

O-339-13

**TRADE MARKS ACT 1994**

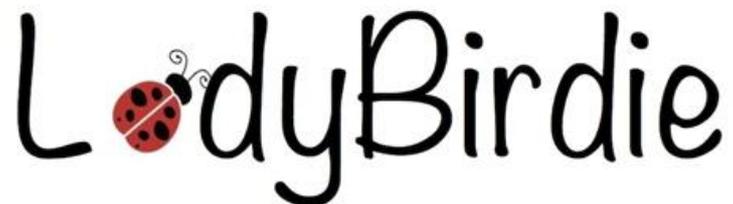
**IN THE MATTER OF APPLICATION NO 2610798**

**BY**

**LADYBIRDIE LIMITED**

**TO REGISTER THE TRADE MARK**

**LadyBirdie**



**IN CLASSES 18, 25 AND 28**

**AND**

**THE OPPOSITION THERETO**

**UNDER NO 103577**

**BY**

**LITTLEWOODS LIMITED**

## BACKGROUND

1. On 6 February 2012, LadyBirdie Limited (the applicant) applied to register the above trade mark in classes 18, 25 and 28 of the Nice Classification system<sup>1</sup>, following subsequent amendment the application stands as follows:

**Class 18**

Golf/sport umbrellas, specifically for ladies (specifically excluding children's umbrellas/parasols).

**Class 25**

Articles of sport/golf clothing, footwear and headgear and accessories, specifically for ladies, (specifically excluding items for children, eg, clothing, footwear, headgear, sport wear and/or accessories).

**Class 28**

Sporting articles, specifically for ladies (specifically excluding children's sporting articles, games and playthings/toys).

2. Following publication of the application, on 13 April 2012, Littlewoods Limited (the opponent) filed notice of opposition against the application.

3. The grounds of opposition were brought under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). The opponent relies upon the marks, goods and services shown below, in respect of its opposition under sections 5(2)(b) and 5(3). The first two marks are relied upon in respect of the opponent's case against class 25 of the application. The third mark is relied upon in respect of the opponent's case against all of the applicant's goods.

Mark details and relevant dates	Goods and Services
CTM 1925171 Mark: LADYBIRD Filed: 27 October 2000 Registered: 4 December 2001	<b>Class 25</b> Articles of clothing, footwear and headgear.

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<sup>1</sup> *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

<p>TM 2327083B</p> <p>Mark:</p> <p>LADYBIRD</p> <p>Filed: 20 March 2003</p> <p>Registered: 23 April 2004</p>	<p><b>Class 25</b></p> <p>Clothing, footwear, headgear.</p>
<p>CTM 1739168</p> <p>Mark:</p> <p>LADYBIRD</p> <p>Filed: 28 June 2000</p> <p>Registered: 25 September 2002</p>	<p><b>Class 35</b></p> <p>Retail services in the field of children's clothing and accessories.</p>

4. For the purposes of its opposition under section 5(4)(a) the opponent relies on the plain word LADYBIRD which it states had been used "Since as early as 1938 in Berkshire". The opponent states that the mark has been used in respect of, "Children's clothing and children's accessories; watches; retail services in the field of children's clothing and children's accessories and watches".

5. In its statement of grounds, with regard to 5(2)(b) the opponent submits:

*"9. The Application shares visual, phonetic and conceptual identity and/or similarity with the Opponent's Marks. As a result the Application is likely to be viewed by the average consumer as a sign owned by, or connected or associated with, the opponent. On this basis, the Application could serve to designate the same source of commercial origin as the Opponent's Marks. This risk of confusion is heightened by the reputation that the Opponent's Marks enjoy in the United Kingdom.*

*10. The Application is applied for in classes, 18, 25 and 28. The Opponent's Marks have been registered in, inter alia, classes 25 and 35. The Applicant's class 25 goods are wholly contained in the Opponent's class 25 specification and are thus identical. The Applicant's class 18 and class 28 goods are similar to the Opponent's class 35 specification to the extent that it is possible for such goods to be retailed in the field of children's clothing and children's accessories. To this extent, the Application constitutes an application in respect of identical and/or similar goods to those for which the Opponent enjoys prior registered protection, giving rise to a clear-cut risk of confusion."*

...

6. With regard to the opposition under 5(3) the opponent states:

*“13. It is submitted that the Opponent’s Marks have been used for over 70 years in the UK and have built up a tremendous reputation and goodwill in the brand in the UK.*

*14. It is submitted that the use of the Application is without due cause as there is no need for the Applicant to select a brand so close to that of the Opponent.*

*15. It is submitted that there is unfair advantage to the Applicant and/or detriment to the Opponent because:*

*15.1 the identity and/or similarity of the contested marks is such that the public are more likely to trade with the Applicant as they assume the Applicant to be connected with the Opponent. Therefore, the Applicant’s trade will increase through such association;*

*15.2 the public will strongly link the Application with the Opponent’s Marks due to the identity and/or very close visual, phonetic and conceptual similarity of the Application and the Opponent’s Marks;*

*15.3 by selecting such a similar name, the Applicant is ‘riding on the coat-tails’ of the Opponent’s Marks and seeking to gain goodwill and custom from the attractive power of the LADYBIRD brand built up over 70 years by the Opponent and its predecessors in title and the affection and fondness held for the brand;*

