

O-376-11

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2519945**

**BY**

**CALÇADOS BOTTERO LTDA**

**TO REGISTER THE TRADE MARK:**



**IN CLASS 25**

**AND**

**THE OPPOSITION THERETO**

**UNDER NO 99619**

**BY**

**CALZATURIFICIO BUTTERO SRL**

1) On 7 April 2009 Calçados Bottero Ltda (CBL) applied to convert a Community trade mark application into 5 national applications; the United Kingdom was included in the application. The application is for the trade mark:



The application for registration was filed on 10 October 2003. The application was published on 14 August 2009 with the following specification:

*footwear for men, women and children.*

The above goods are in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 4 November 2009 Calzaturificio Buttero Srl (Srl) filed a notice of opposition to the registration of the trade mark. Srl relies upon section 5(2)(b) of the Trade Marks Act 1994 (the Act). Under section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

Srl relies on international registration no 564788 of the trade mark BUTTERO. The United Kingdom was designated in respect of the registration on 22 January 2001. The registration is protected for goods in classes 18 and 25 but, for these proceedings, Srl only relies upon *footwear* in class 25. The registration is subject to proof of genuine use for the period from 15 August 2004 to 14 August 2009<sup>1</sup>.

3) CBL filed a counterstatement in which it required proof of genuine use of the earlier trade mark. CBL denies that there is a likelihood of confusion. It states that it has used the trade mark in the United Kingdom for several years and has, therefore, co-existed with Srl's trade mark with no evidence of confusion or association on the part of the consumer.

4) Both parties filed evidence.

5) A hearing was held on 26 October 2011. Srl relied upon written submissions. CBL was represented by Mr Martin Krause of Haseltine Lake LLP.

***Evidence for Srl***

6) This consists of a declaration made by Luca Sani. Mr Sani has been employed by Srl since 1984.

7) The BUTTERO trade mark was first used in the United Kingdom in connection with footwear in 1990. Sales of footwear under the trade mark BUTTERO in the United Kingdom from 2002 to 2009 were:

2002	€180,419.17
2003	€19,363.96
2004	€970.00
2005	€25,424.45
2006	€51,790.00
2007	€31,265.72
2008	€27,518.40
2009	€4,251.00

Included in exhibit LS3 are details of the sales for the above years. These show that in 2002 footwear was sold to Kurt Geiger Ltd, Office Holdings Limited, Robinson Webster (Holdings), Shellys Shoes Ltd and The Shoe Studio Group. In 2003: Kurt Geiger Ltd, Office Holdings Limited and Step Footwear Ltd. In 2004: Oscar Milo Ltd. In 2005: Office Holdings Limited, Oscar Milo Ltd, S Simon & Co Ltd and Santos & Mowen. In 2006: Kurt Geiger Ltd, Office Holdings Limited and S Simon & Co Ltd. In 2007: Carole Ridley, Charles F Stead & Co Ltd, Georgina Goodman Limited, International Advertising Fes, Me & Maya “Anne Poulsen”, Office Holdings Limited, Paul Davies Retail Ltd, S Simon & Co Ltd and The Shoe Studio Group. In 2008: Charles F Stead & Co Ltd, Polo UK Ltd and Venise Limited. In 2009: Vanilla.

8) BUTTERO branded footwear has been sold in boutiques, independent retailers and large department stores. The footwear has been sold by companies such as Jigsaw, Kurt Geiger, Office and Poste. The above sales figures represent the retail value. BUTTERO branded footwear is typically in the region of €300 per pair of shoes/boots.

9) Exhibited at LS2 are copies of brochures from spring 2000 and winter 2000. The brochures only give contact details in Italy. Mr Sani states that “[a]lthough the two brochures are outside of the relevant period, these brochures are consistent with use of the BUTTERO mark during the relevant period and through to the present day”. The brochures show sandals and boots being worn by men and women.

10) Exhibited at LS3 is a “selection” of invoices relating to the sale of BUTTERO branded footwear to retailers in the United Kingdom. Invoices from within the material period consist of the following:

20 September 2004	Poste (Office)
22 March 2005	Santos & Mowen
24 September 2005	Office
30 September 2005	Kurt Geiger
3 January 2007	Anna Poulsen
17 March 2007	The Shoe Studio Group
18 March 2007	Carole Ridley
7 March 2009	Vanilla

The invoices all bear the name BUTTERO in the following format:

**BUTTERO★**

11) Also included in LS3 are copies of orders, within the material period, from Poste, Office and Kurt Geiger.

