

O-392-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2474062
BY FABRIC FLAVOURS LTD TO REGISTER THE TRADE MARKS**

LOVE AND MONEY

AND

LOVE & MONEY

AS A SERIES OF TWO MARKS IN CLASS 25

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 97076
BY MAGLIFICIO LOREL MISS S.P.A.**

TRADE MARKS ACT 1994

**IN THE MATTER OF application No. 2474062
by Fabric Flavours Ltd. to register the trade marks
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as a series of two marks in Class 25**

and

**IN THE MATTER OF Opposition thereto under No. 97076
by Maglificio Lorel Miss S.P.A.**

BACKGROUND

1) On 11 December 2007, Fabric Flavours Ltd. ("Fabric"), of 571 Finchley Road, London, NW3 7BN applied under the Trade Marks Act 1994 for registration of the following series of two marks:

Love and Money

Love & Money

2) The application is in respect of the following goods:

Articles of clothing; articles of underclothing; articles of clothing for children; hosiery, tights, vests; sweaters, Halloween costumes, dresses, pants, sweat pants, sweat shirts, shirts, shorts, sleepers, socks, T-shirts, tank tops; headgear; swimwear and beachwear; bathing suits; pyjamas, nightdresses; jackets; bathing and shower caps, bath robes, bath sandals and bath slippers; gloves, mittens; hats; belts; bibs, babies napkins of textile; aprons; footwear; slippers, boots and shoes

3) On the 8 February 2008, the application was published in the Trade Marks Journal and on 8 May 2008, Maglificio Lorel Miss S.P.A. ("Maglificio") of Via Ricerca Scientifica 5, Carpi (MO), Italy, 40121 filed notice of opposition to the application.

4) Maglificio is the proprietor of the two following earlier marks:

Mark detail and relevant dates	Goods
CTM 1269364 LOVE SEX MONEY Filing date: 6 August 1999 Registration date: 20 September 2000	Class 25 Clothing; footwear; headgear
CTM 5109723  Filing date: 31 May 2006 Registration date: 31 May 2007	Class 25 Clothing; footwear; headgear

5) The grounds of opposition are that Fabric's application offends against Section 5(2)(b) and Section 5(3) of the Trade Marks Act 1994 ("the Act") because its marks are similar to the two marks detailed above, and is in respect of identical or similar goods and because its marks are detrimental to both the reputation and distinctive character associated with Maglificio's marks.

6) Fabric subsequently filed a counterstatement denying Maglificio's claims and requesting that Maglificio provides proof of use in respect of all goods covered by its earlier CTM 126964 LOVE SEX MONEY.

7) Only Maglificio filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 22 September 2010 when Maglificio was represented by Tania Clark of Withers & Rogers LLP and Fabric represented by its own Ezekiel Sweiry.

Opponent's Evidence

8) This takes the form of two witness statements, the first dated 1 June 2009, by Lorella Signorino, sole director of Maglificio. Ms Signorino provides approximate sales figures for the years 2000 to 2008 for the UK and the EU "for all sales of goods bearing the Registrations". These are:

Year	UK	EU
2000	-	£560,200
2001	£13,750	£580,000
2002	£3,180	£591,530
2003	-	£707,370
2004	£149,953	£1,931,980
2005	£161,452	£1,850,173
2006	£94,826	£2,173,148
2007	£225,718	£2,776,900
2008	£170,068	£1,829,203

9) Ms Signorino also discloses that the advertising spend across the EU was £647,974 in 2007 and £386,807 in “the first semester in 2008” and that advertising is placed in all of the major fashion magazines including Vogue, Elle, Vanity Fair, Marie Claire and Grazia.

10) Ms Signorino provides a list of fourteen distributors in the UK covering Glasgow, Newcastle upon Tyne, Lytham St Annes, Leeds, Birmingham, London, Beaconsfield, Leigh on Sea and Bournemouth.

11) The goods covered by the registrations are of high quality and Ms Signorino provides average retail prices for items of clothing sold in respect of Maglificio’s marks from the Winter Collection 2007/8 as follows:

Coat:	£750 - £1,000
Dress:	£150 - £350
Skirt suit:	£350 - £550

12) At Exhibit LS2, Ms Signorino provides examples of advertisements for Maglificio’s goods. This includes a weighty Italian language publication entitled “MF fashion” which appears to celebrate ten years of fashion between the years 1997 and 2007. Although unmarked, I have noted that on page 99 of this 530 page publication is a full page advertisement featuring a women modelling clothes with the words LOVE SEX MONEY appearing prominently.