*15.4 the operation of the Application is likely to inhibit the Opponent in promoting and operating its own LADYBIRD brand in that potential business partners and customers will be likely to purchase the Applicant’s branded goods or services, or, if they have an unsatisfactory experience with the Applicant’s brand, they may chose not to trade or associate with the Opponent fearing a similar experience.*

*16. Accordingly, the Applicant has gained or will gain a significant unfair advantage from adopting such an identical and/or similar trade mark.*

*17. It is submitted that the clear financial and other advantages that the Applicant has gained or will gain has been taken unfairly of the distinctive character and repute of the Opponent’s Marks. The Applicant has chosen a similar mark to ‘ride on the coat-tails’ of the Opponent’s significant reputation without paying any financial compensation for doing so. It is submitted that the Application is therefore contrary to Section 5(3) of the Act.*

7. With regard to its opposition under section 5(4)(a) of the Act the opponent submits:

*18. ...The Opponent is the owner of unregistered rights in the LADYBIRD name and (through its predecessors in title) has used this mark since at least 1938 in the field of clothing in the UK. The Opponent and its predecessors in title have built up substantial goodwill and reputation in the UK under the LADYBIRD trade mark in the field of clothing. As a result of this goodwill, use of the Application would misrepresent to the consumer that the goods under the Application originate from or*

*are licensed by or are connected in some way with the Opponent. As a result of this deceptive representation the Opponent will suffer damage to its goodwill and reputation under the Opponent's Marks as well as potential divergence of business."*

8. On 21 September 2012, the applicant filed a counter statement. It denies the grounds upon which the opposition is based. It states:

*"1...It is our intention to manufacture and market items of ladies golfwear and assorted sporting products only. We do not consider that this in any way conflicts with the operations of [the opponent] operations in children's clothing and children's accessories; watches; retail services in the field of children's clothing and children's accessories and watches, as stated under section 5(4) of their opposition. When considered as a whole the Applicant's trade mark is visually, phonetically and conceptually different to the Opponent's mark."*

9. The opponent's marks are earlier marks, which are, in principle, subject to proof of use because, at the date of publication of the application, they had been registered for five years.<sup>2</sup> However, at section 5 of its counter statement the applicant has answered "NO" when asked if it requires the opponent to provide proof of use. Therefore I need consider it no further. The opponent is entitled to rely on its full specification.

10. Only the opponent filed evidence; neither party asked to be heard and both filed written submissions in lieu of attendance at a hearing.

## **EVIDENCE**

11. The opponent's evidence consists of a witness statement by Annemarie McNally, of Shop Direct, dated 29 November 2012. It is accompanied by 25 exhibits. Ms McNally is the Head of licensing and wholesale for the ladybird brand owned by Littlewoods Limited, a position she has held since August 2009. The main facts emerging from her statement are, in my view, as follows:

12. Sales figures are provided for the UK as follows:

YEAR	Sales figures in GBP rounded down for confidentiality	Number of units sold rounded down for confidentiality
2011	£4.1m	360,000
2010	£8m	800,000
2009	£5m	540,000
2008	£1.7m	120,000

13. Exhibit AMM1 - Copy of an article from the *Daily Telegraph*, dated February 1 2009, accessed on 27 July 2011. The article is headed "Littlewoods owner Shop Direct snaps up Ladybird". The top of paragraph six has been highlighted and reads, "Ladybird, one of the best-selling children's clothing brands in the UK..."

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<sup>2</sup> See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5th May 2004.

14. Exhibit AMM2 - described by Ms McNally as “national newspaper circulation figures published in the Telegraph in 2010.” The figures state that *The Daily Telegraph* has a 42% share of the ‘quality market’ with a daily circulation average between October 2009 and March 2010 of 690,445.

15. Exhibit AMM3 is an article from *The Telegraph online*, dated 2 February 2009 and accessed on 25 July 2011. The article is titled “Shop Direct buys Woolworths brand from administrator.”

16. Exhibit AMM4 is an article from the BBC online dated 2 February 2009, accessed on 11 October 2011. The article is titled “Woolworths is to be reborn online”. Ms McNally states that the article “included an indicative quote from Retail consultant Teresa Wickham “If Woolworths can pick up on what was good about it - *such as Ladybird* (emphasis added) and Chad Valley - then they could capture a new market.””

17. Exhibit AMM5 consists of 24 pages of photographs and photocopies of a book titled LADYBIRD LADYBIRD A STORY OF PRIVATE ENTERPRISE, by Eric W Pasold. Ms McNally states that Ladybird branded clothing was first sold in the United Kingdom by Adolf Pasold & Son in approximately 1938.

18. The first page is a photograph of the front cover of the book, the second shows the inside front cover. Ms McNally draws my attention to the opening line of the sleeve note which reads “As one of the world’s largest children’s wear manufacturers Pasolds Ltd has made its Ladybird trade mark a household name”. The third page shows the copyright date of 1977, the publisher, Manchester University Press and the publisher W&J Mackay Limited, Chatham. The remaining pages of the exhibit consist of photocopies of pages of text numbered 2 - 3, 158, 509 - 510, 524, 582 - 583, 634-635, 638, 641, 643-644, 648, 650, 653 and 655, a page of illustrations and photographs of the inside back cover and back cover of the book.

