether use is sufficient to maintain or create market share for the goods or services protected by the mark thus depends on several factors and on a case-by-case assessment. The characteristics of those goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the

factors which may be taken into account (Case C-416/04 P Sunrider v OHIM [2006] ECR I-4237, paragraph 71).

104 To examine whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case (VITAFRUIT, paragraph 99 above, paragraph 42; Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 37; see also, by analogy, Ansul, paragraph 100 above, paragraph 39).

105 Moreover, the Court of First Instance has held that genuine use of a trade mark could not be proved by means of probabilities or suppositions, but had to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (Case T-39/01 Kabushiki Kaisha Fernandes v OHIM – Harrison (HIWATT) [2002] ECR II-5233, paragraph 47).”

27) Mr Taylor submitted that the evidence did not show use by Peek but by Peek & Cloppenburg fashion group and that there was no evidence of consent from Peek to use the trade mark. In relation to consent (in relation to marketing of goods) the Court of Justice of the European Union (CJEU) in *Makro Zelfbedieningsgroothandel CV and others v Diesel SpA* Case C-324/08 stated:

“35 In the light of the foregoing, the answer to the question referred is that Article 7(1) of Directive 89/104 must be interpreted as meaning that the consent of the proprietor of a trade mark to the marketing of goods bearing that mark carried out directly in the EEA by a third party who has no economic link to that proprietor may be implied, in so far as such consent is to be inferred from facts and circumstances prior to, simultaneous with or subsequent to the placing of the goods on the market in that area which, in the view of the national court, unequivocally demonstrate that the proprietor has renounced his exclusive rights.”

Consent can be inferred from the facts and circumstances of a case. A similar position was taken by the GC in *Mo-Hwa Park g Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle) (HABM)* der Rechtssache T-28/09:

“61 Es ist festzustellen, dass die Zustimmung angesichts der Bedeutung ihrer Wirkung – Erlöschen des ausschließlichen Rechts des Inhabers einer Gemeinschaftsmarke zur Benutzung dieser Marke – auf eine Weise geäußert werden muss, die einen Willen zum Verzicht auf dieses Recht mit Bestimmtheit erkennen lässt. Ein solcher Wille ergibt sich in der Regel aus einer ausdrücklichen Erteilung der Zustimmung. Es kann jedoch nicht ausgeschlossen werden, dass er sich in bestimmten Fällen konkludent aus Umständen und Anhaltspunkten vor, bei oder nach der Benutzung der fraglichen Marke durch einen Dritten ergeben kann, die ebenfalls mit

Bestimmtheit einen Verzicht des Inhabers auf sein Recht erkennen lassen (vgl. entsprechend – für die Zustimmung des Inhabers einer Gemeinschaftsmarke zum Inverkehrbringen von Waren unter dieser Marke durch einen Dritten im Europäischen Wirtschaftsraum [EWR] gemäß Art. 7 Abs. 1 der Ersten Richtlinie 89/104/EWG des Rates vom 21. Dezember 1988 zur Angleichung der Rechtsvorschriften der Mitgliedstaaten über die Marken [ABl. 1989, L 40, S. 1] in geänderter Fassung – Urteil des Gerichtshofs vom 20. November 2001, Zino Davidoff und Levi Strauss, C-414/99 bis C-416/99, Slg. 2001, I-8691, Randnrn. 45 und 46).“

28) All of the fashion stores and the website are run by Peek & Cloppenburg fashion group. Page 63 of MP-8 lists the Peek & Cloppenburg fashion group stores, also on that page reference is made to Peek. Dr Pruessner is general counsel for Peek and also responsible for the day-to-day operations of the Review brand in Peek & Cloppenburg fashion group. Certain of the information in the statement of Dr Pruessner came from his “**colleagues** at the Peek & Cloppenburg fashion group”. Despite this, Mr Taylor submits that Peek has not shown consent to the use of the trade mark. So, according to Mr Taylor, one should not draw the inference from the evidence that use of the trade mark was with the consent of Peek. It is difficult to see how any other inference could be drawn. If Mood had put in evidence that ran counter to such an inference, there might be an issue at play. If Mood had requested disclosure of the relationship between Peek & Cloppenburg fashion group and Peek, there might be an issue at play. If Mood had at some time challenged this matter, there might be an issue at play. **In the absence of these three situations, there is no doubt that the use of the trade mark Review shown in the evidence is with the consent of Peek.**

29) Mr Taylor submitted that the use shown did not show use in the form registered or in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. This submission was based on the fact that the trade mark was shown in use with other matter. Mr Taylor did not consider that use, for instance, of REVIEW with the word collection beneath it, as per page 27 of MP-4 was use of the trade mark in the required form. Trade marks are often used with other matter and with other trade marks. In relation to clothing there can be few more non-distinctive words than collection, but Mr Taylor considers that the use with such a word alters the distinctive character of the trade mark.

