

O-372-04

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 602064  
BY KE-PRO B.V. TO REGISTER A TRADE MARK  
IN CLASSES 14, 25 AND 28**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 70901  
BY AMBERES S.A.**

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**IN THE MATTER OF Opposition thereto under No. 70901  
by Amberes S.A.**

### **BACKGROUND**

1. On 20 November 2001 Ke-Pro BV (formerly Keijser Producties B.V.) applied to protect the following trade mark in Classes 14, 25 and 28 of the register under the provisions of the Madrid Protocol on the basis of registration in Benelux:



2. Protection was sought in relation to the following specifications of goods:

**Class 14:**

Precious metals and their alloys and goods made of these materials or coated therewith not included in other classes; jewelry, precious stones; timepieces and chronometric instruments.

**Class 25:**

Clothing, footwear, headgear.

**Class 28:**

Games, toys; gymnastic and sporting articles not included in other classes; Christmas tree decorations.

3. The application was subsequently published in the Trade Marks Journal and on 3 July 2002 Amberes S.A. filed Notice of Opposition. In summary the Notice set out the following grounds:

(i) Under Section 5(2)(b) of the Act because the mark applied for is similar to the following earlier trade mark registrations owned by the opponent, both of which are registered in respect of clothing in Class 25, therefore covering identical and similar goods to the applicant in Class 25 and there exists a likelihood of confusion on the part of the public –

Registration No.	Mark	Effective Date	Specification of goods
UK Registration No. 772654		31 December 1957	<b>Class 25:</b> Sweaters, jersey's, undershirts and bathing costumes, all being knitted articles of clothing.
Community Trade Mark No. 778217	ESCORPION	16 April 1998	<b>Class 22:</b> Nets and netting. <b>Class 24:</b> Bed covers, bed sets, table linen, white and coloured linen (household linen), bath sheets, towels, knitwear items, mesh (fabric). <b>Class 25:</b> Coats, dressing gowns, housecoats, smoking jackets, smocks, trousers, collar protectors, underpants, shirting, undershirts, nightdresses, layettes (outfits), windcheaters, slips, bodices, shawls, head scarves, jackets, scarves, petticoats, girdles, skirts, gabardines, waterproof clothing, jerseys, kimonos, bed jackets, head and neck scarves of wool, pelisses, pyjamas, ready-made clothing, brassieres, swimsuits, ready-made clothing for women, men and children, lingerie, corsetry, dresses, hats, collars and wristbands (for clothing); stockings and

			socks; ready-made hosiery, made-up netting. <b>Class 26:</b> Hair nets.
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(ii) Under Section 5(3) of the Act because the mark applied for is similar to the earlier trade marks owned by the opponent and to the extent that the goods are not similar, registration of the mark applied for without due cause, would take advantage of or be detrimental to, the distinctive character or repute of the opponent's earlier trade marks;

(iii) Under Section 5(4)(a) of the Act by virtue of the law of passing off.

4. On 8 October 2002 the applicant filed a Counterstatement denying the grounds of Opposition.

5. Both sides filed evidence and ask for an award of costs in their favour. The matter came to be heard on 8 December 2004 when the opponent was represented by Mr Slater of Marks & Clerk. The applicant chose not to attend the hearing but prior to the hearing written submissions were forwarded by the applicant's professional advisors, Maguire Boss.

#### **OPPONENT'S EVIDENCE**

6. The opponent's evidence consists of a statutory declaration by Juan Biosca dated 5 May 2003. Mr Biosca is sole director of Amberes S.A., the opponent in these proceedings.

7. Mr Biosca states that his company has used the trade mark ESCORPION in the U.K. since 1985 on "sweaters, jerseys, undershirts and bathing costumes, all being knitted articles of clothing." He draws attention to Exhibit "JB1" to his declaration, which is a copy of a bilingual (Spanish/English) ESCORPION "2002 Fall Winter" clothing catalogue.