12) Exhibit LS4 includes a page from *Footwear News* of 27 November 2006. The page gives details of certain shops in London. Details of Poste in South Moulton Street are given. Poste is described as “London’s only men’s designer shoe store”. Brands sold by the shop include BUTTERO, Florentini & Baker, Officine Creative, Dries Van Noten, Vivienne Westwood, Martin Margiela and Prada Sport. (The invoice at page 49 of the exhibits is made out to Poste in South Moulton Street.)

13) Exhibit LS5 consists of postcards used to promote BUTTERO branded footwear. Mr Sani states that the postcards have been used in marketing BUTTERO footwear in the United Kingdom.

14) Mr Sani states that BUTTERO footwear continues to be sold in the United Kingdom and exhibits at LS6 pages from [spartoo.co.uk](http://spartoo.co.uk) and [dealttime.co.uk](http://dealttime.co.uk), downloaded on 24 May 2010. Boots and moccasins are shown; it appears that they are for women.

### ***Evidence for CBL***

*Witness statement of Paulo Victor Kauer*

15) Mr Kauer is the director general of CBL.

16) CBL first used the trade mark in the United Kingdom in 2003. CBL has two distributors in the United Kingdom: Risk Free Retail Limited (RFRL) and Pavers

Limited (PL). RFRL is a London based retail outlet and has been a distributor of CBL's footwear since 2003. PL is a United Kingdom wide retailer of footwear and has sold CBL's footwear since 2006.

17) The approximate turnover relating to the sales of BOTTERO footwear in the United Kingdom from 2004 to 2009 is as follows:

2004	\$21,000
2005	\$59,500
2006	\$59,500
2007	\$55,000 and £219,000
2008	\$176,000 and £122,000
2009	\$32,000 and £183,000

Figures in \$ relate to RFRL, figures in £ relate to PL.

18) Exhibited at PVK1 are copies of invoices for sales to PL. Exhibited at PVK2 are copies of invoices for sales to RFRL. All of the invoices are for shoes for ladies. The minimum cost of the shoes to PL or RFRL is \$2,10 and the maximum is \$19.67. The invoices all bear the trade mark.

19) CBL does not directly market its footwear in the United Kingdom and does not, therefore, have a marketing budget.

20) Mr Kauer is not aware of any confusion having arisen between the goods of CBL and those of Srl.

*Witness statement of Gemma Gordon*

21) Ms Gordon is in the buying department of PL.

22) PL has nearly 100 retail stores in the United Kingdom. PL has sold ladies' footwear under the trade mark BOTTERO since 2004. The best selling items of BOTTERO footwear are made available in around 75 of PL's stores. Items with lower volumes of sales are generally sold from around 60 stores. BOTTERO footwear has been available on PL's website for two years and the range was introduced to PL's mail order catalogue in summer 2010. PL advertises BOTTERO footwear in its catalogue and BOTTERO footwear has its own page on PL's website. PL sells approximately 50 brands of footwear, including own brands and third party brands. BOTTERO is an "average" brand from the perspective of its positioning with the range of brands that are sold.

*Witness statement of John Steven Gill*

23) Mr Gill is managing director of RFRL.

24) RFRL is a retailer of clothing, footwear and accessories, with 30 stores located in and around London. REFRL has been a distributor of CBL's footwear in the United Kingdom since 2002. BOTTERO footwear is sold from all of the stores of RFRL. RFRL sells approximately 20 different brands of footwear, positioned at the bottom to the middle end of the market. Of the brands sold in RFRL's stores BUTTERO footwear is at the middle of the top end, from the perspective of its positioning within the range of brands sold.

25) Mr Gill is not familiar with the trade mark BUTTERO.

***Claim to genuine use of the trade mark between 15 August 2004 to 14 August 2009***

26) A convenient summary of the criteria relating to genuine use was given by the General Court (GC) (if relating to a Community trade mark) in *Anheuser-Busch Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-191/07*:

“99 In interpreting the concept of genuine use, account should be taken of the fact that the ratio legis of the requirement that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade mark application is to restrict the number of conflicts between two marks, in so far as there is no sound economic reason resulting from an actual function of the mark on the market (Case T-174/01 *Goulbourn v OHIM – Redcats (Silk Cocoon)* [2003] ECR II-789, paragraph 38). However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-2811, paragraph 38, and judgment of 8 November 2007 in Case T-169/06 *Charlott v OHIM – Charlo (Charlott France Entre Luxe et Tradition)*, not published in the ECR, paragraph 33).