30) In *Budejovicky Budvar Narodni Podnik v Anheuser-Busch Inc* [2003] RPC 25 the Court of Appeal dealt with issues relating to use of a trade mark in a form which does not alter the distinctive character of the mark in the form in which it was registered. Lord Walker stated:

“43 I have no wish to be overcritical of the way in which the deputy judge expressed himself, especially since I think he was a little overcritical of the way in which the hearing officer had expressed himself. But I am inclined to think that the deputy judge made the issue rather more complicated than it is. The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?”

44 The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis. The same is true of any striking and memorable line of poetry:

"Bare ruin'd choirs, where late the sweet birds sang"

is effective whether or not the reader is familiar with Empson's commentary pointing out its rich associations (including early music, vaultlike trees in winter, and the dissolution of the monasteries).

45 Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of "whose eyes?-- registrar or ordinary consumer?" is a direct conflict. It is for the registrar, through the hearing officer's specialised experience and judgment, to analyse the "visual, aural and conceptual" qualities of a mark and make a "global appreciation" of its likely impact on the average consumer, who "normally perceives a mark as a whole and does not proceed to analyse its various details."

In *Boura v Nirvana Spa & Leisure Ltd* BL O/262/06 Mr Richard Arnold QC, sitting as the appointed person, stated:

“15. It is clear from BUD and BUDWEISER BUDBRÄU and the four Court of First Instance cases that the normal approach to the assessment of distinctive character applies in this context. As the European Court of Justice has reiterated in numerous cases, the distinctive character of a trade mark must be assessed (i) in relation to the goods or services in question and (ii) according to the perception of the average consumer of those goods or services, who is deemed to be reasonably well-informed and reasonably observant and circumspect.”

He went on to state:

“34 The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks

down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.”

In Atlas Transport GmbH g Harmonisierungsamt für den Binnenmarkt (Marken, Muster und Modelle) (HABM) the GC held:

“42 Aus alledem ergibt sich, dass die zusätzlichen Elemente der Briefköpfe der von der Klägerin vorgelegten Rechnungen nicht als ein untrennbar mit dem Element „Atlas Transport“ verbundenes Ganzes angesehen werden können, dass sie eine untergeordnete Stellung im Gesamteindruck einnehmen, den die streitige Marke so, wie sie in den Briefköpfen benutzt wurde, hervorruft, und dass die meisten von ihnen eine schwache Unterscheidungskraft haben. Folglich ist entgegen den Ausführungen der Beschwerdekammer in der angefochtenen Entscheidung die Unterscheidungskraft der eingetragenen Marke bei ihrer Benutzung auf den zu den Akten gereichten Rechnungen nicht im Sinne von Art. 15 Abs. 2 Buchst. a der Verordnung Nr. 40/94 beeinflusst worden.”

The additional components shown in the trade mark as used do not form an indissoluble whole. The Review element is still clearly seen and will be seen by the average consumer as a separate entity. The presence of words such as collection will have no impact upon the perception of the average consumer. Device elements will be seen as separate elements. The presence of Kids written across the word Review or REVIEW will still leave the perception of a REVIEW trade mark owing to the non-distinctive nature of KIDS; which from the promotional activity shown will be understood by German consumers. The uses shown of Review are uses which do not alter the distinctive character of the mark in the form in which it was registered. (Mr Taylor also complained that he could not read certain of the exhibits as his copies had been furnished in black and white rather than colour. He submitted, therefore, that Peek had not supplied Mood with a copy of the evidence, as required by rule 64(b)(6) of the Trade Marks Rules 2008. At no time prior to the hearing had Mood raised this issue. At the hearing Mr Taylor was offered the opportunity of being supplied with colour copies of the exhibits and time to consider the colour copies and make written submissions in respect of them. He declined this offer. If Mood had problems with distinguishing parts of the evidence of Peek, it should and could have raised this matter when the evidence was sent to it. Peek complied with the requirements of rule 64(b)(6).)

31) Mr Taylor submitted that it was not possible to glean from the evidence which trade mark had been used upon which goods in what quantities. The forms of

the trade mark shown are all acceptable and so it is not pertinent that there is not a breakdown of quantity of goods against particular usages of the trade mark.

32) Mr Taylor submitted that part of the use was outside the European Union. However, it is clear from the publicity brochures and the location of the retail stores that the vast majority of the use will have been within the European Union.