8. Mr Biosca goes on to provide the following sales volumes of goods sold by his company under the ESCORPION trade mark in the U.K. for the years 1998 to 2002:

<b>Year</b>	<b>Number of Articles</b>	<b>Value (£)</b>
2002	15,786	345,443
2001	6,894	152,007
2000	10,277	148,266
1999	9,183	122,178
1998	10,389	134,256

9. In support of the above figures, Mr Biosca attaches copies of his company's accounts for sales in the U.K. as exhibit "JB2" to his declaration.

10. Mr Biosca declares that his company has expended sums of money in advertising goods under the ESCORPION trade mark and that advertisements have appeared in publications circulating in the U.K. e.g. WWB womenswear buyer. He draws attention to Exhibit "JB3" to

his declaration which contains a copy of a “moda means business” publication promoting a 2003 show at the N.E.C. Birmingham at which ESCORPION are exhibiting.

11. Mr Biosca adds that his company has also expended money in publishing, leaflets, brochures, catalogues, price lists and other promotional material. In support, he refers to Exhibit “JB4” to his declaration containing copies of bilingual (English/Spanish) ESCORPION promotional material for Spring/Summer 2001, Spring/Summer 2002, Autumn/Winter 2002. Autumn/Winter 2000/2001, Fall/Winter 2003, Autumn/Winter 2001, a 2000 collection and Autumn/Winter 1993/94.

12. Mr Biosca goes on to refer to his Exhibit “JB5” which comprises details of his company’s advertising and promotional expenditure from 2001 to February 2003 which totals around £26,000.

13. Mr Biosca lists the following locations where goods sold under the ESCORPION trade mark can be purchased in the UK:

London, Jersey, Cardiff, Leeds, Blackburn, Stoke on Trent, Wrexham, Stratford-Upon-Avon, Poole, Belfast, Huddersfield, Hull, Scunthorpe, Newark, Penzance, Newcastle Upon Tyne, Wakefield, Stourbridge, Litchfield, Glasgow, Haselmere, Preston, Rotherham, Chepstow, Barnstaple, Birmingham, Scarborough, Harrogate, Taunton, Solihull, Grimsby, Derry, Swindon, Southampton, Nottingham, Knaresborough.

14. At his Exhibit “JB6”, Mr Biosca details the opponent’s four distributors in the U.K. and he also lists UK customers.

15. Mr Biosca declares that his company attends and participates in exhibitions and fashion shows and that goods bearing the ESCORPION mark are displayed. In particular he refers to the Moda UK (Birmingham) and the Prima (Harrogate) show. Copies of 2002 Catalogues for these shows are at Exhibit “JB7” to Mr Biosca’s declaration.

## **APPLICANT’S EVIDENCE**

16. The applicant’s evidence consists of a witness statement by Nigel Purkis dated 20 October 2003. Mr Purkis is the sole distributor for SKORPI clothing in the UK.

17. Mr Purkis explains that clothing sold under the SKORPI trade mark are hand woven cotton garments, primarily coats and jackets and he states that these garments are a ‘niche’ product retailing for about £170 - £195 per item.

18. Mr Purkis states that he began marketing the SKORPI range of clothing in the U.K. in February 2001 and since that date sales have been continuous throughout the U.K. with SKORPI products available through eighty stockists.

19. Mr Purkis is unaware of any instances of confusion between SKORPI goods and those of the opponent.

20. Mr Purkis states that during the first three years of use in the U.K. total sales amounted to £297,896 which represented sales of approximately 4,300 garments. He provides the following yearly breakdown of sales:

<b>YEAR</b>	<b>SALES</b>
2001	£56K
2002	£82K
2003	£125K

21. Mr Purkis goes on to refer to a 2003 Moda Womenswear fair held at the NEC Birmingham at which SKORPI clothes were exhibited, adding that prior to this date no money was spent specifically on advertising SKORPI items. However, he explains that all SKORPI clothing has a woven label and swing ticket attached which bears the SKORPI mark.