19. Exhibit AMM6 is a page printed from Wikipedia titled “Ladybird (clothing)”. The page was accessed on 25 July 2011.

20. Exhibit AMM7 is a list of countries “...where the Opponent’s LADYBIRD word and device trade marks in recent years have been, or are currently licensed, in Class 25.”

21. Exhibit AMM8 consists of 49 pages printed from a CD Rom of Ladybird brand guidelines.

22. Exhibit AMM9 is an article from *The Independent* dated 17 January 2001. The highlighted sentence reads “Ladybird, one of Europe’s oldest brands in children’s clothing...” The article was accessed on 25 July 2011.

23. Exhibit AMM9a consists of seven pages of screen shots printed from Shop Direct’s websites which sell Ladybird branded clothing. The first three pages are from Woolworths.co.uk and show the word ladybird followed by a stylised ladybird at the top of each page. Each item is listed as a Ladybird product. The fourth and fifth pages are taken from Very.co.uk. Each product is described as a Ladybird product, e.g. Ladybird 3 in 1 Jacket, Ladybird quilted jacket. The final two pages are taken from Littlewoods.com. The lettering and ladybird image at the top of the page is identical to that on the pages taken from Woolworths.co.uk. Each item shown on the page is described as a Ladybird product.

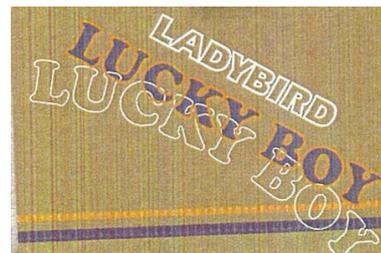
24. Exhibit AMM10 consists of a 21 page catalogue titled 'Ladybird Spring/Summer 2004' and a 28 page catalogue titled 'Ladybird Autumn/Winter 2004'. The mark is shown as follows:



25. Both catalogues show a range of clothing and accessories for babies (newborn to 23 months) and children (from ages 2 to 8). Products featured in the spring/summer catalogue show a description followed by the dates during which they are available. All of the dates are between January and July 2004. The autumn/winter catalogue contains an introductory page which states, 'Woolworth's Ladybird Autumn/Winter 2004 collection is available in store from July 2004'. In both catalogues each item is described and priced.

26. Exhibit AMM11 is a 40 page catalogue titled 'Ladybird Autumn/Winter 2006'. The mark is shown as above. The catalogue shows a range of clothing for children newborn to 10 years of age. Each item is described and shows a price and range of sizes available as well as the dates that the item will be available between July and December.

27. Exhibit AMM12 is a 38 page catalogue titled 'Ladybird Autumn/Winter 2008'. The mark is shown as above and also in the following forms:



28. The catalogue shows photographs of a range of clothing for children, the ages are not specified. There are no product descriptions or prices provided. The seventh page states the following:

*"To be recognized as the ultimate kidswear brand in innovation, quality and style, globally".*

29. This is followed by the first of the three marks in paragraph 27. Other pages of the catalogue feature short phrases printed under or alongside some photographs. These include 'Trusted by mum', 'Strong heritage' and 'Let kids be kids'.

30. The following three exhibits show copies of catalogues distributed to customers in the UK by the opponent's group companies.

31. Exhibit AMM13 consists of six pages from two Marshall Ward Catalogues. The first three pages show a front cover of which states:

*"spread the cost of Christmas 09" and "order up to 5<sup>th</sup> February 2010".*

32. Page 287 of the catalogue shows the following mark in the top right hand corner under the words 'newborn to 23 months':



33. The clothes are described, age ranges and prices are also provided, though, these are not clear on the reproductions provided. Page 288 shows a range of clothing for boys under the same mark in the top left hand corner of the page. Page 289 shows a range of 'fairy princess' clothing under the same mark which is presented in the top right of the page under the words '9 months to 8 years'.

34. The second set of three pages begins with a front cover from the autumn/winter catalogue from 2009. Pages 558 and 560 from that catalogue show the ladybird mark in the top left hand corner. A range of clothing for newborn babies is featured, with descriptions and prices, though the wording is not clear on the representations provided. Pages 559 and 561 of the catalogue feature the same ladybird mark in the top right hand corner of the page under the text Newborn to 18 months. Several items are shown on each of the pages, though, again, the descriptions and prices are not clear.

35. Exhibit AMM14 consists of five pages from two Kays Catalogues and a two page print from Wikipedia. The first two pages are the front cover from Kays autumn 2010 catalogue and pages 684 and 685 from that catalogue. The mark is shown in the top right and left corners of the pages. The range of clothing shown in the product photographs and the pictures of children wearing the clothes would indicate that the clothes appear to be for babies and very young children, though the wording on the pages is not clear. The following three pages show the front cover of Kays winter update 2010 and two pages of clothing. Catalogue pages 388 and 389 show a range of children's pyjamas and underwear. The ladybird mark is shown in the top right of page 339. There are photographs of children wearing the clothes as well as product photographs. The age range is not clearly visible and the wording on the page is not clear, though each item is clearly priced. Pages 582 and 583 show the ladybird mark in the top right and top left of the pages. The words 'Newborn to 18 months' can also be seen on the top right corner above the ladybird mark. The left hand page shows photographs of the children's clothes, the right hand page shows photographs of children wearing the clothes. The items are clearly priced, though the product descriptions are not clear. The last two pages of the exhibit are a print from Wikipedia which is titled 'Kays Catalogues'. The first paragraph reads as follows (underlining is provided by the opponent):

