

O-289-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2333359
BY UNION LEISUREWEAR LIMITED
TO REGISTER THE TRADE MARK**



IN CLASS 25

**AND IN THE MATTER OF OPPOSITION THERETO
UNDER No. 92589
BY La City (Societe a responsabilite limitee)**

BACKGROUND

1) On 29 May 2003, Union Leisurewear Limited of 12 Cornbrook Park Road, Manchester, M15 4EE applied under the Trade Marks Act 1994 for registration of the following trade mark:



The applicant claims the colour blue as an element of the mark. Honest concurrent use with registration nos. 2013171 (6214,2362), 2304081 (6483) and others.

2) In respect of “T-shirts; sweatshirts; polo shirts” in Class 25.

3) On 16 November 2004 La City (societe a responsabilite limitee) of 160, avenue Paul Vaillant Couturier, 93120 La Courneuve, France filed notice of opposition to the application. The ground of opposition is in summary:

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

Mark	Number	Effective Date	Class	Specification
LA CITY	735151	31.08.99	25	Clothing, underwear, sportswear other than for diving, belts, gloves, footwear, headgear.
LA CITY	662602	24.04.96	25	Clothing, shoes, headwear.

b) The mark in suit is similar to the opponent’s marks and the goods in Class 25, which the applicant is seeking to register its mark for, are similar to the goods in Class 25 of the opponent’s marks. The mark in suit therefore offends against Section 5(2)(b) of the Trade Marks Act 1994.

4) The applicant subsequently filed a counterstatement denying the grounds of opposition and pointing out that they had used their mark since 1996 without any confusion.

5) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. Neither side wished to be heard although both provided written submissions which I will refer to as relevant in my decision.

APPLICANT’S EVIDENCE

6) The applicant filed a witness statement dated 27 January 2005 by Gordon G Filz an officer of the applicant company. Mr Filz gives his opinion on the similarity between

the two marks. At GGF3 he provides an image from the opponent's website showing use of the opponent's mark in a shop. The words "LA CITY" are printed sideways up a wall, across the front of a shop and on what appears to be a label. All these uses are in conjunction with a zigzag line device underneath.

7) At exhibit GGF4 he provides printouts from a website LACITY.Com referring to Los Angeles. At exhibit GGF5 he provides a copy of a logo very similar to the applicant's own which it is claimed is used by a transport company without any confusion. At exhibit GGF6 he provides an invoice dated 26 April 1996 which shows the company providing items with the mark in suit on them. Mr Filz states that the mark was devised three months prior to the invoice. At exhibits GGF7 A & B he provides copies of advertisements showing use of the mark on clothing, these are not dated.

OPPONENT'S EVIDENCE IN REPLY

8) The opponent filed a witness statement, dated 4 August 2005, by Alain Abimelech the Manger of the opponent company. He states that he is familiar with the English language. He provides his opinion on what should be taken into account in the case, and the grounds on which the comparison should be carried out.

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

DECISION

10) I now consider the ground of opposition under Section 5(2)(b) which reads:

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

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

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

11) 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,"

12) The opponent's two trade marks have effective dates of 24 April 1996 and 31 August 1999 and are plainly "earlier trade marks".

13) 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.*.

14) In essence the test under Section 5(2) 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 mark applied for and the opponent's marks 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.

15) The opponent's marks are inherently distinctive when used on the goods for which they are registered. No use of the marks has been filed and so they cannot benefit from an enhanced reputation.

16) I now turn to the comparison of the specifications of the two parties and 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) For ease of reference the relevant parts of the two parties' specifications are reproduced below:

Opponent's specifications	Applicant's specification
735151: Clothing, underwear, sportswear other than for diving, belts, gloves, footwear, headgear.	T-shirts; sweatshirts; polo shirts.
662602: Clothing, shoes, headwear.	

18) Clearly, the goods for which each of the opponent's marks are registered encompass the whole of the applicant's specification. The goods of the two parties must therefore be considered to be identical.

19) I now turn to the marks of the two parties. The opponent's marks are virtually identical so only a single comparison is required. For ease of reference the marks are reproduced below:

Opponent's mark	Applicant's mark
LA CITY	

20) Although the applicant's mark has a device of elliptical rings the dominant element of the mark must be the word "city". The opponent's mark consists of two words and is unusual in that the first word is the French definite article "LA" and then an English word "City". The use of two languages in combination is somewhat unusual. It has been suggested that the average consumer would view the initial part of the opponent's mark as referring to Los Angeles. No evidence has been filed to

show that the average consumer, in this case the general public, would take this view. If the letters “L” and “A” had a full stop between them, or if the mark consisted simply of the letters LA *solus*, then this contention would have carried more weight. However, I do not believe that the average consumer would see the opponent’s mark as referring to Los Angeles as LA City or Los Angeles City is not a natural manner in which to refer to this geographical location. In my view, the marks therefore have a degree of similarity even though their beginnings differ, they also have aural similarities and differences. Conceptually both would, in my view, conjure an image of an urban conurbation but not a particular one.

21) It is accepted that the average consumer views marks as a whole, however to my mind the similarities of the marks outweigh the differences.

