

O-369-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2300568
BY THE TV GROUP LTD
TO REGISTER THE TRADE MARK:**

POUT

IN

CLASSES 9, 25, 38 AND 41

AND

**THE OPPOSITION THERETO
UNDER NO 91175**

BY

POUT LIMITED

BASED UPON THE EARLIER TRADE MARKS:

POUT

AND OTHERS

Trade Marks Act 1994

In the matter of application no 2300568

by The TV Group Ltd

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in classes 9, 25, 38 and 41

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BACKGROUND

1) On 15 May 2002 The TV Group Ltd, which I will refer to as TV, applied to register the trade mark **POUT** (the trade mark). The application was published for opposition purposes in the "Trade Marks Journal" on 24 July 2002 with the following specification:

television sets; set top boxes; apparatus for receiving, coding, decoding and reproducing television signals; electronic games; electronic amusement apparatus; games software; gaming apparatus and gaming apparatus being machines which broadcast games; games consoles; games for use with television apparatus; apparatus, instruments and media for recording, reproducing, carrying, storing, processing, manipulating, transmitting, broadcasting, retrieving and reproducing music, sounds, images, text, signals, software, information, data and code; telecommunication apparatus and instruments; computer hardware, computer software, computer firmware, floppy discs, hard discs; video cassettes, audio cassettes, compact discs, CD ROM's; parts and fittings for all the aforesaid goods;

articles of clothing; footwear; headgear;

broadcasting; electronic communication services; digital transmission services; transmission of games, radio or television programmes; transmission of sound and/or pictures; computer aided transmission of messages and images; communications services by satellite, television and/or radio; provision of telecommunications access and links to computer databases and the Internet; hiring, rental and leasing of communication apparatus, telecommunication equipment and modems;

betting, gaming and gambling services; conducting of lotteries; electronic betting, gaming, gambling and lottery services provided by means of the Internet or on-line from a computer network database; offshore telephone betting services; television and radio entertainment and educational services; television, radio and film production; rental of television and radio sets; information and advisory services relating to all the aforesaid services.

The above goods and services are in classes 9, 25, 38 and 41 respectively of the International Classification of Goods and Services.

2) On 21 October 2002 Pout Limited, which I will refer to as Cosmetics, filed a notice of opposition to this application.

3) Cosmetics states that it is the owner of the following United Kingdom trade mark registrations:

- No 1561911 of the trade mark **LIP POUT**, which is registered for:

cosmetic preparations; non-medicated toilet preparations; toilet articles; all the aforesaid goods for use in relation to the lips; perfumes; soaps; essential oils; preparations for the lips; all included in Class 3.

The trade mark includes the following disclaimer:

“Registration of this mark shall give no right to the exclusive use of the word “Lip”.”

- No 2239315 of the trade mark **POUT**, which is registered for:

perfumery; cosmetics; skin care products; eye care lotions and products; toiletries; shampoos, conditioners, hair care products, hair spray, hair dyes and colorants; dentifrice, nail care preparations, essential oils, depilatories, sun tanning preparations, cotton wool and cotton sticks for cosmetic purposes, un-medicated toilet preparations.

The above goods are in class 3 of the International Classification of Goods and Services.

- No 2239647 of the trade mark:



which is registered for the same goods as 2239315.

- No 2239648 of the trade mark:



which is registered for the same goods as 2239315.

4) Cosmetics states that the application should be refused under section 5(2)(a) of the Trade Marks Act 1994 (the Act) as the trade mark is identical to its trade mark registered under 2239315 and the respective goods and services are similar. Consequently, there is a likelihood of confusion.

5) In the alternative Cosmetics contends that the application should be refused under section 5(3) of the Act as the trade mark is identical to its trade mark registered under 2239315 and the goods and services are not similar. Cosmetics claims that it has developed a reputation in relation to the trade mark POUT and use of the trade mark of TV, without due cause, would

take unfair advantage of, or be detrimental to, the distinctive character or repute of its trade mark.

6) Cosmetics states that the application should be refused under the terms of section 5(2)(b) of the Act since the trade mark is similar to those of its other registrations and is to be registered for similar goods and services. Consequently, there exists a likelihood of confusion.

7) In the alternative Cosmetics contends that the application should be refused under section 5(3) of the Act as the trade mark is similar to those of its other registrations and the goods and services are not similar. Cosmetics claims that it has developed a reputation in relation to the trade mark POUT and use of the trade mark of TV, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or repute of its trade mark.

8) Cosmetics contends that the application should be refused under the terms of section 5(4)(a) of the Act since the use of the trade mark in the United Kingdom is liable to be prevented by virtue of the law of passing-off. Cosmetics states that it has been using one or more of its trade marks in the United Kingdom on and in relation to class 3 and retailing and provision of related services since 2000. Cosmetics states that as a result of this use, it has built up a substantial goodwill and reputation in its trade marks in the United Kingdom.