*“Kays and Co Ltd was a mail-order catalogue business, with offices and warehouses throughout the United Kingdom. It was a very successful company, especially during the latter part of the 20th Century.”*

36. Exhibit AMM15 is made up of four pages. The first two are the front cover of a Littlewoods catalogue for Autumn/Winter 2009 and pages 560 and 561 of that catalogue. The ladybird mark can be seen in the top left corner of the first page and the top right corner of the second. The left hand page shows photographs of the children’s clothes, the right hand page shows photographs of children wearing the clothes. No age range is shown on the pages. The items are clearly priced, though the product descriptions are not clear. The last two pages of the exhibit are a print from Wikipedia which is titled ‘Littlewoods’. The first two paragraphs read as follows (underlining is provided by the opponent):

*“**Littlewoods** was a former retail and gambling company founded in Liverpool, Merseyside, England by John Moores in 1923.*

*It started as a shopping catalogue company, processing orders by post in the early 1970s. In 1981, it expanded to a call centre, processing orders by telephone. At its height, there were about 4000 employees working for Littlewoods.”*

37. Exhibit AMM16 is an article by Brand Republic which Ms McNally describes as a report of the LADYBIRD £1m advertising campaign promoting its Value school range. The article is titled ‘Mini Beckhams interviewed by sheep in Woolies ad’ and is dated 25 July 2006.

38. Exhibit AMM17 is described by Ms McNally as a report of Woolworths (LADYBIRD brand’s previous owner) campaign to expand LADYBIRD branded retail outlets. She states:

*“The article highlights the childrenswear market at the time was worth around £6.3 billion with the LADYBIRD brand’s market share being 3.9%.”*

39. The article featured in ‘Retail Week’ and was titled ‘Woolworths to open Ladybird stores in UK’. It is dated 31 July 2006.

40. Exhibit AMM18 is a copy of a licence agreement between Woolworths and Copper Alley (Clothing) Limited (the Licensee). Copper Alley had been licensed to use the LADYBIRD brand in Ireland in respect of clothing, footwear and headgear from 1 February 2009 to 31 January 2015. The agreement is dated 2 November 2007.

41. Exhibit AMM19 consists of press articles covering the liquidation of the licensee in 2010. In relation to this exhibit Ms McNally states:

*“3.4...The Hearing Officer’s attention is drawn to paragraph 2 of the article in [www.insolvencyjournal.ie](http://www.insolvencyjournal.ie) dated 20 January 2012, which states “trade in stores is brisk...and the outlets are trading as a going concern” and paragraph 6 which states “the company currently has about 472,000 euros in stock’ indicating the popularity of the LADYBIRD brand in 2010 in Ireland despite the financial troubles of the Licensee. The press coverage and interest generated by the liquidation of the Licensee in Ireland is indicative [of] the fame of the LADYBIRD brand in the UK.”*

42. The other article included in the exhibit is from [www.limerickpost.ie](http://www.limerickpost.ie) and is titled 'Business briefs - Bol, Retail sector losses, Komplet and Ladybird clothes, by Andrew Carey, dated Wednesday 13 January 2010.

43. Exhibit AMM20 is a series of photographs which Ms McNally states were taken in 2007 of the retail outlet operated by Copper Alley (the Licensee) in Blanchardstown, Ireland. She describes it as 'a 5,000 sq ft store, the biggest LADYBIRD store in the world.'

44. The first photograph shows the inside of a store with clothing racks to each side. There is no branding visible.

45. The second photograph shows a store front. The sign over the store is only partially visible. The section shown is the image of a ladybird in the style often shown in the evidence alongside the opponent's mark.

46. The third photograph shows the same store front. Outside the store is a silver board which has the word ladybird presented vertically and the same ladybird image presented at the end of the word.

47. The fourth photograph is titled 'Blanchardstown, Dublin, 2007'. It shows a wall with shelving. On each of the shelves is a child size mannequin wearing a red dress. To the left of the shelving is the word 'ladybird' in lower case.

48. The fifth photograph is a larger version of the first. The sixth shows the inside of a store with clothing hanging on rails. There is no visible branding in the photograph.

49. The seventh and eighth photographs are also taken in a store. One shows a red cylinder on the floor with solid black circles on it. The second shows a floor standing sign which is supported by a half sphere painted half black and half red.

50. Photographs nine, ten and eleven are also taken in store. The ninth is a closer photograph of the half sphere mounted sign. The angle shows a side elevation of the shape which is painted to resemble a stylised ladybird. The tenth and eleventh photographs show signs such as '2 pairs school trousers great value only €9' which is presented in a blue circle at the end of a clothing rack and 'Trendy and Dry Macs' presented above another clothing rack. No branding is evident in these two photographs.

51. Photographs twelve, thirteen and fourteen show hanging sign clips in the shape and colour of stylised ladybirds.

52. The remaining four photographs show the sign mounting clips in use around the store. A pink sign states 'Complete school uniforms', a circle within that sign stating 'Under €15'. The sign is supported on silver posts, the top of each featuring a stylised ladybird. This is repeated on a blue sign which states 'Winter coats and jackets', a circle within that sign stating 'Under €20' which is also supported on silver posts, the top of each featuring a stylised ladybird. Two similar signs are shown from further away though the ladybirds are less distinct.

