

O-293-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION
No. 2493356 BY HOUSE OF COUTURE LIMITED
TO REGISTER THE TRADE MARK
HOUSE OF COUTURE
IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 98386 BY
GORDON GEOFFREY SELVAGE**

BACKGROUND

1) On 22 July 2008, House of Couture Limited (hereinafter the applicant), applied to register the trademark HOUSE OF COUTURE for the following goods “Occasional Wear, Bridal Wear, Clothing, footwear, headgear”.

2) The application was examined and accepted. The trade mark was subsequently published for opposition purposes on 5 September 2008 in Trade Marks Journal No.6751.

3) Gordon Geoffrey Selvage (hereinafter the opponent), filed a notice of opposition, subsequently amended, dated 5 December 2008. The grounds of opposition are in summary:

a) The mark comprises the ordinary words HOUSE OF COUTURE without any stylisation or logo. The application covers clothing, headgear and footwear and bridal wear. The mark in suit has a clear meaning as referring to an undertaking that provides something be it a service or a product. This prefix to a name is often used in respect of shops that sell fashion and beauty products (e.g. HOUSE OF FRASER, HOUSE OF FABERGE) as well as fashion businesses that design and produce such goods (e.g. HOUSE OF CHANEL, or HOUSE OF HOLLAND) including those that produce bridal wear or specialise in bridal fashion (e.g. HOUSE OF NICHOLAS, HOUSE OF DELPHINE). This element is therefore entirely descriptive and non-distinctive. The word COUTURE is also well understood within the trade and by the public in general (and certainly the relevant consumers of the Class 25 products). The word is defined in the Oxford English Dictionary as:

- i) the design and manufacture of fashionable clothes to a client’s specific requirements.
- ii) clothes of this type.

b) Using the first meaning above the term COUTURE is descriptive of the nature of production (be it design or manufacture) of goods in Class 25 and may be taken to imply a favourable connotation of bespoke manufacture or alteration. Using the second meaning the word is directly descriptive of the goods themselves. The term HAUTE COUTURE is defined in the Oxford English Dictionary as “the designing and making of high quality clothes by leading fashion houses”. In this definition the suppliers of the products are described as “houses” thus demonstrating the clear link between the elements of the mark. The mark as a whole means a clothing designer, manufacturer or supplier. It is also a sign which may serve in trade to designate the kind, quality, value and other characteristics of goods in Class 25. Specifically the mark indicates that the goods are designer clothes headgear and footwear of a high quality and/or are bespoke products made to order. Further the mark suggests that the goods are of high quality and hence value. The mark is also a phrase which consists entirely of a sign or indication which is customary in the current language or in the bona fide and established practices of the trade. The phrase as a whole is used to mean a fashion undertaking, particularly ones that are creators of original designs.

c) The mark in suit therefore offends against Section 3(1)(b), 3(1)(c) and 3(1)(d).

d) It is said that the applicant and opponent were business partners operating bridal wear shops in different areas, each trading under the name HOUSE OF COUTURE. However, when the relationship broke down the applicant filed the instant application in her sole name in the full knowledge that she was not the sole owner of the mark and was filed with the intention of interfering with the opponent's ongoing trading activities. As such the application was made in bad faith and offends against Section 3(6) of the Act.

4) On 12 February 2009 the applicant filed a counterstatement which denied the opponent's claim.

5) Both sides filed evidence, and both parties seek an award of costs in their favour. The matter came to be heard on 29 July 2010. At the hearing, the opponent was represented by Mr Sanderson of Messrs Sanderson & Co., the applicant was represented by Ms Goodchild.

OPPONENT'S EVIDENCE

6) The opponent filed two witness statements. The first, dated 14 May 2009, is by James Sanderson, the opponent's Trade Mark Attorney. He reiterates what is already summarised in the statement of grounds. At exhibit JS1 he provides a number of pages from websites showing use of the words "house of" which simply serve as a reference to an establishment or undertaking but without identifying origin. He states that in the examples provided that distinctiveness is in the word which follows "house of" usually relating to the originating designer. Amongst the examples provided in the exhibit are "House of Nicholas", "House of Delphine", "House of Harlot" and "House of Suga".