22) I have regard to the comments of Mr Hobbs Q.C. sitting as the Appointed Person in *Raleigh International* (BL O/253/00) where he stated:

“Similarities between marks cannot eliminate differences between goods or services; and similarities between goods and services cannot eliminate differences between marks. So the purpose of the assessment under Section 5(2) must be to determine the net effect of the given similarities and differences.”

23) The goods are identical and the marks are similar, there is therefore a likelihood of confusion or an association in that the public wrongly believe that the respective goods come from the same or economically linked undertakings. The opposition under section 5(2)(b) succeeds.

24) The applicant seeks sanctuary under Section 7(1) of the Trade Marks Act 1994 which relates to honest concurrent use. Section 7 of the Trade Marks Act states:

7.- (1) This section applies where on an application for the registration of a trade mark it appears to the registrar -

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

but the applicant shows to the satisfaction of the registrar that there has been honest concurrent use of the trade mark for which registration is sought.

(2) In that case the registrar shall not refuse the application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

(3) For the purposes of this section “honest concurrent use” means such use in the United Kingdom, by the applicant or with his consent, as would formerly have amounted to honest concurrent use for the purposes of Section 12(2) of the Trade Marks Act 1938.

(4) Nothing in this section affects-

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal), 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).

(5) This section does not apply when there is an order in force under section 8 below.

25) The provisions of Section 7 of the Act were considered by the Hearing Officer in C.D.S. Computer Design Systems Ltd v Coda Ltd (BL O/372/00) dated 6 October 2000. In that decision the Hearing officer said:

“First of all, I note that this provision of the Act does not derive from Council Directive No. 89/104/EEC of December 21, 1998 to approximate the laws of the Member States relating to trade marks. It is thus a piece of home spun legislation which can only be interpreted as complementing rather than conflicting with the Directive. I say that because Article 5 of the Directive (the equivalent of Section 5 of the Trade Marks Act 1994) requires a trade mark to be excluded from the register if it conflicts with an earlier trade mark or other earlier right. However, the fifth recital to the Directive gives Member States latitude as to the stage at which such relative grounds are to be taken into consideration. The fifth recital states:

“Whereas Member States also remain free to fix the provisions of procedure concerning the registration, the revocation and invalidity of trade marks acquired by registration; whereas they can, for example, determine the form of trade mark registration and invalidity procedures, decide whether earlier rights should be invoked either in the registration procedure or in the invalidity procedure or both and, if they allow earlier rights to be invoked in the registration procedure, have an opposition or earlier right procedure or an *ex officio* examination procedure or both; whereas member states remain free to determine the effects of revocation or invalidity of trade marks.”

In relation to all applications for registration under the Act, the Trade Marks Registry must examine them against the provisions of Sections 3 and 5 and undertake a search under the provisions of Section 37 for that purpose. If, and when, as a result of the search an earlier trade mark is identified which is considered to be the same or similar in respect of both the trade mark and the specification of goods and services, then the Trade Marks Registry must raise an objection to the application for registration. However, if the applicant is able to show, to the satisfaction of the Trade Marks Registry, that there has been honest concurrent use of the trade mark, the subject of the application, with the earlier mark, under the provisions of Section 7, and with due regard to the fifth recital, then the application may be accepted and published. Where the concurrent use

has not been in respect of all of the goods or services for which the application is sought to be registered, the acceptance will be for those goods where there has been honest concurrent use. If there is no opposition to the application for registration either from the owner of the earlier right against which the applicant for registration claims honest concurrent use or any third party, then the application will in due course be registered. However, if opposition is filed then the Registrar must determine whether the grounds for refusal upon which the opposition is based are made out. If the opposition is based upon section 5 then the provisions of the appropriate subsections must be considered. The fact that honest concurrent use has been shown at the examination stage cannot overcome the objection.

If, for example, the trade mark the subject of the application for registration, and the trade mark the subject of the earlier right were identical, and the specification of goods or services of the application was identical to the specification of the goods or services covered by the earlier trade mark, then refusal must follow under Section 5(1), which bars absolutely the registration of identical trade marks in respect of identical goods or services (unless the proprietor of the earlier trade mark consents to the registration of the later trade mark). But in relation to section 5(2) the respective trade marks or respective specifications of goods or services may only be similar and the fact that there has been actual use of the trade mark in suit concurrently with the earlier trade mark, may be relevant in determining whether there is a likelihood of confusion.”

26) Therefore, the fact that there has been concurrent use of the trade mark in suit alongside the trade mark on which an opposition is based will not in itself save the application. But it is one of the relevant factors which should be taken into account in determining whether there is, or is not, a likelihood of confusion. Such consideration can, of course, only apply if sufficient information is available to satisfy the tribunal that, as a result of the parallel use that has taken place, the relevant public appears to be able to distinguish between the goods or services of the parties and that confusion is, therefore, unlikely.

27) In this case the applicant has provided information which shows that it has used its mark. I am aware that this issue was considered by the hearing officer at the time of acceptance. However, at that time the issue of honest concurrent use was not subject to challenge. The evidence of use filed following the challenge by the opponent is scant, consisting of a single invoice and some undated advertisements, and cannot be considered as sufficient to begin to show that there has been honest concurrent use. The applicant cannot rely upon Section 7 for its defence and so the opposition based upon Section 5(2)(b) is successful.

28) As the opponent has been successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1200. In determining this sum I have taken into account the issuing of a preliminary indication by the Registry. This sum 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 27th day of October 2005

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