53. Exhibit AMM21 is a print of eight pages showing the opponent's international ladybird registrations.

54. Exhibit AMM22 is a copy of a decision from the UKIPO in respect of a previous opposition brought by the Opponent in respect of UK TM 982697.

55. Exhibits AMM23 and AMM24 are extracts from [www.woolworthsmuseum.co.uk](http://www.woolworthsmuseum.co.uk) and [www.pasold.co.uk](http://www.pasold.co.uk) both formers proprietors of the LADYBIRD marks. The websites provide a history of the brand and reinforce the large number of retail outlets and the longstanding use of the LADYBIRD brand and marks.

56. Ms McNally describes exhibit AMM25 as store presentations of the LADYBIRD branding. None of the featured stores are in the UK.

## DECISION

57. First I will deal with the opposition based upon section 5(2)(b) of the Act which reads as follows:

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

(a)....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

### Section 5(2)(b) case law

58. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the CJEU cases mentioned) on the basis indicated below:

### The CJEU cases

*Sabel BV v Puma AG* [1998] RPC 199; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) (OHIM), Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) (OHIM) C-334/05 P.

### The principles

“(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;
- (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) 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;
- (k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

### **The average consumer and the nature of the purchasing act**

59. In accordance with the above cited case law, I must determine who the average consumer is and also identify the nature of the purchasing process. The average consumer is reasonably well informed and reasonably circumspect and observant but with a level of attention likely to vary according to the category of goods. The attention paid is likely to vary depending on price and, to some extent, the nature of the goods and the frequency of the purchase.

60. The average consumer of the goods at issue will be a member of the general public buying on behalf of a child or, in the applicant’s case, ladies who play golf. The purchase is likely to be primarily visual as it is likely to be made from a website or directly from a shelf. The goods cover a range of products which vary in price and frequency of purchase. Consequently, the level of attention is likely to vary: a specialist item of golf equipment is likely to be a fairly expensive, infrequent purchase, which will be purchased according to the particular requirements of the purchaser. It will demand a higher level of attention to be paid than, for example, buying a t-shirt.

61. Specifically, in respect of the goods in class 25, in considering the level of attention that will be paid to such a purchase and the nature of the purchasing act, I am mindful of

the decision of the General Court (GC) 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, in which it commented:

"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."

...

53. Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion."

62. The average consumer for the opponent's services in class 35 will be a member of the general public buying on behalf of a child. The purchase will be primarily visual, in accordance with the decision in *New Look*, as the retail services relate to clothing and accessories for children. The nature of all of these purchases is primarily visual, though I do not discount the fact that there may be an aural element. The goods may be purchased on the high street, online or by mail order and the level of attention paid will be no more than average; the consumer paying the attention necessary to obtain, inter alia, the correct, size, colour, technical specification.

### Comparison of goods and services

63. The goods and services to be compared are as follows:

The opponent's goods and services	The applicant's goods
	<p><b>Class 18</b> Golf/sport umbrellas, specifically for ladies (specifically excluding children's umbrellas/parasols).</p>
<p><b>Class 25</b> (Articles of) clothing, footwear, headgear</p>	<p><b>Class 25</b> Articles of sport/golf clothing, footwear and headgear and accessories, specifically for ladies, (specifically excluding items for children, eg, clothing, footwear, headgear, sport wear and/or accessories).</p>

	<p><b>Class 28</b> Sporting articles, specifically for ladies (specifically excluding children's sporting articles, games and playthings/toys).</p>
<p><b>Class 35</b> Retail services in the field of children's clothing and accessories.</p>	

64. In comparing the goods, I bear in mind the following guidance provided by the General Court (GC) in *Gérard Meric v OHIM*, Case T-133/05:

*“29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”*

65. Other factors which may be considered include the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281 (hereafter *Treat*) for assessing similarity between goods and services:

- (a) the respective *uses of* the respective goods or services;
- (b) the respective *users of* the respective goods or services;
- (c) the *physical nature* of the goods or acts of service;
- (d) the respective *trade channels* through which the goods or services reach the market;
- (e) in the case of self-serve consumer items, where in practice they are found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

66. I also bear in mind the decision in *El Corte Inglés v OHIM* Case T-420/03, in which the court commented:

*“96...goods or services which are complementary are those where there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the production of those goods or provision of those services lies with the same undertaking (Case T-169/03 Sergio Rossi v OHIM-Sissi Rossi [2005] ECR II-685)”*

67. Additionally, there is the guidance provided in *Avnet Incorporated v Isoact Limited* - [1998] F.S.R. 16 (HC):

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

68. As I have discussed above at paragraph 9, the applicant has not requested the opponent to provide proof of use of its marks. Consequently, I must consider the opponent’s specification as registered.

#### The applicant’s goods in class 25

69. In class 25 the opponent has ‘(Articles of) clothing, footwear and headgear’, at large. Self evidently this includes golf clothing for ladies. I find the parties’ class 25 specifications to be identical.