### **OPPONENT'S EVIDENCE IN REPLY**

22. This consists of a witness statement by Bernat Biosca dated 7 April 2004. Mr Biosca is sole Director of Amberes S.A., the opponent.

23. Mr Biosca comments in relation to Mr Purkis' witness statement include the following:

- (i) the applicant has used the mark SKORPI on goods identical to those specified by the opponent's registrations;
- (ii) the opponent produces a wide variety of products under the ESCORPION mark, many of which Mr Biosca also considers to be 'niche' products;
- (iii) the figures provided by Mr Purkis in relation to costs per item and the number of garments sold do not correspond with the total sales figures;
- (iv) the figures are not supported by supporting documentation e.g. invoices or financial reports;
- (v) no supporting evidence has been provided relating to UK stockists;
- (vi) evidence relating to matters after the relevant date should be disregarded;
- (vii) there is no evidence that SKORPI products were exhibited at the 2003 Moda Exhibition.

### **APPLICANT'S RULE 13(11) EVIDENCE**

24. This consists of a witness statement by Carmel Corcoran dated 1 July 2004. Ms Corcoran is a trade mark attorney employed by Maguire Boss, the applicant's professional advisors in these proceedings.

25. Ms Corcoran states that she requested Mr Purkis' comments on the witness statement of Mr Bernat Biosca. On 14 June 2004 she received an e-mail from Mr Purkis and in a subsequent telephone conversation, Ms Corcoran requested that Mr Purkis provide a signed

statement. On 28 June 2004, Ms Corcoran received a signed statement from Mr Purkis which is exhibited as “CC1” to her statement.

26. Mr Purkis’ comments include the following assertions:

- (i) the opponent’s product range is entirely different from that of the applicant;
- (ii) the word SKORPI is very far away from the word ESCORPION;
- (iii) the figures Mr Purkis quoted in his witness statement are at trade price and not retail and do not include VAT;

27. This concludes my summary of the evidence filed in this case. I now turn to the decision.

## **DECISION**

### **Section 5(2)(b)**

28. Section 5(2) of the Act reads as follows:

“5.-(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.”

29. An earlier right is defined in Section 6, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,”

30. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R.1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000]F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R.723.

31. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all the relevant factors; *Sabel BV v Puma AG*;

- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably 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 mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Meyer Inc*;
- (f) there is greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*;
- (g) account should be taken on the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it was registered *Lloyd*;
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*;
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same source or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*

32. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) considerations in that it may enhance the distinctive character of the mark at issue and widen the penumbra of protection for such a mark. The opponent has filed evidence relating to the use of its ESCORPION trade mark. While the evidence confirms use of the mark and provides information on the turnover of goods sold under the mark, it provides no evidence of its extent of market share or the extent of its reputation. Given the very large market for the goods in question – clothing, even high fashion expensive clothing, it seems to me that the turnover details provided do not indicate a high market share and do not enable me to infer that the opponent has any great reputation under the mark. Furthermore, expenditure on the marketing and promotion of the mark is light and there are no details as to the extent of the circulation of the catalogues referred to in the evidence. I would add that no supporting evidence from third parties or the trade has been filed.

33. While the opponent had a presence in the UK market place prior to the relevant date for these proceedings, the evidence does not demonstrate a significant reputation among the relevant public in its earlier cited marks. The onus is upon the opponent to show that its marks enjoy a significant reputation and on the basis of the evidence filed in this case I do not believe the opponent has discharged this onus.

34. The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was recently considered by David Kitchen QC sitting as the Appointed Person in *Steelco Trade Mark (BL O/268/04)*. Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe that the observations of Mr Thorley QC in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion.”

35. While I have found in the present case that the opponent’s earlier marks do not have a significant reputation in the UK, it seems to me that the opponent’s marks are inherently highly distinctive in relation to the goods at issue and are deserving of a wide penumbra of protection.

36. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those differing elements, taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, in addition to making comparisons which take into account the actual use of the respective marks, I must compare the mark applied for and the opponent’s registrations on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods within the respective specifications.

37. The opponent submits that both it and the applicant are in high-fashion, niche and relatively expensive areas of the clothing market and are therefore in direct competition. This may be so, but in any event notional, fair use of the respective marks would, on the basis of the respective specifications, include use on high-end, low-end, high fashion, classic etc. styles, across a full range of price-brands to a wide variety of customers.

38. The applicant has pointed out that in actual use, there has been no confusion demonstrated in relation to its mark and the opponent’s earlier registrations. However, the applicant’s mark has only been in use since February 2001, around ten months prior to the relevant date for these proceedings (20 November 2001) and sales and promotional expenditure under the applicant’s mark do not appear to be of any great significance. In any event, the fact that no actual instances of confusion are demonstrated is not necessary telling

in relation to relative grounds – see *Compass Publishing BV v Compass Logistic Ltd* [2004] EWCA (Ch). As stated earlier, the comparisons must take into account notional, fair use across the width of the relative specifications.

39. I turn to a consideration of the respective goods covered by the application in suit and the opponent's earlier registrations. The applicant's Class 25 specification (the goods against which the Section 5(2)(b) ground is being pursued), is for clothing, footwear and headgear. It is obvious that the mark applied for covers identical and closely similar goods to those encompassed in the opponent's earlier registrations.

40. I now go on to compare the mark in suit with the opponent's earlier registrations. The mark applied for comprises the invented word SKORPI, in which the letter O at the centre of the mark is presented in a different format or style to the other letters and its impact is therefore enhanced. The opponent's earlier registrations are for the word ESCORPION and also that word combined with the device of a "scorpion". While the applicant states that the word ESCORPION is the Spanish word for "scorpion" and points out that the Spanish language is relatively well known in the UK, I doubt that the average customer for the goods would have sufficient detailed knowledge of the Spanish language to be aware of the word's meaning. However, use in combination with the "scorpion" device may provide a clue! In any event, as mentioned earlier in this decision, the opponent's marks are highly distinctive in relation to the relevant goods. The mark applied for is also inherently distinctive as it consists of an invented word, or at least would be perceived as an invented word by the average customer for the goods.

41. The opponent points out that the applicant's mark shares the letters S, O, R, P and I, with the word ESCORPION, and that the letter K in SKORPI is phonetically identical to the letter C in ESCORPION. The opponent submits that 66% of its mark is subsumed by the applicant's mark. While this is of undoubted relevance, the respective marks must be compared as a whole and by reference to their overall impression. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how marks would be perceived in the normal course and circumstances of trade.

42. I turn to a visual comparison of the respective marks. The words SKORPI and ESCORPION share the letters S, O, R, P and I. They differ in length, the mark applied for consisting of six letters and the word ESCORPION nine letters. The first two letters of the words and their terminations differ. Furthermore, the letter O within the word SKORPI has a different visual impact from the remaining letters, and in the opponent's UK registration contains the device of a scorpion. As mentioned earlier, my decision on similarity must be based on overall impression and notwithstanding that both marks share a high proportion of letters, the beginnings and terminations of the respective words are, in my view, conspicuously different so that, in totality the marks look different and would be readily distinguished in visual use.

43. In relation to the aural comparison of trade marks used in respect of articles of clothing, I agree with the view expressed by the Registrar's Hearing Officer in the matter of application No. 2001040 by React Music Limited to register a trade mark in Class 25 and in the matter of Opposition thereto by Update Clothing Limited under No. 45787 (BL O/258/98) when he said:

“There is no evidence to support Ms Clark’s submission that, in the absence of any particular reputation, consumers select clothes by eye rather than by placing orders by word of mouth. Nevertheless, my own experience tells me it is true of most casual shopping. I have not overlooked the fact that catalogues and telephone orders play a significant role in this trade, but in my experience the initial selection of goods is still made by eye and subsequent order usually placed primarily by reference to a catalogue number. I am therefore prepared to accept that a majority of the public rely *primarily* on visual means to identify the trade origin of clothing, although I would not go as far to say that aural means of identification are not relied upon”.