100 There is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the registration (Case C-234/06 P II *Ponte Finanziaria v OHIM* [2007] ECR I-7333, paragraph 72; see also, by analogy, Case C-40/01 *Ansul* [2003] ECR I-2439, paragraph 43). In that regard, the condition of genuine use of the mark requires that the mark, as protected on the relevant territory, be used publicly and externally (*Silk Cocoon*, paragraph 99 above, paragraph 39; *VITAFRUIT*, paragraph 99 above,

paragraph 39; Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 34; see also, by analogy, Ansul, paragraph 37).

101 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (VITAFRUIT, paragraph 99 above, paragraph 40; Charlott France Entre Luxe et Tradition, paragraph 99, paragraph 35; see also, by analogy, Ansul, paragraph 100, paragraph 43).

102 As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (VITAFRUIT, paragraph 99 above, paragraph 41, and Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 36).

103 The question whether use is sufficient to maintain or create market share for the goods or services protected by the mark thus depends on several factors and on a case-by-case assessment. The characteristics of those goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the factors which may be taken into account (Case C-416/04 P Sunrider v OHIM [2006] ECR I-4237, paragraph 71).

104 To examine whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case (VITAFRUIT, paragraph 99 above, paragraph 42; Charlott France Entre Luxe et Tradition, paragraph 99 above, paragraph 37; see also, by analogy, Ansul, paragraph 100 above, paragraph 39).

105 Moreover, the Court of First Instance has held that genuine use of a trade mark could not be proved by means of probabilities or suppositions, but had to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (Case T-39/01 Kabushiki Kaisha Fernandes v OHIM – Harrison (HIWATT) [2002] ECR II-5233, paragraph 47)."

27) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06 the GC stated:

“32 To examine whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case. That assessment entails a degree of interdependence between the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very regular, and vice versa. In addition, the turnover and the volume of sales of the product under the earlier trade mark cannot be assessed in absolute terms but must be looked at in relation to other relevant factors, such as the volume of business, production or marketing capacity or the degree of diversification of the undertaking using the trade mark and the characteristics of the products or services on the relevant market. As a result, the Court has stated that use of the earlier mark need not always be quantitatively significant in order to be deemed genuine. Even minimal use can therefore be sufficient to be deemed genuine, provided that it is viewed as warranted in the economic sector concerned in order to maintain or create a share in the market for the goods or services protected by the mark (*VITAFRUIT*, paragraph 27 above, paragraph 42, and *LA MER*, paragraph 26 above, paragraph 57; see, by analogy, *Ansul*, paragraph 24 above, paragraph 39, and the order in Case C-259/02 *La Mer Technology* [2004] ECR I-1159, paragraph 21).”

28) Mr Krause submitted that what Mr Sani described as invoices at paragraph 9 of his witness statement, exhibit LS3, are not invoices. Clearly some of the documents are not invoices. Indeed, Mr Sani refers in the same paragraph to the order acknowledgment form from Office. Mr Krause accepted the finding of Mr Richard Arnold QC, sitting as the appointed person in *Tripp Limited v Pan World Brands Limited* BL O/161/07, where he stated:

“33. *Phipson on Evidence* (16th ed) states at paragraph 12-12:

In general a party is required to challenge in cross-examination the evidence of any witness of the opposing party if he wishes to submit to the court that the evidence should not be accepted on that point. The rule applies in civil cases as it does in criminal. In general the CPR does not alter that position.

This rule [sic] serves the important function of giving the witness the opportunity of explaining any contradiction or alleged problem with his evidence. If a party has decided not to cross-examine on a particular important point, he will be in difficulty in submitting that the evidence should be rejected.

However the rule is not an inflexible one...

34. The authority cited in support of this statement of the law is the decision of the House of Lords in *Browne v Dunn* (1894) 6 R 67. The relevant passages from the speeches are set out in the judgment of Hunt J in *Allied Pastoral Holdings v Federal Commissioner of Taxation* (1983) 44 ALR 607, the material parts of which are quoted in the judgment of the Court of Appeal in *Markem Corp v Zipher Ltd* [205] EWCA Civ 267, [2005] RPC 31 at [59]-[60].