#### The applicant’s goods in class 18 and 28

70. In class 18 the applicant has ‘golf/sport umbrellas, specifically for ladies’. In class 28 the applicant has ‘Sporting articles, specifically for ladies’. In its statement of grounds the opponent submits:

*“The Applicant’s class 18 and class 28 goods are similar to the Opponent’s class 35 specification to the extent that it is possible for such goods to be retailed in the field of children’s clothing and children’s accessories.”*

71. In its submissions dated 11 April 2013 the opponent states:

*“13. Regardless of the proposed use and specification limitations of the Applicant, the nature of the Applicant’s goods in question [are] identical or highly similar to the Opponent’s goods and services. This is because the Applicant’s goods in classes 18, 25 and 28 are golf/sport umbrellas, clothing, footwear, headgear and sporting articles, solus because the use and physical nature of such goods is the same regardless of the user being distinguished by sex or age. For example there is no difference between an adult/women’s golf/sport umbrella and a child’s golf/sport umbrella, save perhaps their size. They are all simply umbrellas. The same can be said for sporting articles, such as golf balls, golf tees etc.”*

72. If the parties’ respective specifications were as outlined by the opponent there would no doubt be a degree of similarity between the parties’ respective goods and services would exist. However, the opponent does not have a specification which includes ‘Golf/sport umbrellas’ and ‘sporting articles’. The opponent’s specification is for goods in class 25 and the retail of children’s clothing and children’s accessories in class 35. In my view, golf umbrellas and sporting articles are not included within the term ‘children’s clothing and children’s accessories’ which are the subject of the opponent’s class 35 specification. ‘Accessories’ in this context can only mean accessories to clothing which have been held to include belts, purses, bags etc. Having considered the nature of the goods and services, their intended purpose, their method of use and whether they are in competition with each other or are complementary, I can find no meaningful areas in which the competing goods and services coincide.

73. I find the parties’ goods in class 25 to be identical.

74. I find the applicant's goods in classes 18 and 28 to be dissimilar to the opponent's goods and services.

### Comparison of marks

75. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
<b>LADYBIRD</b>	

76. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components<sup>3</sup>, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

77. The opponent's mark consists of the single word 'LADYBIRD' in plain block capitals. No part of the word is stylised or emphasised in any way. Consequently, the mark does not possess any distinctive or dominant elements, the distinctiveness lies in the mark as a whole.

78. The applicant's mark consists of ten characters. The first is a capital letter 'L', followed by a distinctive device of a stylised ladybird. This is followed by the letters 'dyBirdie'. The letters in the mark are presented in a normal typeface. The ladybird device replaces the letter 'a' and does not prevent the word from being read as 'LadyBirdie'. The upper case 'B' provides a natural break in the mark which is likely to be seen as 'Lady' 'Birdie'. It is the word which is the dominant element of the mark.

### Visual similarities

79. In its submissions dated 11 April 2013, the opponent states:

"4...the font style and use of lower case letters are negligible factors and very likely to be disregarded by consumers. \the font syle is not eye-catching and neither departs from (i) standard font style; or (ii) the font style used by the opponent."

80. The applicant submits:

*"3. The style of writing of our name to be used on our products is completely different to that used by Littlewoods Limited; we use upper and lower case letters within the text; we use a different font, and we incorporate the image of a ladybird in place of the letter 'a' in our name."*

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<sup>3</sup> *Sabel v Puma AG, para.23*

81. The opponent's mark consists of the word 'LADYBIRD' presented in block capitals. The applicant's mark is the word 'LadyBirdie' with a ladybird device representing the letter 'a'. Any similarity between the marks rests in the common letters L, D, Y, B, I, R, D which follow the same sequence in both marks. Whether or not letters are presented in upper or lower case is a fact likely to go unnoticed by the average consumer. Taking these factors into account, I find there to be a reasonable degree of visual similarity between the marks.

### **Aural similarities**

82. Given my earlier finding that the ladybird device will be seen as a letter 'a' by the average consumer, the opponent's mark will be pronounced 'LAY-DEE-BIRD', the applicant's mark will be pronounced 'LAY-DEE-BIRD-EE'. While there is a point of difference between the marks in so far as the applicant's mark contains an extra syllable at the end of the word, the first three syllables are identical, the entirety of the opponent's mark being contained within the applicant's mark. Consequently, I find there to be a high degree of aural similarity.

### **Conceptual similarities**

83. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.<sup>4</sup> The assessment must be made from the point of view of the average consumer.

84. The applicant submits:

*"4. The root of the word LadyBirdie is 'Lady' as in the female sex (our target consumer) and 'Birdie' the golfing term for scoring -1 under par on any individual golf hole, par being the expected number of strokes it should take an expert golfer to complete a hole."*

85. The opponent submits:

*"7. The Applicant has relied on the specific conceptual meaning of the words "Lady" and "Birdie" being distinct from the word "Ladybird". It is submitted that the Applicant is in error in its argument because it should not be open to the Applicant to separate the Application in the form of "Lady" and "Birdie". The comparison in opposition proceedings is between the Opponent's Trade Marks and the mark applied for. The Application is a one word mark; "LadyBirdie", which substitutes the letter "a" with an image of a ladybird. The Application is not a two-word mark comprising the words "Lady" and "Birdie" respectively. It is submitted the Application either has no conceptual meaning as it is an invented word or alternatively, consumers are likely to be guided by the image of the ladybird, which substitutes the letter "a", and perceive the Application to be a play on the word LADYBIRD and therefore interpret the conceptual meaning to be the same as the Opponent's Trade Marks."*

86. The opponent's mark consists of the word 'LADYBIRD'. Ladybird is defined as:

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<sup>4</sup> This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

“Any of various small brightly coloured beetles of the family Coccinellidae, such as *Adalia bipunctata* (two-spotted ladybird), which has red elytra marked with black spots.”<sup>5</sup>

87. In my view, ‘LADYBIRD’ is a common word which would be understood by the average consumer. The applicant’s mark consists of the word ‘LadyBirdie’. There is a clear reference to the common word ‘ladybird’ within the mark, which is intended as it is reinforced by the presence of a stylised ladybird in place of the letter ‘a’ in the mark. However, in addition, the mark does consist divide into two elements, the second of which is the term ‘Birdie’. In the wider context of clothing at large I would not be prepared to accept that the exact meaning of the term would be understood by the average consumer. However, in the context of the applicant’s goods, which are all limited to golf goods for women, I am prepared to accept that the second half of the applicant’s mark evokes a message related to golf.