13) This exhibit also includes a copy of the publication “Vogue España” dated March 2008. At page 167 of this Spanish language publication is a full page advertisement, similar to the one detailed above featuring the words LOVE SEX MONEY LORELLA SIGNORINO. Also exhibited is an Italian language publication called “Glamour” from October 2000 that begins with a four page advertisement featuring women’s clothing and the text “LOVE SEX MONEY, Four Seasons Hotel, Milano, Dal 27 Settembre Al 3 Ottobre”. A similar six page advert carrying the same text appears in a copy of the publication “Vogue Italia” from September 2000.

14) Exhibit LS2 also contains a copy of a page showing the first ten “hits” of a total of 477 from an Internet search for LOVE SEX MONEY using the Google search engine. The search was conducted on 18 May 2009. All ten hits appear to refer to Maglificio’s goods.

15) An Italian language book entitled “Carpigiani Protagonisti” is provided at Exhibit LS3. Ms Signorino states that this book, published in December 2005, gives the background to Maglificio’s registrations and the development of the brands. The second witness statement by Roel Daamen, dated 3 August 2009, provides a translation to the relevant extract from this book. It talks about the inspiration behind the clothing range provided under the mark LOVE SEX MONEY. It also records the company’s “passage from midlevel to medium-high market” in the year 2000 with its clothing sold through its boutiques in Europe and elsewhere.

16) A number of invitations, ostensibly in Italian, are provided at Exhibit LS4 and relate to Maglificio’s annual fashion shows in Milan in the years 2001, 2002, 2004 and 2006. Also in this exhibit is a catalogue from the “p/e 2004” collection and features photographs of models wearing women’s tops, skirts, dresses, bikinis and underwear. The front and back covers are blank except from the words LOVE SEX MONEY. Exhibit LS5 contains a number of CD ROMs containing advertisements and magazine extracts from the period 2004 to 2009 featuring Maglificio’s goods. Where any text is visible in these items, it appears to be in the Italian language.

DECISION

Proof of use

17) The Trade Marks (Proof of Use, etc) Regulations 2004 apply in this case. The provision reads as follows:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(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.

...

(5) In relation to a Community trade mark or international trade mark (EC), 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...”

18) An earlier trade mark is defined in section 6 of the Act, 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), Community trade mark or international trade mark (EC) 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.”

19) The requirements for “genuine use” have been set out by the Court of Justice of the European Union (“the CJEU”) in its judgment in *Ansul BV v Ajax Brandbeveiliging BV*, Case C-40/01 [2003] RPC 40 and in its reasoned Order in

Case C-259/02, *La Mer Technology Inc. v Laboratoires Goemar S.A.* [2005] ETMR 114.

20) In *Ansul*, the CJEU held as follows:

“35. ... ‘Genuine use’ therefore means actual use of the mark....

36. ‘Genuine use’ must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user...

37. It follows that ‘genuine use’ of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of its enforceability *vis-à-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns...

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular 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.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.”

21) In *La Mer* the CJEU held as follows:

21. ... it is clear from paragraph [39] of *Ansul* that use of the mark may in some cases be sufficient to establish genuine use within the meaning of the Directive even if that use is not quantitatively significant. Even minimal

use can therefore be sufficient to qualify as genuine, on condition that it is deemed justified, in the economic sector concerned, for the purpose of preserving or creating market share for the goods or services protected by the mark.

22. The question whether use is sufficient to preserve or create market share for those products or services depends on several factors and on a case by case assessment which it is for the national court to carry out....

...

25. In those circumstances it is not possible to determine *a priori*, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down.