33) The use relates to use of a Community trade mark. The decision of The Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

“11 The relevant period is October 1998 to October 2003. Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No.B.10, OH OHIM 1996, 607, 613), provided that is it [sic.] genuine.”

In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

“30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in one member state(s) could not satisfy the use requirement. In this case use has been shown in ten member states. Use has been shown over an extended period of time. The main use has been in Germany, in a wide area of the country. The use shown is not token use and it is external use. It is use against a wide range of clothing. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06 the GC stated:

“32 To examine whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case. That assessment entails a degree of interdependence between the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very

regular, and vice versa. In addition, the turnover and the volume of sales of the product under the earlier trade mark cannot be assessed in absolute terms but must be looked at in relation to other relevant factors, such as the volume of business, production or marketing capacity or the degree of diversification of the undertaking using the trade mark and the characteristics of the products or services on the relevant market. As a result, the Court has stated that use of the earlier mark need not always be quantitatively significant in order to be deemed genuine. Even minimal use can therefore be sufficient to be deemed genuine, provided that it is viewed as warranted in the economic sector concerned in order to maintain or create a share in the market for the goods or services protected by the mark (*VITAFRUIT*, paragraph 27 above, paragraph 42, and *LA MER*, paragraph 26 above, paragraph 57; see, by analogy, *Ansul*, paragraph 24 above, paragraph 39, and the order in Case C-259/02 *La Mer Technology* [2004] ECR I-1159, paragraph 21).”

34) In considering whether genuine use is established it is necessary to consider, within the context of the European Union as a whole, the sector of the industry in which Peek operates and the nature of the goods, whether the use is warranted in the market place and if the use creates and preserves an outlet for the goods in the marketplaceⁱⁱ. Taking into account all of the above factors, it is considered that the use shown establishes genuine use within the European Union.

35) Peek has established genuine use of Review.

36) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over pernicketyⁱⁱⁱ. It is necessary to consider how the relevant public, which for these goods would be the public at large, describe the goods^{iv}. The GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:

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

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

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

In *Animal Trade Mark* [2004] FSR 19 Jacob J considered a fair specification in relation to clothing, where there had been a large range of items of clothing sold:

“23 So, should “clothing” in the specification be qualified in some other way? The term covers a very wide spectrum of different sorts of garments. But putting aside such specialist things as diving suits, wetsuits, bullet-proof vests and so on, there is a core of goods which are likely to be bought by ordinary consumers for different purposes in their daily wear. The same woman or girl is likely to own T-shirts, jeans, dresses, both formal and informal. Both parties’ goods could easily end up in the same wardrobe or drawer. He or she knowing of the range of goods for which use has been proved would, I think, take “clothing” to be fair as a description. He or she might limit the clothing to “casual clothing” but I have concluded in the end that “clothing” is appropriately fair.”

In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

37) Mr Taylor submitted that a sub-category would be, for instance, t-shirts as there are different types of t-shirts. On that logic any item of clothing would be a sub-category as it could be made of different materials and in different styles. The question is how the average consumer would view the use shown by Peek in relation to the spectrum of goods for which use has been shown. There has been use in a wide spectrum of goods, both casual and formal and for men, women and children. There has been limited use shown on underwear. The average consumer, seeing the spectrum of use in the five year period, would describe the use as being on clothing.

38) Peek has established genuine use of its trade mark for clothing during the material period and so the question of likelihood of confusion will be made on this basis.

Average consumer, nature of purchasing decision and standard for likelihood of confusion

39) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”^v. The average consumer for the goods in question is the public at large. In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* Joined cases T-117/03 to T-119/03 and T-171/03 the General Court (GC) stated:

“43 It should be noted in this regard that the average consumer’s level of attention may vary according to the category of goods or services in question (see, by analogy, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected.”

The respective goods vary widely in price and quality and so across the gamut of the goods there will not be a particularly careful and highly educated purchasing decision. Consequently, the possibilities of imperfect recollection are increased. In the same judgment the GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

The goods in question will be on display in shops, catalogues and on websites and so primarily will be bought by the eye; consequently, visual similarity will be of more importance than aural similarity.

Comparison of goods

40) The goods of the application are encompassed by the specifications of the both earlier trade marks. Consequently, the respective goods, in respect of both earlier registrations, are identical.

Comparison of trade marks

41) The trade marks to be compared are Review,



and PREVIEW.

42) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details^{vi}. 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^{vii}. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of

them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant^{viii}. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^{ix}.