9) Cosmetics states that the following sets out, by way of example: (a) instances of confusion in support of its section 5(2)(a) and (b) grounds of opposition; (b) evidence of the fact that use by TV of the trade mark would take unfair advantage of and/or be detrimental to the distinctive character or repute of Cosmetics' trade marks in support of the section 5(3) grounds of opposition; and (c) instances of confusion and resulting damage caused to Cosmetics' trade marks in support of the section 5(4)(a) ground of opposition:

Female staff at Cosmetics' shop in Covent Garden, London have been subject to a litany of lewd phone calls of a sexually harassing nature. The following are a selection of the phone calls which have been received by Cosmetics' staff:

- (a) Amy Prifti answers the phone to a man who can clearly be heard masturbating over the phone. This phone call is also heard by Amanda Moorehouse.
- (b) Amanda Moorehouse receives a call from a man who asks for a woman who does not work at Pout. When asked to explain, he says that he is looking for the "adult Pout".
- (c) Amanda Moorehouse receives a call from a magazine asking for "Pout TV".
- (d) Nicole Arter receives a phone call from a "gruff old man" who tells her repeatedly that he is "making love to the floor".

10) Cosmetics requests that the application is refused and seeks an award of costs.

11) TV filed a counterstatement in which it denied the grounds of opposition. It requests that the application proceed to registration and also seeks an award of costs.

12) Both sides filed evidence.

13) The case was heard on 12 November 2003. TV was represented by Ms Clark of counsel, instructed by Walker Morris. Cosmetics was represented by Ms Berkeley of counsel, instructed by Dechert.

EVIDENCE

Evidence of Cosmetics

14) This consists of a witness statement by Emily Cohen. Ms Cohen is a co-founder and director of Cosmetics.

15) Ms Cohen states that Cosmetics was incorporated on 20 December 1999 as Pout Limited and has been trading under the name POUT since March 2000.

16) Ms Cohen states that Cosmetics sells a wide range of cosmetics (including its own branded products) and accessories under the name POUT. She states that beauty therapy is also provided under the name. She exhibits at EC2 details of some of the products sold under the PROUT brand. However, the documentation emanates from after the relevant date. There are various references to Cosmetics expanding its own label from November 2002.

17) Ms Cohen states that products are sold through two retail outlets. However, one of these is Harvey Nichols in Edinburgh which, according to the evidence, opened on 15 August 2002; after the relevant date. The other outlet is in Covent Garden, London. Ms Cohen states that products are also sold to wholesalers. She exhibits at EC4 a copy of Cosmetics' mail order catalogue. The catalogue refers to the premises in Harvey Nichols and two outlets opening "soon", in January and February 2003. Consequently, it must emanate from some time between 15 August 2002 and the end of December 2002, after the relevant date.

18) Ms Cohen exhibits at EC6 an extract from Cosmetics' website which provides information about celebrities who purchase either its own brand products or other products sold by Cosmetics through its retail outlet/mail order catalogue. She states that many of the third party branded cosmetics are only available through its retail outlet/mail order catalogue. The exhibit gives no indication as to when it was downloaded and so tells me little about the position at the relevant date in itself. The vast majority of the pages are taken up with goods from other undertakings.

19) Ms Cohen states that Cosmetics has secured an enormous amount of publicity in a variety of periodicals and websites published and circulated in the United Kingdom. She exhibits examples of the press coverage. This coverage is extensive and continuous. Reference is made to Cosmetics in relation to various persons who are described as celebrities. Where they are not described in such terms it would appear that they fall into that category of person. The publications do not explain who the persons are and so there must be a presumption that the readership will know.

20) I have had some difficulty in ascertaining as to when Cosmetics got off the ground. Ms Cohen states that Cosmetics was incorporated on 20 December 1999 and has been trading under the name POUT since March 2000. The press cuttings exhibited at EC7 give a different impression. An article from "Harpers & Queen" of September 2000 has a photograph of the owners of Cosmetics. The article is about women who have set up their own businesses. The caption to the photograph states that Ms Laren and Ms Cohen are "owners of make-up chain

Pout". It would be difficult to have described Cosmetics as a chain at that time, there appears to have been some journalistic licence in the article. Unfortunately, the whole article is not reproduced. An article from the "Independent on Sunday" of 8 April 2001 states:

"Take Pout (32 Shelton Street, London WC2), a boudoir-cum-beauty boutique opening in Covent Garden this month."

A piece from "The Sunday Times Style" of 13 May 2001 states:

"The latest playground for lipstick addicts is Pout.... a funky make-up shop due to open in mid-June."

A piece from "The Guardian" of 18 May 2001 states that "the first Pout opens in Covent Garden on June 14".

An article in "Cosmetics International" of 10 June 2001 states:

"A new cosmetic store, Pout, is to launch on 14 of this month. Described by the company as 'classic with a naughty twist' and inspired by a boudoir theme, the flagship store will open in Covent Garden, London."