88. That said, such a message is not sufficient to avoid a finding of similarity, since both parties marks contain an easily recognisable reference to a ladybird. Consequently, I find there to be a moderate degree of conceptual similarity between the parties’ marks.

### **Distinctive character of the earlier mark**

89. I must now assess the distinctive character of the opponent’s earlier trade mark. The distinctive character of the opponent’s earlier trade mark must be appraised first, by reference to the goods and services upon which I have found it has been used and, secondly by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade 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 trade mark to identify the goods and services for which it has been used as coming from a particular undertaking and thus to distinguish those goods and services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

90. The word LADYBIRD is a common dictionary word for a small, brightly coloured, spotted beetle. In relation to the goods and services at issue, the trade mark is neither descriptive nor allusive. As a consequence the mark enjoys a high level of inherent distinctive character.

91. I have not considered proof of use of the opponent’s mark earlier in this decision as the applicant did not request it. However, turnover figures provided indicate business in respect of children’s clothing in the region of £18.8 million in the period 2008-2011. At Exhibit AMM17 Ms McNally provides an article from *Retail Week*, dated 31 July 2006, which shows LADYBIRD to have had a 3% market share. The article predates the figures provided by two years. In addition there is considerable fluctuation in the figures between particular years. For example, £1.8 million for 2008 and £8 million in 2010. Consequently, I am not able to determine the market share for products sold in respect of the LADYBIRD mark, for the relevant period. However, use is shown over a considerable period and includes catalogues for the opponent company’s goods as well as commentary by third parties and evidence of national advertising campaigns, all of which support the long standing nature of the brand.

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<sup>5</sup> In *Collins English Dictionary*. Retrieved from <http://www.credoreference.com/entry/hcengdict/ladybird>

92. Consequently, I am satisfied that the opponent's earlier mark has a reputation in respect of children's clothing.

### **Likelihood of confusion**

93. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.<sup>6</sup> I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

94. I have found the marks to have a reasonable degree of visual similarity and a high degree of aural similarity and have found them to be conceptually similar to a moderate degree. I have found a reasonably high level of inherent distinctive character in the earlier mark and have found the goods in class 25 to be identical. I have found the remaining goods in classes 18 and 28 to be dissimilar. I have identified the average consumer, namely a member of the general public and have concluded that the purchase will be primarily visual. The level of attention paid to the purchase will vary depending on the nature of the purchase.

95. In the case of the goods which I have concluded are dissimilar, I need not go on to consider the similarity of the marks.<sup>7</sup> In respect of the goods in class 25, taking all of these factors into account the similarity of the marks are such that in the context of goods which are identical there will, in my view, be indirect confusion (where the average consumer believes the respective goods originate from the same or a linked undertaking).

96. In summary, I find there is a likelihood of confusion as a result of the applicant's use of its mark for the goods applied for in class 25, but not otherwise. Consequently, I will continue to make a finding in respect of the opposition under 5(3) but only for the applicant's goods in classes 18 and 28.

### **Section 5(3)**

97. I have outlined the opponent's pleadings in respect of section 5(3) at paragraph 6 of this decision.

98. Section 5(3) is as follows:

"5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom .... and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

99. The relevant case law can be found in the following judgments of the ECJ: Case

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<sup>6</sup> *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27.

<sup>7</sup> *The test is a cumulative one, see Vedral SA v OHIM C-106/03*

C-375/97, General Motors, [1999] ETMR 950, Case 252/07, Intel, [2009] ETMR 13, Case C-408/01, Addidas-Salomon, [2004] ETMR 10 and Case C-487/07, L'Oreal v Bellure [2009] ETMR 55. The law appears to be as follows.

- (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; General Motors, paragraph 24.
- (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; General Motors, paragraph 26; but the reputation of the earlier mark may extend beyond the consumers for the goods and services for which it is registered; Intel, paragraph 51.
- (c) It is necessary, but not sufficient, for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; Adidas Saloman, paragraph 29 and Intel, paragraph 63.
- (d) Whether such a link exists must be assessed globally taking account all relevant factors, including the degree of similarity between the respective marks and between the respective goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; Intel, paragraph 42
- (e) Although it is not a necessary factor, a link between the trade marks is necessarily established where the similarity between the marks causes the relevant public to believe that the goods/services marketed under the later mark come from the owner of the earlier mark, or from an economically connected undertaking; Intel, paragraph 57.
- (f) Where a link is established, the owner of the earlier mark must also establish that it has resulted in the existence of one or more of the types of injury set out in the section, or there a serious likelihood that such an injury will occur in the future; Intel, paragraph 68: whether this is the case must also be assessed globally, taking account of all the relevant factors; Intel, paragraph 79.
- (g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; Intel, paragraphs 76 and 77.
- (h) The more unique the earlier mark appears, the greater the likelihood that the use of a later mark identical or similar mark will be detrimental to its distinctive character; Intel, paragraph 74.
- (i) Detriment to the repute of the earlier mark is caused when the goods or services for which the later mark is used by the third party may be perceived by the public in such a way that the earlier trade mark's power of attraction is reduced; L'Oreal, paragraph 40.