7) The second witness statement, dated 17 June 2009, is by Gordon Geoffrey Selvage the opponent. He describes his background in business and states that at the time of meeting Ms Goodchild he already had an interest in supplying wedding attire as an adjunct to his hotels in Norwich and Spain which specialised in weddings. He states that he wanted to develop a chain of stores selling wedding dresses prior to opening a store in the building next to his hotel which he had kept empty for that purpose. He provides details of his hotels, the wedding services they offer and sketches of his ideas for dresses at exhibits GS1-4. All exhibits are detailed later in the evidence summary.

8) He states that he met Ms Goodchild in November 2003 just prior to purchasing Caistor Hall. In early 2004 he states that he informed Ms Goodchild of his plans for a chain of stores. He believed that she would benefit from the scheme and agreed terms for her to act as a consultant and he was also hoping to sell his dresses through her store. The payment for her would be the opportunity to purchase wedding dresses at cost from Mr Selvage. He states that the profit margin was very large as a dress which cost £60 to produce could sell for up to £2,000. In June 2004 he states that he travelled to China and took Ms Goodchild with him. He states that it was agreed that either he or Ms Goodchild could order from the Chinese factory but all deliveries would go to Mr Selvage along with the invoice. He states that initially all this was run through a company that he owned called Tiga Ltd. This company invoiced Ms Goodchild. The initial order was effectively a sample batch and came without a label. He and Ms Goodchild produced a short list of names from which they chose "FEMME". In October 2006 they were importing

sufficiently large numbers of dresses for Mr Selvage to set up another company, Femme Imports Ltd to handle all orders. He states that at this stage the relationship with Ms Goodchild was working well and both were beginning to see benefits from what he calls “the project”.

9) Mr Selvage describes how in early 2004 he became aware that Ms Goodchild had financial troubles. He loaned her £20,000 (exhibit GS6). This enabled Ms Goodchild to pay for stock and remain in business. Part of the loan was to open a second shop which duly occurred in October 2004. He states that he was surprised when the new shop was called “New Beginnings”. He states that he expected the shop to be under the “House of Couture” brand. He also states that until the evidence was filed in the instant case he was not aware that a company called “New beginnings” had been incorporated in April 2004 or that the owner of the company was Ms Goodchild’s daughter Pippa. He states that he was aware that she worked in the shop and assumed that she was managing it for Ms Goodchild. He states that in July 2005 the loan was overdue and he reminded Ms Goodchild of this but instead she asked him for an additional loan. He states that by this time he had invested £40,000 into the “Femme” project and to see a return he needed the two shops that he believed that Ms Goodchild owned in order to sell his dresses. He therefore agreed a further loan of £25,000 (exhibit GS8) and in August 2005 he stood as guarantor at her bank (exhibit GS9).

10) In October 2006 Mr Selvage purchased the first of a number of domain names around the “House of Couture Norwich” theme. In November 2006 he signed a lease for a shop in a development in Norwich. He states that he had considered using the name “HoC” but claims he was persuaded by Ms Goodchild to use the name “House of Couture Norwich”. He states that he provided brochures via his printing company to Ms Goodchild and now updated them to add his own store into the addresses on the brochures. These are, he says, high quality brochures (exhibit GS13) and would have cost a significant amount had they been invoiced to a normal client. He states that he also incurred significant travel costs (exhibit GS13) which he would not have done if he did not believe that he had a right to use the mark in suit on his store.