A piece from "Cosmetic International Cosmetic Products Report" of June 2001 states:

"A totally new brand of make-up which is described as classic with a naughty twist will be available from 14 June. The Pout line will be available initially only in the company's new flagship store in London's Covent Garden, UK."

Various other of the press cuttings refer to the opening in June 2001. In her second statement Ms Cohen states that the mail order business was trading from March 2000. However, no details of turnover, products or customers are given. The catalogue exhibited at EC8 refers to the store in Harvey Nicholls in Edinburgh and so must emanate from on or after 15 August 2002 and so does not assist Cosmetics. As Cosmetics states it was running a mail order business from March 2000, it is difficult to understand why it has not provided catalogues from then to the relevant date and details of sales. In the absence of such information the statement tells me nothing useful for the establishment of reputation and/or goodwill. There is no exhibited material that links mail order sales to the period from March 2000 to June 2001. "Cosmetic International Cosmetic Products Report" appears to be a trade journal and its description of the Cosmetics' business shows that it considers this a new undertaking. In the absence of any supporting material, I cannot draw any view as to the trade in the period from March 2000 to June 2001. Therefore, as far as this case is concerned, I can only take into account the trade from 14 June 2001. I also note the article from "Design Week" of 17 May 2001. This states that Cosmetics will be launching its website in June 2001.

21) According to "The List" for August 2002 "Pout opens within Harvey Nichols, Edinburgh, on Thursday 15 August", which is confirmed by articles from "The Scotsman", the "Scottish Daily Mirror" and "The Scotsman Magazine" and Cosmetics' own literature. Consequently, the second outlet has no bearing upon this case.

22) Although there is a consistent profile in various publications of Cosmetics this does not tell me about the position in relation to the goods for which it has registered trade marks. Part

of the profile relates to beauty therapy and retail services. A large amount of the goods sold would appear not to bear the POUT trade mark eg DuWop, mister mascara, Bloom, jaguar girls, Kiss Me, Delux D Beauty, Doll Face, Pretty Pretty, Two Faced, Cargo and 3. In the extract from "She" for July 2001 Cosmetics is described in these terms:

"Pout, a funky beauty emporium that stocks cool new made-up brands, such as Prissy Prissy and Glam, as well as Pout's own label, has opened its first store in London's Covent Garden. Browsing, sampling and enjoying free makeovers are positively encouraged."

There are pages downloaded on 6 August 2001 entitled "Pout teen make-up parlour". Included in this is the following:

"Pout's own label currently only caters for lips – expect nails next, then eyes..."

So in August 2001 there was a very limited number of class 3 goods sold under the trade mark POUT.

23) Cosmetics has been remarkably shy in producing actual figures and data. Indeed, the hard data is noticeable by its absence. In such circumstances it is impossible to ascertain how much reputation, if any, has accrued to the goods encompassed by its registration and how much of any reputation relates to it as a retailer of the products of others and as a supplier of beauty services. Where are the figures as to sales of the goods encompassed by Cosmetics' registrations and sold under its trade marks? As pointed out by Jacob J in *Euromarket Designs Inc. v. Peters and Crate & Barrel Ltd* [2001] FSR 256:

"For instance, if you buy Kodak film in Boots and it is put into a bag labelled "Boots", only a trade mark lawyer might say that Boots is being used as a trade mark for film. Mere physical proximity between sign and goods may not make the use of the sign "in relation to" the goods."

Cosmetics has, also, only used POUT in trade for a limited period prior to the relevant date, from 14 June 2001. At the relevant date it had only one retail outlet. There is no data about mail order and so this aspect of the business cannot assist it. There is also an absence, as far as I can see, of direct advertising. Cosmetics has been very successful in getting its business mentioned in publications. However, it is difficult to know how much of this would stick in the mind of the average consumer. Often the reference is secondary, showing a person and then commenting what she is wearing by way of cosmetics or saying where she goes to buy cosmetics. There is a need for product specificity for the section 5(2) and 5(3) objections. These are based upon the trade marks as registered and the goods as registered. There is more scope in relation to passing-off, where there is no need for such specificity.

24) Ms Cohen states that, as can be seen from the mail order catalogue exhibited at EC8, POUT has been marketed as a novel and slightly risqué brand and the names of Cosmetics' products reflect this. She refers to the marketing language that is used:

"Do you fancy a dirty weekend which is X-rated and kinky?", "Are you the kind of girl that likes to do a striptease with no knickers on?", "choose from our sexy collection", "lip balm containing ylang ylang with aphrodisiac properties. Smother

onto lips when you aren't getting enough", "Be a playboy pin-up", "Give her one that she'll remember".