(j) Unfair advantage covers, in particular, cases where a third party seeks to ride on the coat-tails of the senior mark in order to benefit from a transfer of the image of the earlier mark, or of the characteristics it projects to the goods/services identified by the later mark; L’Oreal, paragraph 41.

100. In relying on this ground, the opponent relies on the same marks as it did in support of its objection under section 5(2) of the Act.

101. The opponent must prove that each of its earlier marks has a reputation. Given that both of the opponent’s marks consist of the single word ‘LADYBIRD’, I will consider them together. Reputation in this context means that the earlier trade mark is known by a significant part of the public concerned with the goods or services covered by that mark (see paragraph 26 of the CJEU’s judgment in *General Motors Corp. V Yplon SA (CHEVY)* [1999] ETMR 122). The Court stated:

“27 In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking promoting it.” the CJEU’s comments in CHEVY it is known that for a reputation to exist, the relevant marks must be known by a significant part of the public concerned and that particularly important considerations are the market share held by the marks, the intensity, geographical extent and duration of use and the level of promotion undertaken.”

102. Earlier in this decision when considering the extent of the distinctive character of the opponent’s earlier mark in respect of the pleadings under 5(2), I found that the opponent has a reputation in respect of children’s clothing only.

103. Having established the existence and scope of a reputation, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *INTEL* that it is sufficient for the later trade mark to bring the earlier trade mark with a reputation to mind for the link to be established.

104. The factors to be taken into account when considering such a link can be found in *Adidas-Salomon and Adidas Benelux*, paragraph 30 and *adidas Benelux*, paragraph 42.

Those factors include:

the degree of similarity between the conflicting marks;

the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;

the strength of the earlier mark’s reputation;

the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;

the existence of the likelihood of confusion on the part of the public.

105. I take note that both the CJEU and the GC have reiterated the comment made in *Premier Brands UK Ltd v Typhoon Europe Ltd*<sup>8</sup> (albeit in relation to section 10(3)) that the purpose of the Regulation is not to prevent registration of any mark which is identical or similar to a mark with a reputation and am mindful of the comments of Patten J in *Intel Corporation Inc v CPM United Kingdom*<sup>9</sup> where he stated:

“But the first step to the exploitation of the distinctive character of the earlier mark is necessarily the making of the association or link between the two marks and all that Neuberger J is, I think, saying in this passage [Premier Brands at p789] is that the existence of a later mark which calls to mind the earlier established mark is not sufficient to ground an objection under s.5(3) or s.10(3) unless it has one or other of the consequences specified by those provisions. It must be right that the making of the association is not necessarily to be treated as a detriment or the taking of an unfair advantage in itself and in cases of unfair advantage it is likely to be necessary to show that the making of the link between the marks had economic consequences beneficial to the user of the later mark.”

106. In *Electrocoin Automatics Limited v Coinworld Limited and Others*<sup>10</sup>, Mr Geoffrey Hobbs Q.C., sitting as Deputy Judge stated:

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

107. Both parties’ marks convey a message to the average consumer which includes the ladybird beetle. The opponent’s mark consists, in its entirety, of the plain word ‘LADYBIRD’, the applicants mark, which will be seen as the words ‘Lady’ and ‘Birdie’ reinforces the message by replacing the first lower case ‘a’ with a device which consists of a stylised ladybird. In addition, the applicant’s mark also alludes to golf by the use of the word ‘Birdie’. Given the similarities between the marks, it is, in my view, likely that some average consumers will make a link between both parties’ marks.

108. Consequently, I must be satisfied that, for those who make such a link between the respective marks, the link they make affects their economic behaviour and, if so, that the reputation of the earlier mark is transposed to the later mark with the result that marketing and selling of the applicant’s goods becomes easier.

109. Although I accept that some people, on seeing the applicant’s mark, will create a link with the earlier mark, I believe that the link is likely to be a tenuous one and will likely result in the average consumer seeing the mark as a play on words.

110. Taking all factors into account, I do not believe that for those who, on seeing the applicant’s mark, do make a link with the earlier marks, it will have any material effect on their economic behaviour, especially given the distance between the respective parties’ goods and services (which renders the link even more tenuous) and the conceptual differences I identified earlier in this decision. That being the case, the opposition brought under section 5(3) fails.

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<sup>8</sup> [2000] FSR 767

<sup>9</sup> [2006] EWCH 1878

<sup>10</sup> [2005] FSR 7

**Section 5(4)**

111. Given my findings above, the opponent is in no better position in respect of its pleadings under 5(4)(a).

**CONCLUSION**

**112. The opposition succeeds in respect of class 25.**

**113. The opposition fails in respect of classes 18 and 28.**

**COSTS**

114. Both parties have achieved a measure of success. Consequently, both parties should bear their own costs.

**Dated this 19<sup>th</sup> day of August 2013**

**Ms Al Skilton,  
For the Registrar,**