22) Maglificio relies upon two marks filed before Fabric's application, both are registered and therefore qualify as earlier marks as defined by Section 6 of the Act. Maglificio's earlier mark, CTM 5109723, completed its registration procedure on 31 May 2007 which is less than five years before the relevant date and is therefore not subject to the proof of use provisions. In respect of CTM 1269364, completion of its registration procedures predates, by more than five years, the publication of Fabric's mark (the relevant date) and as such, it falls foul of the proof of use provisions. I am therefore required to consider if the evidence submitted supports Maglificio's claim that the mark LOVE SEX MONEY has been used in respect of *clothing; footwear and headgear*. The relevant period for demonstrating such use is 9 February 2003 to 8 February 2008.

23) In accordance with Section 6A (5) of the Act, as the earlier trade mark relied upon by Maglificio is a Community trade mark, it must demonstrate that it has been put to genuine use within the European Community. Ms Signorino provides sales figures of which, four complete years are wholly within the relevant period. For the EU these range between £707,370 and £2,776,900 and for the UK ranging between £94,826 and £225,718. She states that the advertising spend across the EU in 2007 was £647,974 and also provides typical selling prices for coats, dresses and skirt suits. Further, a list of Maglificio's fourteen distributors in the UK is also provided.

24) Maglificio also provides copies of a number of advertisements, magazine extracts and articles from publications in Italy and one from Spain as well as a catalogue from 2004. These exhibits illustrate use of the mark LOVE SEX MONEY in respect of various items of women's clothing. Taking all of this together, it is clear that Maglificio has used in mark in Italy and Spain in respect of *women's clothing*. There is nothing in the evidence to suggest that the use in the UK has been in respect of a wider range of goods. In fact, there is no

evidence actually illustrating use, in the UK, of LOVE SEX MONEY or Maglificio's other earlier mark. Nevertheless, in light of the information that has been provided in terms of turnover and sales outlets in the UK, when taken together with the nature of use in Italy and Spain, I am prepared to accept that Maglificio has use that is "sufficient to preserve or create a market share for its goods" within the EU.

25) This use is in respect of *women's clothing* only and there is nothing in the evidence that suggests use has been extended to *footwear* or *headgear*. As such, I conclude that for the purposes of Section 6A of the Act, Maglificio has demonstrated genuine use in respect of *women's clothing* only.

Section 5(2)(b)

26) Section 5(2)(b) reads:

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

(a) ...

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

27) I will confine my analysis to a comparison between Maglificio's plain word mark LOVE SEX MONEY and Fabric's marks. Despite it being in respect of a narrower range of goods, as a result of the analysis of genuine use, in my view it represents Maglificio's best case. If it cannot succeed when relying upon this mark, its opposition under Section 5(2)(b) will not succeed in respect of its LOVE IS LOVE mark.

28) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all 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 well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *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-Mayer Inc*,

(f) there is a 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) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(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 and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

(k) 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; 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; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM (LIMONCELLO)*

Comparison of goods

29) In assessing the similarity of goods, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer (Canon)* the CJEU stated at paragraph 23:

‘In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.’

30) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

31) The assessment of similarity of goods is based upon the list of goods identified in my genuine use analysis. Marketing strategies are not relevant when making this assessment (see the General Court’s comments in *Saint-Gobain SA v OHIM* Case T-364/05 and the comments of Richard Arnold QC, sitting as the Appointed Person in *Oska’s Ltd’s trade mark* [2005] RPC 20, paragraph 56). For ease of reference, the respective goods to be compared are therefore:

Maglificio's goods	Fabric's goods
<p style="text-align: center;"><i>Women's clothing</i></p>	<p><i>Articles of clothing; articles of underclothing; articles of clothing for children; hosiery, tights, vests; sweaters, Halloween costumes, dresses, pants, sweat pants, sweat shirts, shirts, shorts, sleepers, socks, T-shirts, tank tops; headgear; swimwear and beachwear; bathing suits; pyjamas, nightdresses; jackets; bathing and shower caps, bath robes, bath sandals and bath slippers; gloves, mittens; hats; belts; bibs, babies napkins of textile; aprons; footwear; slippers, boots and shoes</i></p>

32) Before considering the comparison of these goods, I also note the guidance of the General Court ("GC") in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) ("Meric")* Case T-133/05, where, at para 29, it is stated:

"In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42)."