11) Mr Selvage describes how the relationship broke down when Ms Goodchild began ordering dresses direct from the Chinese suppliers and getting them delivered directly to her and subsequently not paying for them. He states that as of November 2006 he had not been repaid his loans and Ms Goodchild was not paying invoices in respect of dresses she had ordered from Femme Imports Ltd. In April 2007 he found out that all his suppliers were providing goods direct to Ms Goodchild and invoicing her direct. In August 2008 when he found that she had applied for the trade mark in suit he instructed his solicitors to seek repayment of the loans.

12) The following is a summary of the exhibits provided:

- GS1: Brochures for the CASA JARDIN hotel in Spain offering a wedding venue and catering.
- GS2: An excerpt from a survey of Caistor Hall in Norfolk dated December 2003.
- GS3: Brochures for Caistor Hall offering a full wedding service dated 2009.

- GS4: Sketches and pictures cut from magazines showing a variety of wedding wear with notes for changes. The pages are all undated.
- GS5: A copy of a certificate of incorporation of Femme Imports UK Ltd dated 19 October 2006.
- GS6: A copy of a document showing a loan of £20,000 by Mr Selvage to Ms Goodchild on 8 May 2004 repayable before 8 May 2005.
- GS7: A copy of a company incorporation certificate dated 16 April 2004 for New Beginnings Ltd.
- GS8: A copy of a document showing a loan of £25,000 by Mr Selvage to Ms Goodchild dated 15 July 2005.
- GS9: A copy of a bank guarantee signed by Mr Selvage guaranteeing the banking facility and loans of House Of Couture Limited up to £20,000, dated 5 August 2005.
- GS10: Copies of Nominet registrations of variations on House of Couture and HOC domain names dated January –March 2007.
- GS11: A copy of a lease agreement for a shop unit in Norwich under the name House of Couture Norwich Limited, dated 10 November 2006.
- GS12: A list of travel expenses incurred by Word Perfect Print.
- GS13: Three brochures showing wedding dresses and bridal wear which show the names “House of Couture Ltd”, “New Beginnings” on all three whilst the name “House of Couture Norwich” appears on two brochures.

APPLICANT’S EVIDENCE

13) The applicant filed a witness statement, dated 29 January 2010, by Susan Janet Goodchild the sole director of the applicant company. Ms Goodchild states that the trade mark in suit was first used in the UK in 1992 when the company was incorporated although it began trading as House of Couture Ltd in 1994. Later in her statement she states that she wishes to register the mark to “secure our trade name of more than 17 years”, presumably referring back to the incorporation date. She states that the mark in suit has been used on a wide range of ladies and children’s wear.

14) She provides the following turnover figures which, I presume refer to the goods and services (design tailoring etc) provided which would include sales of dresses under both her own brands and the brands of others:

Year	Turnover £
1995	61,183
2001	184,016
2004	313,183
2005	189,478
2006	184,978
2007	176,701

15) Ms Goodchild claims that advertising is said to be approximately 5% of turnover. She claims that “couture” is French for “the design and manufacture of fashionable clothes to client’s requirements”, and “house of” describes the home of. She contends that when she started using the mark it was unusual to mix English and French words and it was grammatically incorrect. She also refers to other marks registered or state-of-the-register evidence. I note from the evidence that the applicant was also using “Femme” and “Femme Couture” as trade marks on clothing. It is contended that the applicant’s website receives a significant number of “hits” per day, in January 2001 said to be 300,000 per day. However, I am aware that as used in relation to the World Wide Web, “hit” means a single request from a web browser for a single item from a web server; thus in order for an individual’s web browser to display a page that contains three graphics, 4 “hits” would occur at the server: one for the HTML page itself, and one for each of the three graphics displayed on that page. So a user downloading a single web page with many graphic elements will generate many hits. Mrs Goodchild also provided the following exhibits:

- Exhibit SG1: copies of pages from the web, there is a date which shows “weddings dresses for 2009-2010”, another refers to a preview of the 2009 dresses. Both are after the relevant date.
- Exhibit SG2: copy of a page from a website for “House of Couture” which shows a “created” date of 13 August 1998, and an updated date of 12 August 2008. So the actual date of the page shown is after the relevant date.
- Exhibits SG3 & 4: These are said to be invoices which show the mark “House of Couture” on the top in relation to the sale of two wedding dresses, both in January 2002.
- Exhibits SG5 & 6: These consist of two photographs of shop fronts. The first, said to date from 1993, shows use of the marks “Couture pour Femme” and “Couture Design by Sue Goodchild”. The second photograph said to date from January 2010 shows “House of Couture” with the initial downward stroke of the letter “H” in “House” and the letter “T” in “Couture” having a female shape within them. The second photograph is after the relevant date.
- Exhibit SG7: This is the “story” of the applicant. I note that it states that her line of dresses is sold under the “Femme” and “Femme Couture” labels. It refers to “For the couture bride”. It is undated.

16) Ms Goodchild states that whilst she personally had an alliance with the opponent, the applicant House of Couture Limited did not, nor was the applicant company ever a business partner of the opponent. She states that prior to meeting her, the opponent had no knowledge of the wedding/fashion industry and also made a number of promises to her that he never kept. One of these was that they would set up an import company together and she would be a director. At exhibit SG13 she provides an e-mail, dated 10 May 2007, from the opponent where he says “Yes you need to be the principle dirr. Of femme imports it is set up and is tracking what it can....It’s the safty [sic] net.”

17) Ms Goodchild states that she used the label “Femme Couture” for many years prior to meeting the opponent, and was importing a range of dresses under this label prior to meeting Mr Selvage. She denies working for Mr Selvage as a consultant although in 2008 she did invoice him for her time at which point he stated that there was no contract between them and declined to pay. She contradicts all his claims regarding him setting up contacts overseas, she states that it was her who introduced him to the Chinese companies.

OPPONENT’S EVIDENCE IN REPLY

18) This consists of two witness statements. The first is a second witness statement, dated 1 March 2010, by Gordon Selvage. He initially provides his opinion on the evidence of the applicant regarding use of the mark in suit. I will take these views into account in my decision. He points out that New Beginnings London was not formed until April 2004 (at exhibit GS3 he provides an excerpt from Companies House) and so he questions many of the exhibits and their claimed date of origin. He also provides his opinion on the mark and whether it can be registered.

19) The second witness statement, dated 13 April 2010, is by Stephen Alexander Goodchild the ex-husband of Ms Goodchild. He provides copies of documents filed at the time of his divorce signed by Ms Goodchild which state that from 1997 she was semi retired, and that the company House Of Couture Ltd was owned by her daughter. Mr Goodchild also states that prior to meeting Mr Selvage Ms Goodchild never used the mark “Femme” on any of the bridal wear she sold, nor in connection with her business. He states that in 2003 he erected a sign over both shops (17-19 Billet Lane) with the word “Couture” in the middle and over his shop the words “Pour Homme” and over Ms Goodchild’s shop the words “Par Femme”. He states that in 2005 he removed the signage over both shops and put up new signage on his shop. He claims that Ms Goodchild’s shop did not replace the signage until August 2009. He states that the new sign was “House of Couture” which he states was previously only used on the shop’s website.

APPLICANT’S FURTHER EVIDENCE

20) Along with her submissions for the hearing Ms Goodchild also provided further exhibits which she claims shows the use made by her of the mark in suit. Although the opponent had very little time to view these and no opportunity to respond I decided, in this case, to allow the documents into the case as evidence. This consists of five exhibits which are described below:

- EXA: This is a copy of a web page from an archive site which shows “House of Couture” used in relation to clothing on 11 April 2001.
- EXB: Court papers dated 4 December 2006 in relation to the divorce of Mr And Mrs Goodchild which refers to Mrs Goodchild retaining the business “House of Couture”.
- EXC: An extremely bad photograph of two shop fronts which shows the word “Couture” on the fascia above both shops.
- EXD: This photograph shows one shop with the words “Couture Pour Homme” on the fascia whilst the other has “URE Par Femme”. This is after the fascia was cut in half by Mr Goodchild in 2008.
- EXE: An email from Mr Goodchild to Ms Goodchild indicating that he has been in contact with Mr Selvage.

21) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

22) I shall first turn to the grounds of opposition under section 3(1) which reads:

“3(1) The following shall not be registered ...

(a)

(b) trade marks which are devoid of any distinctive character...

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

23) When considering the issue of distinctiveness under Section 3(1) (b) of the Act I adopt the approach summarised by the ECJ in its judgment in *Linde AG, Windward Industries Inc and Rado Uhren AG* Joined Cases C-53/01 to C- 55/01:

“37. It is to be noted at the outset that Article 2 of the Directive provides that any sign may constitute a trade mark provided that it is, first, capable of being represented graphically and, second, capable of distinguishing the goods and services of one undertaking from those of other undertakings.

.....

39. Next, pursuant to the rule in Article 3(1)(b) of the Directive, trade marks which are devoid of distinctive character are not to be registered or if registered are liable to be declared invalid.

40. For a mark to possess distinctive character within the meaning of that provision it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from products of other undertakings (see *Philips*, paragraph 35).

41. In addition, a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court's case law, that means the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (see Case C- 210/96 *Gut Springenheide and Tusky* [1998] ECR I- 4657, paragraph 31, and *Philips*, paragraph 63).

.....

47. As paragraph 40 of this judgment makes clear, distinctive character means, for all trade marks, that the mark must be capable of identifying the product as originating from a particular undertaking, and thus distinguishing it from those of other undertakings.”

24) I must determine whether the trade mark applied for is capable of enabling the relevant consumer of the goods in question to identify the origin of the goods and thereby to distinguish them from other undertakings. In *SAT.1 Satelliten Fernsehen GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-329/02 the ECJ provided the following guidance:

“41 Registration of a sign as a trade mark is not subject to a finding of a specific level of linguistic or artistic creativity or imaginativeness on the part of the proprietor of the trade mark. It suffices that the trade mark should enable the relevant public to identify the origin of the goods or services protected thereby and to distinguish them from those of other undertakings.”

25) In *Cycling Is... Trade Mark*, [2002] R.P.C. 37, Mr Hobbs QC stated:

“67. The case for allowing registration rests upon the proposition that the signs are cryptic to a degree which makes it more likely than not that they would carry connotations of trade origin (whatever other connotations they might also carry) in the minds of the relevant class of persons or at least a significant proportion thereof.

68. The case for refusing registration rests upon the proposition that the signs are visually and linguistically meaningful in a way which is more likely than not to relate the goods and services to the activity of cycling without also serving to identify trade origin in the minds of the relevant class of persons.

69. The difference between these two positions resides in the question whether the perceptions and recollections the signs would trigger in the mind of the average consumer of the specified goods and services would be origin specific or origin neutral.

70. The relevant perspective is that of the average consumer who does not know there is a question, but who is otherwise reasonably well-informed and reasonably observant and circumspect.”

26)) I must therefore consider the issue from the perspective of someone who encounters the mark “House of Couture” used in relation to, broadly, clothing, footwear and headgear and determine how that person would react. The evidence shows that the words “house”, “of” and “couture” are all recognised words used in the English language and found in any dictionary. The applicant’s point regarding “couture” being of French origin is accepted as with most of our language it has been adopted and is now an “English” word. When used in relation to clothing etc the words “House of” have resonance for the average consumer as they are used to refer to “fashion houses” where the word “house” refers to the establishment or enterprise. As the evidence also shows references to such establishment are usually have the designer’s name as a prefix or suffix. The term “house of couture” also appears in the evidence again with a particular designer’s name acting as the indicator of origin, usually just the surname such as Dior or Givenchy. The mark in suit merely conveys the meaning of an establishment where clothing etc is tailored to your specific requirements, it does not act as an indicator of origin.