She also refers to the names of the products:

"Blusher called 'Raunchy Red', lip gloss called 'Bite My Cherry', 'Blow My Mind', 'Lick My Lolly' and 'Light My Fire'. Lipstick called 'Bad Girl', 'Flirty Girl', 'Naughty Girl', 'Play Girl', 'Sexy Girl', 'Saucy Girl', 'Glamour Girl', 'Bunny Girl', 'Bit on the Side', 'Kinky', 'Carpet Burn', 'No Knickers', 'Striptease', 'X-rated' and 'Dirty Weekend'. Lip pencils are named after bra sizes such as 36DD. 'Kiss me Cream' mascara. 'Quickie' a thirty minute beauty makeover, 'Express Hand-Job' a twenty minute manicure, 'Express Toe-Job' a thirty minute pedicure, 'Heavy Duty Hand-Job' a thirty minute manicure, 'Heavy Duty Toe-Job' a forty five minute pedicure, 'Get Plucked' an eyebrow tidy-up.:

The catalogue Ms Cohen refers to emanates from after the relevant date. However, the position put forward by Ms Cohen is clearly vindicated in various of the press articles which are from before the relevant date. Ms Cohen states:

"The names and language are used in a light-hearted, tongue-in-cheek manner and are designed to appeal to post-modern women."

25) Ms Cohen states that TV is a television company whose business is the broadcasting of pornography. She states that it was incorporated on 7 February 2002.

26) Ms Cohen states that, after March 2002, staff working at Cosmetics' Covent Garden store began to receive phone calls of a sexually lewd nature. She states that in two separate incidents logged by staff the following calls were received:

1. Amy Prifti answered the phone to a man who could be heard masturbating. This phone call was also heard by Amanda Moorehouse, to whom Amy Prifti handed the receiver.
2. Nicole Arter received a phone call from a man who repeatedly tells her that he is "making love to the floor".

I do not see how the above incidents relate to this case. The gentlemen concerned are not alleged to have made any reference to TV. There is no connection with TV. Cosmetics could have been chosen for a variety of reasons; from the random to its own use of sex in marketing.

27) Ms Cohen states that after March 2002, Amanda Moorehouse, a member of staff in the Covent Garden shop, received two phone calls as follows:

1. A phone call from a man who asked for a woman who does not work for Cosmetics. When asked to explain, he said he was looking for the "adult Pout".
2. A phone call from a magazine who asked for "Pout TV".

28) On 5 December 2002 Ms Cohen was in the London shop and received two phone calls as follows:

1. A phone call at 11 38 from a man who said he was phoning to enquire about subscribing to Pout TV. When he was asked where he had obtained Cosmetics' number in connection with Pout TV, he answered, "Directory Enquiries".
2. A phone call at 16 20 from a man who asked for "the adult tv station".

29) Ms Cohen states that on 6 December 2002, Cosmetics' solicitors, Dechert, telephoned Directory Enquiries and asked for "Pout TV in London". Directory Enquiries said that the only number they had for "a Pout" was for "Pout in Sheldon Street". This is Cosmetics' Covent Garden Store.

30) The confusion Ms Cohen refers to in paragraphs 27 and 28 is just about people getting the wrong number. For confusion in a trade mark sense to occur the callers would have to be aware of Cosmetics and its business; they clearly were not. They were looking for TV. Without a knowledge of Cosmetics' business, the callers would not believe that the two undertakings were economically linked, that they were connected in some way or that Cosmetics was responsible for the services of TV. The callers were looking for TV, found the only POUT in the telephone book and telephoned the number. The telephone calls prove nothing and tell me nothing and I cannot see that they assist the case of Cosmetics.

Evidence of TV

31) The evidence consists of a witness statement made by Peter Nellesmann. Mr Nellesmann is the Managing Director of TV. Parts of Mr Nellesmann's witness statement can best be characterised as being submissions rather than evidence of fact. I will say nothing about the submission element of the witness statement here, however, I take on board the comments in reaching my decision.

32) Mr Nellesmann states that TV is a television company whose business is television broadcasting. TV proposes to use POUT as the name of a television channel which will be broadcast on Sky digital and will be a pay-per-view service. Mr Nellesmann states that POUT will be an adult entertainment channel aimed at both women, couples and singles aged between 18 and 45. Programmes will include adult film reviews, chat shows, "racy" lifestyle programmes and films rated "cable 18" and certified by the British Board of Film Classification. The channel will be erotic but is intended to be "nice, sexy but not crude". In addition the channel will provide interactive shopping, including travel, clothing, DVD & videos, erotic products and an exclusive range of lingerie. Mr Nellesmann states that the name POUT was chosen because it is evocative of the intended nature of TV's use ie "sexy". Exhibited at PN2 are copies of press information taken from TV's website. It reflects what Mr Nellesmann has said. The only additional information that can be gleaned from it is that the channel is intended to be interactive.

33) Mr Nellesmann states that the television channel has not yet been launched. He exhibits publicity material in relation to the channel at PN3. In the context of this case, and the possible public perception of the channel, the following from "Docklands Magazine" of October/November 2002 is of interest:

"Melissa Whitehead never planned on running a porn channel, 'It's just something I ended up doing,' she says plainly..... Pout TV is the 'nu' face of porn – design conscious, sophisticated and infused with a heavy dose of humour."