43) In relation to the stylised trade mark Mr Malynicz submitted that the trade mark of Mood could be in the same font as that of Peek.

44) There are a number of judgments of the GC which are contrary to this position (although though there are some supportive of it), eg in *Calvin Klein Trademark Trust v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-185/07 the GC stated:

“48 In that regard, it is important to point out, as the Board of Appeal stated in paragraph 23 of the contested decision, that the examination of the similarity of the marks at issue takes into consideration those marks in their entirety, as they have been registered or as they have been applied for. A word mark is a mark consisting entirely of letters, of words or of associations of words, written in printed characters in normal font, without any specific graphic element. The protection which results from registration of a word mark concerns the word mentioned in the application for registration and not the specific graphic or stylistic elements accompanying that mark. **The graphic representation which the mark applied for may have in the future must not, therefore, be taken into account for the purposes of the examination of similarity** (see to that effect, Case T-211/03 *Faber Chimica v OHIM – Naberska (Faber)* [2005] ECR II-1297, paragraphs 36 and 37; Case T-353/04 *Ontex v OHIM – Curon Medical (CURON)* [2007], not published in the ECR, paragraph 74; and Case T-254/06 *Radio Regenbogen Hörfunk in Baden v OHIM (RadioCom)*, not published in the ECR, paragraph 43).”

(emphasis added).

(This judgment was subject to appeal to the CJEU (Case C-254/09 P) which rejected the grounds of appeal.)

45) Mr Malynicz agreed that there would be a limit to the forms that it could be considered that a trade mark in a standard font could be used. He accepted that if the speculated use would not support a defence under section 11(1) of the Act or would be in a form differing in elements which alter the distinctive character of the mark in the form in which it was applied, then the speculated use would be outside the limits in which the trade mark could be considered to be used. In this case, the stylised word of CBM is highly stylised. The lettering is not clear and it is only knowledge of the word review that would lead the average consumer to perceive of it immediately as the word review. It is not considered that use of the trade mark of Mood in the format of Peek’s stylised trade mark would fall within

the above parameters. Consequently, it is not considered that the comparison of the trade marks can be made on the basis of considering Mood's trade mark as being in the same format as the stylised trade mark of Peek. Consequently, Peek's better case must rest with the non-stylised trade mark. If it does not succeed in relation to that trade mark it will not be able to succeed in relation to the other trade mark. The comparison will, therefore, be made only with the non-stylised trade mark.

46) Both trade marks are well-known words. The average consumer will not divide them up. They do not have separate distinctive and dominant components; their distinctive lies in the trade marks as a whole. It is, however, a rule of thumb that that the beginnings of words are more important, in considering similarity, than the ends^x. In this case, there is no reason that the rule of thumb should not apply.

47) That one trade mark is in upper case and the other in title case, as they are both in ordinary fonts, will have no effect upon the perception of the average consumer.

48) Owing to the presence of the letters r-e-v-i-e-w in the same order in PREVIEW the trade marks have visual similarity. These letters will be pronounced in the same manner and so they have phonetic similarity.

49) Mr Malynicz accepted that the two trade marks had well-known meanings that would be readily known to the average consumer. He argued that conceptually the two words were similar as they could both be used in relation to the same event eg one could attend a preview of a film or read a review of a film. Such an argument is clearly syllogistic. Preview for the average consumer will mean seeing or hearing something prior to its official release or opening. Review for the average consumer will mean a critique of some event. The two words have clearly different meanings and the average consumer will distinguish them. The two words are conceptually dissonant.

Conclusion

50) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa^{xi}. In this case the respective goods are identical.

51) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion^{xii}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xiii}. In

determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings^{xiv}. In this case review is neither descriptive nor allusive of clothing, it has a greater capacity to identify the goods for which it is registered and so enjoys a good deal of inherent distinctiveness. It is important to bear in mind that the average consumer will seldom be comparing trade marks directly but will be relying upon imperfect recollection.

52) There is the conceptual dissonance of the respective trade marks to be considered. In *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-292/01* the GC stated:

“54. Next, it must be held that the conceptual differences which distinguish the marks at issue are such as to counteract to a large extent the visual and aural similarities pointed out in paragraphs 49 and 51 above. For there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. In this case that is the position in relation to the word mark BASS, as has just been pointed out in the previous paragraph. Contrary to the findings of the Board of Appeal in paragraph 25 of the contested decision, that view is not invalidated by the fact that that word mark does not refer to any characteristic of the goods in respect of which the registration of the marks in question has been made. That fact does not prevent the relevant public from immediately grasping the meaning of that word mark. It is also irrelevant that, since the dice game ‘Pasch’ is not generally known, it is not certain that the word mark PASH has, from the point of view of the relevant public, a clear and specific meaning in the sense referred to above. The fact that one of the marks at issue has such a meaning is sufficient - where the other mark does not have such a meaning or only a totally different meaning - to counteract to a large extent the visual and aural similarities between the two marks.”