27) To my mind the average consumer “who does not know there is a question” would consider HOUSE OF COUTURE to be devoid of any distinctive character for all the goods applied for and would be asking whose house of couture it was. They would not find that it functioned as an indication of origin. As such, I find that the grounds based upon Section 3(1) (b) of the Act must succeed.

28) Having made this finding I now turn to consider the issue of whether the applicant’s mark has acquired distinctiveness through use. Although not originally pleaded in the counterstatement it was clear from both the counterstatement and the evidence filed subsequently that it was a position which the applicant was adopting. In this case, I am therefore willing to consider the issue despite it not being explicitly pleaded.

29) It is clear from all of the evidence that the sign above the shop was until after the relevant date, 22 July 2008, the word “Couture” or part of the word “ure”. In addition the fascia had the words “par femme”. It is also clear that the applicant’s goods carried a label of either “femme” or “femme couture”. In addition the shop also sold goods from other manufacturers under different brands. The only use of the mark applied for prior to the relevant date would appear to be on the website for the business. The turnover and advertising figures do not relate solely to the mark in suit or indeed to the goods applied for bearing in mind the applicant offers a design service and also tailoring services. In my opinion the applicant has not demonstrated that the mark in suit has acquired any distinctiveness. The ground of defence therefore fails.

30) Although this determines the matter I shall move onto consider the position under Section 3(1)(c). There are a number of European Court of Justice judgments which deal with the scope of Article 3(1)(c) of First Council Directive 89/104 and Article 7(1)(c) of Council Regulation 40/94 (the Community Trade Mark Regulation), whose provisions correspond to Section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:

- subject to any claim in relation to acquired distinctive character, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark – (*Wm Wrigley Jr & Company v OHIM* – Case 191/01P (Doublemint) paragraph 30;
- thus Article 7(1)(c) (Section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM*, paragraph 31;
- it is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods or services in question. It is sufficient that it could be used for such purposes – *Wm Wrigley Jr v OHIM*, paragraph 32;
- it is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods or services. The word ‘exclusively’ in paragraph (c) is not to be interpreted as meaning that the sign or indication should be the only way of designating the characteristic(s) in question – *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, Case C-363/99 (Postkantoor), paragraph 57;
- if a mark which consists of a word produced by a combination of elements is to be regarded as descriptive for the purposes of Article 3(1)(c) it is not sufficient that each of its components may be found to be descriptive, the word itself must be found to be so – *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, paragraph 96;
- merely bringing together descriptive elements without any unusual variations as to, for instance, syntax or meaning, cannot result in a mark consisting exclusively of such elements escaping objection – *Koninklijke Nederland v Benelux Merkenbureau*, paragraph 98;
- an otherwise descriptive combination may not be descriptive within the meaning of Article 3(1) (c) of the Directive provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word trade mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both the aural and the visual impression produced by the mark – *Koninklijke Nederland NV v Benelux Markenbureau*, (*Postkantoor*), paragraph 99.

31) The opponent has filed evidence which shows use by others of the words “house of” in relation to fashion retailers and it is claimed that this element is not only entirely descriptive and non-distinctive, but serves in the trade to indicate the kind of product being offered i.e. couture clothing. They state that the originating designer’s name is habitually used attached to the words

“house of couture” in order to distinguish the origin of the goods. The applicant accepts in the evidence of Ms Goodchild that the word “couture” is well understood by the general public and within the clothing trade as meaning the design and manufacture of fashionable clothes to a client’s specific requirements or clothes of this type. To my mind, given the evidence of use in the trade, the mark applied for falls foul of the test under Section 3(1)(c) and so the opposition under this ground succeeds.

32) As I have found for the opponent on two grounds I do not intend to consider the remaining grounds of opposition.

COSTS

33) As the opponent has been successful it is entitled to a contribution towards costs. I order the applicant to pay the opponent the sum of £1,600. 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 16th day of August 2010

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