34) Mr Nellemann states that two trade mark registrations co-exist with those of Cosmetics:

ULTIMA II PUCKER & POUT in the name of Charles Revson, Inc of New York and



in the name of The Boots Company PLC of Nottingham. Both registrations encompass a wide range of goods in class 3. Mr Nellemann states that an employee of Walker Morris visited Boots The Chemist Limited in Leeds in April 2003 and received confirmation that these products are currently being sold. No indication is given as to who this employee is. No indication is given as to whom was asked and how that person knew. No indication is given as to the width of the range of the goods that was being sold. No indication is given as to what the position was at the relevant date. No goods appeared to have been purchased, they certainly not have been exhibited. Of course, what Mr Nellemann is saying is also hearsay. He exhibits two printouts from the Internet. No indication is given as to the date of the downloading. However, the first printout shows a copyright date of 2000-2003, so it would have emanated from after the relevant date. This first page is for an “Ultima Pucker & Pout Flowing Lipstick”. The price is given in dollars. So the printout is not United Kingdom usage and after the relevant date. It is also for one particular item. The second dateless printout is from the Boots website. It is clearly United Kingdom usage. It is for “17 Perfect Pout Lip Liner”. The non-United Kingdom usage makes the first printout irrelevant to my deliberations. The Boots printout is not linked to the relevant date and so cannot affect my decision. Even if it was linked to a date before the relevant date, I do not see how Boots use of its trade mark for one type of goods, has a bearing upon the position of Cosmetics. Especially as the Boots product contains 17 as a prominent element and the printout puts the goods within the context of the Boots shopping environment.

35) Mr Nellemann exhibits printouts from a website, pout.com.au, for exotic apparel, fetish and erotic clothing. There is no indication as to when the pages were downloaded. The exhibit shows a dropdown menu which features the United Kingdom. So someone in the United Kingdom could order goods from Australia at some unspecified date. I am unable to see what this tells me about the claims of Cosmetics.

36) Mr Nellemann exhibits details from Companies House of three companies that have the word POUT in their title. This tells me nothing about what is happening in the market place and so has no bearing upon this case. This is just state of the register evidence, if from the register of Companies House rather than that of the registrar. I would note anyway that there is a proposal to strike one company out, one company had a “total exemption small” and the third, Pout and Foster Limited, is in the business of the wholesale of waste and scrap.

37) Mr Nellemann states that until mid February 2003 Directory Enquiries had only one number for POUT, that of Cosmetics’ shop in Shelton Street. He states that Walker Morris telephoned Directory Enquiries, when there was only one listing for POUT in London, and asked for POUT TV in London. Directory Enquiries said that the only number they had for POUT was in Shelton Street. On enquiring if this was POUT TV, Directory Enquiries stated the listing did not specify the activities of POUT in Shelton Street and that the operator was not aware of its activities. Mr Nellemann states that, in order to prevent the continuation of

such calls, with effect from mid February 2003, TV arranged for POUT TV to have its own telephone listing with Directory Enquiries. He is not aware of Cosmetics receiving any phone calls for POUT TV after this date.

Evidence in reply of Cosmetics

38) This consists of a further witness statement by Emily Cohen. The vast majority of Ms Cohen's witness statement is not evidence of fact but submissions and a critique of the evidence of Mr Nellesmann. I will say nothing about these elements of the witness statement here, however, I take on board the comments in reaching my decision.

39) Ms Cohen states that it is "common knowledge" that the majority of designer clothing ranges and many high street fashion chains such as Benetton, French Connection and Gap sell perfumes/cosmetics under their clothing brands. Ms Cohen states that the pout.com.au website lists 74 countries upon its website including Peru, Colombia, Lebanon and Guatemala.

40) Ms Cohen states that Cosmetics' mail order catalogue was launched in March 2000. However, she exhibits no copies of it, gives no details of what products have been sold under what trade marks, gives no turnover figures. In short, adds nothing to what she has stated in her first statement. Given a second bite of the cherry, it is a pity that Ms Cohen did not come up with something evidentially useful.

Limitation of scope of opposition

41) At the hearing Ms Berkeley agreed that the opposition against the services in class 38 was to be dropped.

DECISION

Likelihood of confusion - objections under Section 5(2)(a) and 5(2)(b) of the Act

42) Section 5(2) of the Act states:

"(2) A trade mark shall not be registered if because——

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

(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."

43) Section 6(1) of the Act reads:

"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,”

All of the earlier registrations upon which Cosmetics relies are earlier trade marks in the terms of the Act.

44) Ms Berkeley limited the section 5(2) objection to the class 25 goods of the application. Registration no 2239315 is identical to TV’s trade mark. Taking into account the specification, if Cosmetics does not succeed in relation to this registration, it will not succeed in relation to the others. The goods of the earlier registration are:

perfumery; cosmetics; skin care products; eye care lotions and products; toiletries; shampoos, conditioners, hair care products, hair spray, hair dyes and colorants; dentifrice, nail care preparations, essential oils, depilatories, sun tanning preparations, cotton wool and cotton sticks for cosmetic purposes, un-medicated toilet preparations.