It is to be noted that conceptual difference does not always trump visual and aural similarities, as per the judgment of the GC in *Nokia Oyj v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-460/07*:

“66 Furthermore, it must be recalled that, in this case, although there is a real conceptual difference between the signs, it cannot be regarded as making it possible to neutralise the visual and aural similarities previously established (see, to that effect, Case C-16/06 P *Éditions Albert René* [2008] ECR I-0000, paragraph 98).”

In this case there is a clear conceptual dissonance which will mean that the average consumer will have different conceptual hooks with which to recall the trade marks. Clear conceptual hooks that will militate against imperfect recollection. There is phonetic and visual similarity, however, the first letter is clearly different both phonetically and visually.

53) Mr Malynicz referred to the judgment of Arnold J in *Och-Ziff Management Europe v OCH Capital* [2010] EWHC 2599 (Ch), and his decision, when sitting as the appointed person in *Sarmad's Trade Mark Application* [2006] ETMR 2. In these he stated that the human eye is not a particularly accurate recorder of detail and has a tendency to see what the brain expects it to see. To some extent this is an aspect of imperfect recollection. In this case the dissonant conceptual meanings of the two trade marks will militate against this cerebral expectation.

54) The conceptual dissonance outweighs the visual and aural similarities to the extent that there is not a likelihood of confusion. The ground of opposition is dismissed.

Costs

55) In his skeleton argument Mr Taylor wrote:

“Given that the opponent continued with an Opposition based on part of a registration in the name of a third party and file evidence that was insufficient thus incurring significant costs for the Applicant we would request costs significantly off of the normal scale”.

At the hearing Mr Taylor only asked for costs on the scale. It is not possible to see what **significant** costs Mood was put to in relation to the error in relation to the later CTM. It is not understood what is meant by “evidence that was insufficient” and how this would have incurred significant costs. For the most part Mood has been completely passive in these proceedings. If Mr Taylor had continued with this request it would have been refused.

56) Mood, having been successful, is entitled to a contribution towards its costs. Costs are awarded upon the following basis:

Preparing a statement and considering the statement of Peek:	£200
Considering the evidence of Peek :	£200
Preparation for and attendance at the hearing:	£500
Total:	£900

Peek & Cloppenburg KG and CBM Creative Brands Marken GmbH is ordered to pay Mood Clothing Concessions Limited the sum of £900. 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 04 day of August 2011

**David Landau
For the Registrar
the Comptroller-General**

ⁱ Section 6A of the Act reads:

- “(1) This section applies where –
- (a) an application for registration of a trade mark has been published,
 - (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
 - (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
- (3) The use conditions are met if –
- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
 - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes –
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

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

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

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

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

ⁱⁱ See *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01:

36. “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that

depends on the characteristics of the goods or service concerned on the corresponding market.”

and *MFE Marienfelde GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-334/01*:

“34 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (*Ansul*, paragraph 43).

35 Concerning the extent of the use made of the earlier mark, account must be taken, in particular, of the commercial volume of all the acts of use on the one hand and the duration of the period in which those acts of use occurred, and the frequency of those acts, on the other.

36 In order to examine, in a given case, whether use of the earlier mark is genuine, an overall assessment must be made taking account of all the relevant factors in the particular case. That assessment implies a certain interdependence between the factors taken into account. Thus, a low volume of goods marketed under that trade mark may be compensated for by a high intensity or a certain constancy in time of the use of that trade mark or vice versa. Moreover, the turnover achieved and quantity of product sales under the earlier mark cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking exploiting the mark, and the characteristics of the products or services on the market in question. For that reason, the Court has held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39).

37 However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness.”

ⁱⁱⁱ *Animal Trade Mark* [2004] FSR 19:

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

^{iv} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

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

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

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

^v *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

^{vi} *Sabel BV v Puma AG* Case C-251/95.

^{vii} *Sabel BV v Puma AG* Case C-251/95.

^{viii} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

^{ix} *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^x See *Les Editions Albert René v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-336/03. Also *Spa Monopole, compagnie fermière de Spa SA/NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-438/07, which shows that this is not an inevitable rule.

^{xi} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xii} *Sabel BV v Puma AG* Case C-251/95.

^{xiii} *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

^{xiv} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.