44. This view was supported on appeal to the Appointed Person (*REACT Trade Mark* [2000] 8 RPC 285 lines 22 to 26) and I believe it appropriate to the present case.

45. The word SKORPI is a two syllable word while the word ESCORPION is four syllables. Furthermore, the beginnings and endings of the words would be obviously different in oral use. I have little doubt that they sound different overall.

46. I now go to a conceptual comparison of the marks. While the opponent’s earlier marks may well denote a “scorpion” insect, it does not seem obvious to me that the word SKORPI would necessarily denote the word “scorpion” or a reference to the insect. However, it could do so to some people, and on this basis there may be some conceptual association between the respective marks.

47. At the hearing, Mr Slater on behalf of the applicant reminded me that the average customer rarely has the chance to make direct comparisons between marks and instead must rely upon the imperfect picture of them he/she has kept in his/her mind, (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*). However, it seems to me that the overall differences in the marks are such that “imperfect recollection” is unlikely to be a factor in going to a likelihood of confusion in respect of the marks before me, bearing in mind that the average consumer is also deemed to be reasonably circumspect and observant and that he/she normally perceives a mark as a whole.

48. In my considerations I must also consider the relevant public for the goods. Customers for clothing and footwear are the public in general. Such goods are often necessities as well as being fashion items and are sold through a wide variety of outlets and at a wide range of prices. The goods are not necessarily expensive nor sophisticated purchases but it seems to me that clothing and footwear are usually bought with a reasonable degree of care e.g. as to size, colour, appearance, and after a visual reference. While the actual goods on which the parties use their marks may be “high-end”, fashion items, it seems to me that greater care would be taken in respect of such items, than would be taken with basic or merely functional clothing items.

49. On a global appreciation, taking into account all the relevant factors, I have reached the conclusion that while the Class 25 goods of interest are identical or closely similar, the differences in the respective trade marks are such that there is no likelihood of confusion to the average customer for the goods.

50. The opposition under Section 5(2)(b) of the Act fails.

### **Section 5(4)(a) and Section 5(3)**

51. At the hearing Mr Slater on behalf of the opponent sensibly conceded that the opponent had no stronger case under Section 5(4)(a) or Section 5(3) than under Section 5(2)(b). To succeed under these additional grounds the relevant public would have to believe that the goods offered under the applicant's mark were those of the opponent or that the opponent had suffered detriment as a result of use of the mark in suit. Given my findings on the overall differences between the respective marks of the parties and that there is no likelihood of confusion, these grounds cannot succeed.

52. The opposition under Sections 5(4)(a) and 5(3) of the Act fail.

### **Costs**

53. In its written submissions the applicant submitted that the opponent had not sufficiently particularised its Section 5(4)(a) and Section 5(3) grounds and that much of its evidence amounted to assertion. It contends that these are factors which should be taken into account in the costs award. However, it seems to me that none of the opponent's grounds were taken unreasonably or pursued in an unreasonable manner. While some of the opponent's evidence amounts to assertion this is regrettably far from unusual in proceedings before this tribunal and although I have some sympathy with the applicant's point, it must be noted that much of its evidence is of a similar nature. Ultimately, it seems to me that there has been no unduly onerous or lengthy evidence or skeleton arguments for the applicant to consider and it seems to me that in a practical context, the applicant has not responded with lengthy evidence or submissions ie. both parties have conducted themselves in a generally proportionate manner.

54. The applicant is entitled to a contribution towards costs and I order the opponent to pay the applicant the sum of £1,600. 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 20<sup>th</sup> day of December 2004**

**JOHN MacGILLIVRAY  
For the Registrar  
the Comptroller-General**