The class 25 goods of the application are:

articles of clothing; footwear; headgear.

The European Court of Justice, in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, held in relation to the assessment of the similarity of goods, that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

45) The goods of the earlier registration will, with the exception of cotton wool and cotton sticks, be in some form of liquid or lotion or the like. The goods of the application will be made from some form of material. The natures of the goods are very different. The end user of the earlier goods is someone who wishes to cleanse or change the appearance of their body. The end user of the goods of the application is someone who wishes to place clothing upon their body, for protection and/or adornment and/or decency. So the end user is not the same; also this means that the method of use is not the same. One would not substitute one set of goods for the other. They are, therefore, not in competition. The respective goods are neither mutually dependant, as computer operation software and computer hardware are, nor do they have a symbiotic relationship. Consequently, I do not consider that they are complementary. Even if one takes a more generous view of what can be described as complementary, as in *QS by S Oliver* [1999] RPC 530 where the hearing officer stated:

“The descriptions falling in category B cover goods which I regard as clothing accessories, such as hand bags and purses”

this does not assist Cosmetics. Class 3 goods can hardly be described as clothing accessories. In my experience one does not buy a shampoo or a lipstick to co-ordinate with a frock or a pair of shoes. I am aware that shoes are bought to match handbags and vice-versa. The Court of First instance in *Pedro Díaz, SA v OHIM (CASTILLO)* Case T-85/02 has recently given what, in my eyes, is a very generous description of complementary (and not one that seems to fit the meaning of the word):

“36. Instead the products are complementary, since, in the eyes of the relevant public, they belong to a single product family and may easily be regarded as components of a general range of milk products capable of having a common commercial origin.”

I do not consider that class 3 goods and class 25 goods belong to a single product family, nor have components of the same nature. I also take into account that the respective goods are sold in different shops or if sold in department stores or the like are sold in discrete areas of those shops. Ms Berkeley, in her skeleton argument, submitted:

“It is established that the higher the acquired distinctiveness of an earlier mark the more likely for confusion to be present and therefore the more likely the goods in issue would be considered to be similar.”

Whether goods are similar or not is a matter of fact, it is not a moveable feast. The issue of reputation comes into play in the global appreciation where the goods are similar; it can lead to a conclusion that there would be a likelihood of confusion where there is only a low degree of similarity between the goods. The basis of the claim to similarity of goods rests on the claim that certain undertakings sell cosmetics and clothing under the same trade mark. Even if this is the case, I do not see that this leads to goods being similar. It reflects, if it is the case, a pattern in brand diffusion, it does not reflect on similarity. (I note that in *Eternity Trademark* [1997] RPC 155, a case under the 1938 Act, the opponent did not pursue its claim in relation to fragrances and clothing under section 12 of the Act but relied upon section 11 of the Act.)

46) To succeed under section 5(2)(a) or (b) of the Act the goods have to be similar; that is what the Directive states, it is what the Act states. It is what is pointed out in *Sabel*:

“it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if by reason of the identity or similarity both of the marks and of the goods or services which they designate, “there exists a likelihood of confusion on the part of the public”.”

Reputation, identity of trade marks, distinctiveness of the earlier trade mark cannot make dissimilar goods similar. Consequently, the case under sections 5(2)(a) and (b) of the Act fails.

Objection under section 5(3) of the Act

47) Section 5(3) of the Act reads:

“(3) A trade mark which—

(a) is identical with or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) 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.”

In *General Motors Corporation v Yplon SA Case C-375/97* [2000] RPC 572 (*Chevy*) the European Court of Justice stated:

“Article 5(2) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks is to be interpreted as meaning that, in order to enjoy protection extending to non-similar products or services, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the Benelux territory, it is sufficient for the registered trade mark to be known by a significant part of the public concerned in a substantial part of that territory, which part may consist of a part of one of the countries composing that territory.”

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant factors 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 in promoting it.”

“The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.”

48) In paragraph 23 I have dealt with the problems in trying to assess the reputation of Cosmetics. For section 5(3) purposes the reputation has to be tied to the goods encompassed by the registrations. In the grounds of opposition Cosmetics has not identified specific goods for which it claims it has a *Chevy* reputation. At the hearing I referred Ms Berkeley to the following evidence from Cosmetics (these are pages downloaded from the Internet on 6 August 2001):

“Pout’s own label currently only caters for lips – expect nails next, then eyes...”

Ms Berkeley responded that the *Chevy* reputation she was claiming was for lip products. I do not know the turnover in relation to lip products. I do not know the market share. I do not know the advertising expenditure. From the evidence I have before me I cannot see that there has been any direct advertising. I have no idea of the geographical spread of the customers. I know that the use has been for a limited period of time. I know that the sole premises are a shop in Covent Garden. I have no idea of mail order sales. According to “Sky Magazine” for July 2001, Cosmetics had not yet launched its mail order business. “Esprit” in July 2001 states :

“The decision to plump for retail and mail order custom, and not take the e-commerce route, seems rather a prudent move. “We have a website with a chat room, but no-one’s really buying beauty online right now, so that’s a maybe for later,” she (Ms Cohen) reflects.”