33) With this guidance in mind it is obvious that Fabric's *articles of clothing; articles of underclothing; [...] hosiery, tights, vests; sweaters, Halloween costumes, dresses, pants, sweat pants, sweat shirts, shirts, shorts, sleepers, socks, T-shirts, tank tops; [...] swimwear and beachwear; bathing suits; pyjamas, nightdresses; jackets; [...] bath robes, [...]; gloves, mittens, [...] belts; [...]* can all be, or include, *women's clothing* and are therefore identical to Maglificio's goods.

34) In respect of Fabric's *articles of clothing for children*, such goods are distinguished by the fact that they are for children rather than women. However, it is common place for traders to provide clothes in both adult and children's sizes and for these to be sold in the same outlets, albeit, normally in different parts of the store. Women are commonly the purchaser of children's clothes and as such,

the respective consumers may be the same. Taking all of this into account, I conclude that these respective goods share a reasonably high level of similarity.

35) Fabric's specification of goods also includes *headgear; bathing and shower caps, hats*. Such goods are distinguished from Maglificio's goods in that they are to worn on the head rather than on the body. All these goods may be designed to appeal specifically to women. In respect of *bathing and shower caps* the purpose of such goods is primarily to protect the hair from getting wet when in the bath or shower. They may be sold in close approximation to *women's clothing*, such as *swimwear* (in the case of *bathing caps*) or *bathrobes* (in the case of *shower caps*). Taking all of this into account, I conclude that they share a reasonably high level of similarity with Maglificio's *women's clothing*. In respect of *headwear* and *hats*, these may be fashion items and are, as such, closely associated with clothing and may be sold in the same shops and in adjacent areas of such shops. Taking all of this into account, *headwear* and *hats* share a reasonably high level of similarity to Maglificio's goods.

36) The position regarding Fabric's *bath sandals and bath slippers, footwear; slippers, boots and shoes* are similar to that of the various types of headwear discussed above. *Bath sandals and bath slippers* generally have a practical application and may be sold in close proximity to, for example, *swimwear* or *bathrobes* that, in turn, are covered by Maglificio's goods. As such, I conclude that they share a reasonably high level of similarity with Maglificio's *women's clothing*.

37) *Footwear; slippers, boots and shoes* are broader terms that include footwear that are chosen, not only for functional purposes, but also for aesthetic/fashion reasons. Once again, they may be sold in close proximity to *women's clothing*. These goods share a reasonably high level of similarity to Maglificio's goods.

38) Fabric's remaining goods are *bibs, babies' napkins of textile* and *aprons*. The primary purpose of these goods is to prevent soiling of the clothes. As such, they are more items for protection than traditional items of wear. *Aprons* are not likely to be found in a clothing shop, they are more likely to be found in relation to kitchenware or similar. *Bibs* and *babies' napkins of textile* may be found in a clothing shop alongside clothing for infants and therefore, as I identified earlier, may share the same sales outlet as *women's clothing*. However, their purpose is such as to put some distance between these goods and *women's clothing*. Taking account of all of this and of the criteria set out in *Canon*, in respect of *bibs, babies' napkins of textile*, there is a low level of similarity with Maglificio's *women's clothing*. However, in respect of *aprons*, I cannot see that there is even this low level of similarity.

The average consumer

39) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the goods at issue. As the respective goods are identical, it follows that the relevant consumer will be the same, namely the clothing, footwear and headgear buying members of the general public.

40) In respect of these goods, I am mindful of the comments of Mr Simon Thorley, sitting as the Appointed Person, in the *React* trade mark case [2000] R.P.C. 285:

“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 so far as to say that aural means of identification are not relied upon.”

41) The GC has continued to identify the importance of visual comparison when considering the purchasing act in respect of clothing (see for example Joined Cases T-117/03 to T-119/03 and T-171/03 *New Look Ltd v OHIM (NLSPORT et al)* [2004] ECR II-3471 at [49]-[50] and Case T-414/05 *NHL Enterprises BV v OHIM (LA KINGS)* [2009] ECR II). Maglificio provides information to illustrate that its clothes are expensive, high quality products, however, its specifications of goods are not limited in this way and I must therefore consider who is the notional consumer and not the actual consumer. As such, it is reasonable that I apply Mr Thorley’s comments here. The purchasing act will, generally be described as consumer items and will involve a reasonable degree of care and attention but not the highest degree of attention. As Mr Thorley noted, the purchasing process is primarily a visual one but I do not ignore the aural considerations that may be involved.