35. In my judgment the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established exceptions to it. The first is that, as the speech of Lord Herschell LC in *Browne v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks* [2007] RPC 19 at [23], this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel* [1993] 1 WLR 1453.

36. Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence."

However, at the same time he effectively submitted that reliance could not be placed on the statements of Mr Sani owing to the description of the documents as invoices. The key to the matter is not the term used to describe the documents but the documents themselves. Whilst acknowledging Mr Arnold's decision, Mr Krause was trying to circumvent its effects by submitting that use of the word invoices brought Mr Sani's statements into doubt.

29) There is nothing incredible in the evidence of Mr Sani, there are no internal contradictions in the evidence. Mr Sani gives figures for sales and exhibits material relating to whom the sales were made. If CBL wished to cast doubt upon the statement of Mr Sani it should have followed the standard course: requested cross-examination and/or submitted counter-evidence and/or requested disclosure. It did not do so and the evidence of Mr Sani must be accepted at face value.

30) Mr Krause argued that documents such as those exhibited at pages 45 and 46 are not invoices. He commented that the documents did not give the total cost of the items. The prices given, taking into account the cost of individual

items as given by Mr Sani, would appear to be the unit prices. The documents such as those exhibited at pages 45 and 46 contain conditions of sale, in the case of the document at page 46 there is a requirement for payment before shipment; which, from the annotation, was fulfilled. The document at page 45 advises the individual at Office who is responsible for receiving the goods. These types of documents are certainly documents relating to sales. They also tie into the documentation that gives the breakdown of sales at pages 85 to 92.

31) Mr Krause submitted that it was not clear in relation to what particular items of footwear the trade mark was claimed to have been used. The two catalogues emanate from 2000, so well before the material period. However, Mr Sali states:

“Although the two brochures attached are outside of the relevant period, these brochures are consistent with use of the BUTTERO mark during the relevant period and through to the present day”.

Evidence from outside the material period cannot establish genuine use of the trade mark in that period. However, it can be indicative of the nature of the goods in relation to which the trade mark has been used. In this case there are the catalogues from 2000 and the Internet evidence from 2010.

32) It is assumed that, in documentation in Italian, D refers to donna (women) and U to uomo (men). The invoice of 7 March 2009 at page 44 shows the sale of footwear for women. The invoice of 17 March 2007 at page 46 shows the sale of footwear. The invoice of 20 September 2004 at page 49 shows sales of footwear for men. The invoice of 24 September 2005 at page 50 shows sales of footwear for men. The order form of 1 February 2006 at page 51 shows an order for boat shoes and leather boots. The order form of 1 February at page 52 is for leather slip-ons. The invoice of 3 January 2007 at page 53 is for footwear for women. The invoice for 18 March 2007 at page 54 is for footwear for women. The invoice for 30 September 2005 at page 63 is for footwear for men. The order forms of 30 December 2005 at pages 64 to 79 are for footwear for men and leather footwear for men. The invoice of 22 March 2005 at page 80 is for footwear for men. The invoice of 23 September 2003 at page 81 is for footwear for men.

33) Mr Krause submitted that footwear was a very broad term and covered shoes, boots, socks etc. It was, in his view, too wide a term for the claim for genuine use; taking into account the use that was shown. Mr Kauer, Ms Gordon and Mr Gill all use footwear to describe the goods of CBL, with the only qualification being by gender. It appears from the evidence of both parties that shoes and boots would be described in the trade as footwear.

34) Evidence of proof of use will often be like a mosaic; many small pieces that combine together to form an overall picture. Looking at one piece of the mosaic and extrapolating from that, as for instance as to what is an invoice, will give a distorted overall view.

35) The sales of goods by Srl have not been enormous. However, the goods have been sold in every year of the material period. The goods are at the high fashion end, and so sales will be limited owing to price and distribution channels. The sales have also fluctuated greatly, ie €970 in 2004 and €51,790 in 2006. There is nothing token about the use of the trade mark. Srl clearly has a market in the United Kingdom, if not an enormous market. The nature of the trade means that there will be undertakings occupying niche markets; not selling to the mass market. Srl has established that it has used its trade mark to maintain a market in the United Kingdom that is warranted in the context of the trade.

36) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over-precise<sup>ii</sup>. It is necessary to consider how the relevant public, which for these goods would be the public at large, describe the goods<sup>iii</sup>. The GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

37) It is not only the trade that would describe the goods sold by Srl as footwear, the public is also likely to describe the business of Srl in this manner. Footwear is the natural category to describe a range of boots and shoes. **Consequently, Srl has established genuine use of its trade mark in relation to footwear.** (Taking into account the issues at play in this case, if the specification were to be limited to boots and shoes, CBL would be in no better position).

**38) As a result of the finding in relation to genuine use, the respective goods are identical.**

***Average consumer, nature of purchasing decision and standard for likelihood of confusion***

39) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”<sup>iv</sup>. The average consumer for the goods in question is the public at large. 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 the General Court (GC) stated:

“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.”

Like clothing, footwear varies widely in price and quality and so across the gamut of the goods there will not be a particularly careful and highly educated purchasing decision. Consequently, the possibilities of imperfect recollection are increased. In the same judgment the GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

The goods in question will be on display in shops, catalogues and on websites and so primarily will be bought by the eye; consequently, visual similarity will be of more importance than aural similarity.

### ***Comparison of trade marks***

40) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details<sup>v</sup>. 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<sup>vi</sup>. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct

comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant<sup>vii</sup>. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public<sup>viii</sup>.

41) The trade marks to be compared are:



BUTTERO

42) BUTTERO does not split into dominant and distinctive components. The distinctiveness lies in the trade mark as whole. However, it is a rule of thumb that consumers generally pay more attention to the beginnings of trade marks than the endings. The stylised B of CBL's trade mark is by far the largest element. The stylised B is the most dominant element of the trade mark. Mr Krause submitted that the word underneath the B would be seen as BOTTER followed by a device of a roundel with a star in it. He submitted that the spaces between the letters of BOTTER were smaller than that between the R and the "roundel". Consumers do not undertake a careful analysis of trade marks. They rely upon their overall impressions. What Mr Krause describes as a roundel follows six letters, it is the same size as the letters. It is in the form of a letter O, the same form as the first letter O. The average consumer will see the word BOTTERO and not BOTTER and a roundel device. BOTTERO has no meaning, for the average consumer, consequently, although it is not the most dominant element, it is a noticeable element and is distinctive.

43) For the average consumer in the United Kingdom neither trade mark will have any meaning. Consequently, the position in relation to the conceptualities of the trade marks is neutral.

44) Visually CBL'S trade mark contains a large stylised B in a square with rounded edges. The letters of BOTTERO are broken up by spaces and a star appears in the final O. However, there is nothing particularly striking about the lettering; the average consumer will simply remember the word BOTTERO. Visually BOTTERO (stylised or not) and BUTTERO are very similar. There is a degree of visual similarity between the respective trade marks, when considering them in their entireties.

45) The average consumer is unlikely to refer to the trade mark by reference to the stylised letter B. He or she is likely to refer to it by reference to BOTTERO, as the witnesses for CBL do. Phonetically the respective trade marks are highly similar.

### **Conclusion**

46) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa<sup>ix</sup>. In this case the respective goods are identical.

47) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion<sup>x</sup>. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public<sup>xi</sup>. In determining the distinctive character of a 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 mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings<sup>xii</sup>. For the average consumer in the United Kingdom, BUTTERO is an invented word with no allusion to footwear. The trade mark enjoys a good deal of inherent distinctiveness.

48) It is important to bear in mind that the average consumer will seldom be comparing trade marks directly but will be relying upon imperfect recollection. As neither BUTTERO nor BOTTERO has a meaning, the average consumer has no hook for the memory; increasing the effects of imperfect recollection.

49) Owing to the nature of the goods the visual aspect is of more importance than the aural aspect. In this case the phonetic similarity is greater than the visual similarity. However, there is still some visual similarity. The GC held in *Phildar SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-99/06*:

“82 In that regard, it must be pointed out, first, that the importance of certain visual dissimilarities may be diminished by the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks at issue but must rely on the imperfect picture of them that he has retained in his mind. Secondly, the consumer may be prompted, as submitted by the applicant, to choose goods from the categories in question in response to a television advertisement, for example, or because he has heard them being spoken about, in which cases he might retain the aural impression of the mark in

question as well as the visual aspect. It has already been held that mere aural similarity may, in certain cases, lead to a likelihood of confusion (see paragraph 58 above). It is possible that the consumer might let himself be guided in his choice by the imperfect aural impression that he has retained of the earlier mark which may, inter alia, remind him of something in common with a 'thread'. The importance of the aural aspect was mentioned only in respect of some of the goods concerned such as the 'strings' in Class 22, the various goods in Class 23 and those in Class 26, with regard to which the Board of Appeal accepted that they are generally sold over the counter, that is to say, orally (paragraphs 26 to 28 of the contested decision)."