So there is nothing to suggest Internet sales, indeed the very opposite. I do not even have a catalogue from before the relevant date. Much of the press coverage relates to other brands being sold in the shop and the shop itself. I have no idea of the effect the articles would have on the consumer. Cosmetics has elected not to give sales figures, it has elected not to give figures for promotion, it has elected not to supply contemporaneous catalogues. I do not know why it has made these choices. However, it has to stand or fall by them.

49) Various of the press articles are duplicated. In a good number a product of Cosmetics is listed amongst a host of others; for instance in "More" for 12-26 December 2001 one product is mentioned amongst twenty three others. A lot of the publicity concentrates on the celebrities rather than the product: An extract from "Heat" reads:

"At the Pout party celebs were fighting over the goody bags, probably for the limited-edition Motorola phones that were inside but *heat* has five to give away. If you'd like a phone and holder, without the scrapping send us a postcard to the usual *heat* address by 17 December; the first five out the hat will hear bells by Christmas."

Mention of Cosmetics can be very much in passing; so where Justin St Clair Whittingham is giving beauty tips, he is identified as being a make-up artist with Cosmetics.

50) As Ms Clark submitted this is a question of the public perception. The press articles do not necessarily also represent the reality. There is a puff and praise and the need to fill column inches. According to "Harpers & Queen" of September 2000 there were a chain of shops run by Cosmetics, when the first one would not open for another nine months. The *Chevy* criteria set out tests that give an indication of that perception. In this case a lot of the publicity is tangential, is about products made by others or is amongst puffs for many other products. Sales figures give an idea of the effect of any publicity, they represent something tangible and concrete.

51) The protection given by section 5(3) is an exceptional one. The burden of proof required by *Chevy* is accordingly not a light one. I find that Cosmetics has not discharged this burden of proof and so has not established a reputation in the terms of section 5(3) of the Act. **Consequently, the ground of opposition under section 5(3) of the Act is dismissed.**

Passing-off – objection under section 5(4)(a) of the Act

52) Section 5(4)(a) of the Act states that a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade. In this case the rule of law relied upon by Cosmetics is the law of passing-off.

53) I intend to adopt the guidance given by Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Wild Child* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

..... Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; "To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

54) It is well established that the relevant date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429). The relevant date cannot be any later than the dates of the filing of the application, as section 5(4)(a) of the Act is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1988, which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark”.

In this case there is no indication of use of TV’s trade mark prior to the date of filing. Consequently, the relevant date is the date of filing, 15 May 2002.

55) Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

56) There is no evidence from the trade. However, there is a good deal of evidence in the form of press cuttings. There is a continuity in the press cuttings. I have no doubt from the evidence before me that at the relevant date Cosmetics had a goodwill in its business. A goodwill that relates to retail sales of cosmetics, own brand cosmetics and various beauty related activities. From the evidence before me, I cannot identify this to other than the premises in Covent Garden. There is nothing that tells me about the mail order business. The business has also used sex overtly to sell itself. A use which goes well beyond the double-entendres of “Carry-on” films and Donald McGill postcards. The references to sex do not represent, in the words of George Orwell in “The Art of Donald McGill”:

“The Don Quixote-Sancho Panza combination, which of course is simply the ancient dualism of body and soul in fiction form.”

The references are, in the vernacular, “in your face”. Subtle, they ain’t. In making these comments I am not setting out to moralise. I am reflecting on how the promotion works. Ms Cohen in the “Times” of 15 June 2001 is reported as saying, “We wanted to provide somewhere girlie where people can play, like a bedroom. It’s all about sex, isn’t it?” It is of importance, as it is known that the main business of TV is to run what Mr Nellemann describes as an erotic channel and “Docklands Magazine” as a “porn channel”. However, you describe it or dress it up, it is a channel that uses sex, indeed its *raison d’être* is sex. In considering this case I cannot ignore what is agreed by both sides, even if they use different words to describe the same thing. This might be a *quia timet* action but it is one where the intention of TV is known and in considering the case it cannot be overlooked.

57) This is not a case where the respective goods and/or services are the same. In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ states:

“It is not in my opinion sufficient to demonstrate that there must be a connection of

some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services"

In the same case he goes on to state:

"The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration."

and

"The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything."

In *Stringfellow v McCain Foods (G.B.) Ltd.* [1984] RPC 501 Slade L.J. said:

"even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one."