Comparison of marks

42) For ease of reference, the respective marks are:

Maglificio’s mark	Fabric’s marks
LOVE SEX MONEY	LOVE AND MONEY
	LOVE & MONEY

43) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23).

44) Mr Sweiry argued that the dominance of the word SEX in Maglificio's mark is sufficient to prevent Fabric's mark being confused with it. I note this view, but I am particularly mindful of the guidance provided by the ECJ in *Sabel BV v Puma AG* that it is the overall impression created by the marks that I must consider.

45) From a visual perspective, Madlificio's mark and Fabric's first mark are similar in that they each consist of three words with both sharing the same first and last word, namely LOVE and MONEY. They differ in that they have different second words, namely SEX and AND respectively, but that both these words are the same in length, consisting of three letters each. Taking these differences and similarities into account, I conclude that these marks share a reasonably high level of visual similarity.

46) Similar considerations apply when considering Fabric's second mark. However, here the difference is slightly enhanced by Fabric's mark having an ampersand instead of the word AND. This slightly greater difference reduces the visual similarity slightly, but not to any significant extent.

47) From an aural perspective, both of Fabric's marks will be pronounced as the three words LOVE AND MON-EY, with the last word consisting of two syllables. Maglificio's mark's first and last words will be pronounced the same as in Fabric's mark, but of course has the different second word SEX. Whilst this has the same length as the word AND in Fabric's mark, with both being short, single syllable words, it nonetheless, is a point of difference. Taking all of this into account, I conclude that the respective marks share a reasonably high level of aural similarity.

48) Conceptually, the respective marks have the words LOVE and MONEY in common, with their obvious meanings. Both these words describe what some will see as desirable aspects of a happy and successful lifestyle. Maglificio's mark also contains the word SEX. Whilst this is a word, and therefore, a concept missing from Fabric's marks, it nevertheless is a further characteristic that some may associate with a certain type of lifestyle. As such both Fabric's marks and Maglificio's mark share common characteristics despite there being one element of difference, where the word SEX is substituted in the later mark by the word AND. Taking all of this into account, I conclude that the respective marks share a moderately high level of conceptual similarity.

49) I have therefore found that the respective marks share a moderately high level of visual, aural and conceptual similarity and this combines to give the marks a moderately high level of similarity overall.

Distinctive character of the earlier trade mark

50) I have to consider whether Maglificio's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. It consists of the word LOVE SEX MONEY. All three words have a clear meaning in English, as already identified above, and can be linked in what can be perceived as describing an exciting successful lifestyle. As such, there can be a loose connection with the relevant goods. As such, the mark enjoys a moderate degree of inherent distinctive character.

51) I must also consider the effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act. This was considered by David Kitchen Q.C. 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 the observations of Mr. Thorley Q.C 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. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

52) In its evidence, Maglificio makes much of the fact that Per Una Group Ltd, a company owned by Marks & Spencer Plc will become one of its UK distributors in September 2009. This is of no assistance for two reasons. Firstly, it relates to a period after the relevant date for these proceedings, being 11 December 2007 which is the filing date of Fabric's marks. Secondly, there is no evidence that the arrangement has resulted in any sales or advertising of Maglificio's goods in the UK. Maglificio has disclosed a turnover in the UK of between £94,000 and £226,000 in each of the four years prior to the filing date of Fabric's marks. The scale of such use suggested by this level of turnover is small when considered in

the context of the clothing market as a whole. Whilst no evidence is provided regarding the size of this market or of Maglificio's market share, I believe my conclusion is well founded in light of the visibly huge scale of the industry in the UK. There is evidence of a greater volume of sales in Europe, but this does not support a reputation in the UK, which is what is relevant here.

53) In conclusion, I find that the moderate degree of distinctive character is not enhanced to any significant extent as a result of any use of the mark.

State of the register evidence

54) Mr Sweiry drew my attention to the existence of earlier registration 2370917 MONEY LOVE in the name of a third party and contented that it supported his argument that his mark should also be accepted. I note this, but the *TREAT* case, referred to earlier, provides guidance on this point. In summary, a comparison with other marks on the register is irrelevant because it does not assist "the required factual enquiry one way or the other" as "it does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the registrar to put the marks concerned on the register". As such, the mere existence on the register of this other mark does not assist Fabric's case.