In *Mülhens GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-206/04 P* the Court of Justice of the European Union (CJEU) stated:

"21 It is conceivable that the marks' phonetic similarity alone could create a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see, in respect of Directive 89/104, *Lloyd Schuhfabrik Meyer*, paragraph 28). However, it must be noted that the existence of such a likelihood must be established as part of a global assessment as regards the conceptual, visual and aural similarities between the signs at issue. In that regard, the assessment of any aural similarity is but one of the relevant factors for the purpose of that global assessment.

22 Therefore, one cannot deduce from paragraph 28 of the judgment in *Lloyd Schuhfabrik Meyer* that there is necessarily a likelihood of confusion each time that mere phonetic similarity between two signs is established.

35 That global assessment means that conceptual and visual differences between two signs may counteract aural similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately (see, to that effect, Case C-361/04 P *Ruiz-Picasso and Others v OHIM* [2006] ECR I-0000, paragraph 20).

In this case the trade marks have no conceptual associations. It is also to be noted that the CJEU referred to the conceptual **and** visual differences counteracting the aural similarities.

50) In *Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) v Shaker di L Laudato & C Sas Case C-334/05 P* the CJEU stated:

"41 It is important to note that, according to the case-law of the Court, in the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one

component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29).

42 As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.”

51) A large device over a word that is highly similar to an earlier distinctive trade mark will not militate against confusion. In this case the average consumer will be confronted with two highly similar words, over one of which is a distinctive device element. It is likely that there would be direct confusion. If there were not direct confusion, the average consumer would certainly believe that the goods emanate from the same undertaking.

52) In written submissions, CBL ran the argument that the trade marks had co-existed in the marketplace and that this was indicative that there would not be a likelihood of confusion. Mr Krause did not pursue this line of argument. The parties are clearly in different areas of the market where there is no reason that they would overlap. The words of Laddie J, if in relation to services, ring particularly true in relation to this matter:

“26. The reason why the rule of thumb referred to above does not give a safe indication of whether there is infringement in this case is because of the nature of the parties' respective presences in the market. They are not in competition with each other. The business consultancy field is enormous. Indeed, on the basis of the evidence before me, the logistics section of the business consultancy field is enormous. The Claimant's core activities are not in the logistics field, the Defendant's are. Furthermore, even within that field, the Defendant is a very small player, as will be explained below. In those circumstances it is not surprising that there has been no confusion in the market place. To date the Claimant and the Defendant trade in different parts of the market. This does not come close to imitating the notional world used for determining likelihood of confusion under Article 9.1(b).”

*(Compass Publishing BV v Compass Logistics Ltd [2004] RPC 41)*

**53) The application for registration is refused under section 5(2)(b) of the Act.**

## **Costs**

Srl, having been successful, is entitled to a contribution towards its costs. Costs are awarded upon the following basis:

Opposition fee:	£200
Preparing a statement and considering the statement of CBL:	£400
Preparing evidence and considering evidence of CBL:	£500
Written submissions:	£100
Total:	£1,200

**Calçados Bottero Ltda is ordered to pay Calzaturificio Buttero Srl the sum of £1,200. 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 28<sup>th</sup> day of November 2011**

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

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<sup>i</sup> Section 6A of the Act reads:

- “(1) This section applies where –
- (a) an application for registration of a trade mark has been published,
  - (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
  - (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
- (3) The use conditions are met if –
- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
  - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

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- (4) For these purposes –
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
  - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects –
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or
  - (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration)."

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

<sup>ii</sup> *Animal Trade Mark* [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

<sup>iii</sup> *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for

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instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is-- how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in Decon suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

<sup>iv</sup> *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

<sup>v</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>vi</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>vii</sup> *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

<sup>viii</sup> *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

<sup>ix</sup> *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

<sup>x</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>xi</sup> *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

<sup>xii</sup> *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.