For the class 9 goods and 41 services I can see no connection with the goods and services that Cosmetics supplies. I fail to see why a customer would think a cosmetics shop would be responsible for a television or a television channel. To succeed in relation to classes 9 and 41 there is a very heavy burden. Cosmetics would have to show that the gap between what it has a goodwill for and the class 9 goods and 41 services of the application would be bridged in the mind of the consumer concerned. In relation to televisions and the like these are "neutral" items. A television or a decoder is not going to be identified with sex, as far as I can see. I also find it difficult to envisage how such services as gambling would be linked to sex. The only area where sex would come into the equation is the television services. However, here there is still left an enormous gulf between the business of Cosmetics and a television service based on sex. Ms Berkeley made vague submissions about possible licencing arrangements. There is no evidence of any licencing arrangements made by Cosmetics in any shape or form. Moreover, there is no evidence that it is a practice for a cosmetics company to enter into licence agreements for television channels or programme production. In the absence of any evidence, I find the idea somewhat far fetched.

58) There is nothing in the evidence, or from own knowledge, that would lead me to consider that the distance between Cosmetics' business and the class 9 goods and class 41 services of TV would be bridged, leading to deception or confusion. The ground of opposition under section 5(4)(a) of the Act is dismissed in relation to the class 9 goods and class 41 services of the application.

59) This leaves the class 25 goods of the application. Ms Cohen in her evidence in reply states:

"It is common knowledge that the majority of designer clothing ranges and many high street fashions such as Benetton, French Connection and Gap also sell perfumes/cosmetics under their clothing brand."

It might be common knowledge to Ms Cohen, however it would have been useful to put in evidence as to this point. It could also be the case that numerous clothing brands are not used for cosmetics/perfumes and vice versa. Ms Cohen's own statement also looks to brand diversification from clothing to perfumes/cosmetics and not vice versa. However, I do not think that anything will turn on the chicken and the egg dilemma; for me the case is a matter of deciding whether I consider that the customer concerned will believe that Cosmetics was responsible for class 25 goods produced by TV.

60) I have referred to the *Eternity* case earlier in this decision. In that decision the hearing officer stated:

“The opponents evidence establishes that there is a significant relationship between fragrances in Class 3 and articles of clothing in Class 25 and that it is common practice for a designers name to be associated with both fragrances and clothing eg., Chanel, Yves St Laurent, Ralph Lauren etc. In response to reservations raised by the applicants that the link relates only to house marks, the opponents filed additional evidence to show that there is no such limitation and that it depends on the nature of the mark at issue. I accept that there is in fact no limitation of the nature suggested by the applicants.”

In this case Cosmetics has not supplied any evidence. It has made a bare assertion. However, I am aware of clothing brands using brand diffusion into fragrances eg Hugo Boss, Ralph Lauren and Calvin Klein. A problem arises in this case. There is no indication that Cosmetics has any involvement in any way with fragrances. I have scrutinised all the evidence before the relevant date and can find no reference to fragrances at all. There is mention of fragrant candles but I do not believe that women will be rubbing these onto their wrists and behind their ears. So, Cosmetics is asking that I take into account, without specific evidence, a pattern in trade of brand diffusion between clothing and such things as lipstick, mascara and nail varnish. From my own experience I am not aware of such diffusion. However, amongst the exhibits furnished by Cosmetics there are references to various cosmetics from fashion houses such as: eye colour collection, nail varnish and a powder compact from Chanel, mascara from Yves Saint Laurent, cheek colour wash from Calvin Klein, eye shadow by Versace and shielding concentrate from Prada. So the brand diffusion from clothing does appear to include cosmetics at large.

61) The trade mark of Cosmetics and that of TV are identical. It is a trade mark that, in the case of lip products, has an association with the goods. However, in my view, it is a not a direct allusion. It brings an essence of the goods whilst being thoroughly distinctive for them. It is a very effective trade mark. Of course, the goodwill of Cosmetics does not just revolve around lip products. Cosmetics uses sex as a marketing ploy. The article from the “Independent” of 8 April 2001 refers to various undertakings which use sex to sell their products. Pout is not unique in this. However, this use of sex is to be taken into account. TV and Cosmetics share part of the same target market.

62) Taking account all of the factors I have referred to above, I have come to the conclusion that in respect of the class 25 goods of TV that there is a danger of confusion/deception.

63) Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 said that the claimant must prove:

“That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches.”

64) I consider that Cosmetics is likely to suffer substantial damage in the property of its goodwill by:

- Potentially injuring the trade reputation of Cosmetics if there were any failings in the goods of TV. As Cosmetics appears to be positioned in the upper end of its market this becomes all the more likely.
- By the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business.

(See *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1)

65) The application is to be refused in respect of the goods in class 25.

66) TV should file, within one month of the expiry of the appeal period from this decision, a form TM21 to amend the specification by the deletion of the goods in class 25. If no form TM21 is filed within the period set the application will be refused in its entirety. (If an appeal is filed the period for filing the form TM21 will be one month from the final determination of the case, if the appeal is unsuccessful.)

67) For the most part TV has been successful in this case. The evidence filed in this case is substantially the same as that filed in another case between the two sides. For the most part the hearing dealt with the two cases as one. I take this into account in making an award of costs. I order Pout Limited to pay The TV Group Ltd the sum of £1300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of November 2003

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