Likelihood of confusion

55) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

56) I have found that the respective marks share a moderately high level of visual, aural and conceptual similarity. I also found that most of Fabric's goods are identical or share a reasonably high or high level of similarity to Maglificio's *women's clothing*. The exception to this is Fabric's *bibs, babies' napkins of textile and aprons*, where I found that they share no better than a low level of similarity to Maglificio's goods.

57) I am mindful of Amanda Michael's comments, whilst sitting as the Appointed Person in *Technica Trade Mark* BL O-131-09, where she commented that one should not treat Simon Thorley QC's comments on the purchasing act, in respect of clothing, in *React Trade Mark* [2000] R.P.C. 285 as laying down a rule giving such importance to the purely visual aspect of a mark used on clothing so as to ignore the other relevant factors. To this end, I remain mindful of my finding in respect of both the aural and conceptual similarities and differences also.

58) I therefore take all of the above into account, including the facts that the consumer relies upon imperfect recollection and the moderate degree of

distinctive character enjoyed by the mark LOVE SEX MONEY. In doing so, I find that, in respect of identical, highly similar or reasonably highly similar goods, the differences between the respective marks are such as to not outweigh their similarities and I find that the consumer would confuse the marks in the sense that one mark will be mistaken for the other (“direct confusion”). On balance, I find that there is no likelihood of confusion in respect of the goods with a low level of similarity.

59) In summary, the opposition based upon Section 5(2) (b) of the Act succeeds against both marks in the series and in respect of the following goods:

Articles of clothing; articles of underclothing; articles of clothing for children; hosiery, tights, vests; sweaters, Halloween costumes, dresses, pants, sweat pants, sweat shirts, shirts, shorts, sleepers, socks, T-shirts, tank tops; headgear; swimwear and beachwear; bathing suits; pyjamas, nightdresses; jackets; bathing and shower caps, bath robes, bath sandals and bath slippers; gloves, mittens; hats; belts; [...] footwear; slippers, boots and shoes

60) The opposition fails in respect of the remaining goods, namely *bibs, babies napkins of textile; aprons.*

61) I should comment here that, even if Maglificio was entitled to rely upon the full list of goods in its registration, it would not have achieved any greater success. It follows that neither could it have achieved greater success if I had based on my analysis on Maglificio’s LOVE IS LOVE mark.

Section 5(3)

62) Whilst Maglificio has been largely successful in respect of its grounds based upon Section 5(2)(b) of the Act, I will also comment briefly on the merits of its opposition based upon Section 5(3). In order for this ground to be considered, Maglificio must establish that its marks, at the relevant date, was known by “a significant part of the public concerned by the products or services covered” (see *General Motors Corporation v Yplon SA* Case C-375/97 [2000] RPC 572) for *clothing, footwear and headgear*. Maglificio’s evidence illustrates that it markets itself as a high quality clothing producer asking prices of £150 to £350 for a dress and up to a £1000 for a coat. However, it is clothing generally that has to be considered, not some ill defined subset of these goods. To adopt another approach would also go against the purposes and effects of section 5(3) which caters for those marks which transcend the normal parameters of knowledge and effect of a mark. The turnover in the UK is modest and the greater volume of sales in Europe is not relevant to establishing a reputation in the UK. The evidence indicates that those with a good deal of knowledge of fashion may be aware of LOVE SEX MONEY, however, the consumer of clothing is drawn from a very broad spectrum of the public. From the nature and number of the

references, the turnover figures and the distribution network I do not consider that Maglificio has established the requisite reputation to be able to succeed in a claim under section 5(3) of the Act.

COSTS

63) The opposition having been substantially successful, Maglificio is entitled to a contribution towards its costs. I take account of the fact that a hearing has taken place. I award costs on the following basis:

Notice of Opposition and statement	£500
Preparing and filing evidence	£800
Preparing for and attending hearing	£600
TOTAL	£1900

64) I order Fabric Flavours Ltd. to pay Maglificio Lorel Miss S.P.A. the sum of £1900. 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 11 day of November 2010

**Mark Bryant
For the Registrar,
the Comptroller-General**