

TRADE MARKS ACT 1994

IN THE MATTER OF Application No. 2195383 by The Lunan Group Limited to register a trade mark in Classes 9, 14 & 18

AND

IN THE MATTER OF Opposition thereto under No. 50920 by Edwin Co. Limited

Background

1. On 23 April 1999, Orotan Pty Limited applied to register the trade mark “FIORELLI” for the following goods:

Class 9:

Sunglasses; spectacles; cases adapted for sunglasses and spectacles; chains and cords for sunglasses and spectacles; frames for sunglasses and spectacles; lenses for sunglasses and spectacles.

Class 14:

Horological and chronometric apparatus and instruments; watches and clocks; watch straps; chains and bands for watches; watch cases; jewellery; precious stones; precious metals and their alloys and goods made of precious metals or coated therewith.

Class 18:

Bags; handbags; purses; cases; wallets; clutchbags; tote bags; backpacks; shopping bags; shoulder bags; billfolds; key cases; cheque book covers; card cases; briefcases; attaché cases; luggage; travelling bags; suitcases; trunks; umbrellas.

2. The application was accepted and published and on 17 April 2000, Edwin Co. Limited filed notice of opposition. The earlier trade marks on which the opponent relies are shown as an annex to this decision. The grounds of opposition are in summary:

- a) under section 5(2)(b) of the Trade Marks Act 1994, in that the mark applied for is similar to the opponent’s earlier marks-“FIORUCCI” AND “ELIO FIORUCCI” and is applied for in respect of identical/similar goods. Therefore there exists a likelihood of confusion, on the part of the public including a likelihood of association with the opponent’s earlier marks. The opponent also claims that their marks qualify as a well-known mark under the terms of the

Paris Convention by virtue of the significant use made of the trade mark “FIORUCCI” and the goodwill and reputation attached.

- b) under section 5(4)(a) of the Act in that the opponent’s marks have acquired an extensive reputation as a result of the use made of their marks and the publicity these have received. As such, use of the applicant’s trade mark would be liable to be prevented by the law of passing off.
- c) under section 5(3) of the Act as the opponent’s marks have a reputation in the United Kingdom and use of the mark applied for, would take unfair advantage of, or be detrimental to, the distinctive character and repute of the opponent’s earlier marks.

3. The applicant filed a counterstatement in which the grounds of opposition are denied. Following an assignment, the application now stands in the name of The Lunan Group Limited. Both sides filed evidence in these proceedings and both sides asked for an award of costs in their favour. The matter came to be heard on 12 June 2002. The opponent were represented by Ms Arenal of Mewburn Ellis and the applicant’s by Mr Hamer of Counsel, instructed by Frank B Dehn & Co.

4. There are parallel proceedings before the Office involving the same parties and the same trade marks. These are opposition proceedings number 52204. In opening the proceedings, it was agreed between the parties that, save for minor points of clarification, a single set of submissions would apply to both sets of proceedings. The evidence filed in the proceedings was also substantially the same.

Evidence

Opponent’s Evidence

5. This consists of two witness statements, one dated 2 December 2002, is from Mr Terry Jones. The other dated 21 December 2000 is by Mr Nicholas Vratsidas, proxy for the opponents. These are the same witness statements and accompanying exhibits submitted as evidence on opposition proceedings 52204 and summarised in the decision on that case of today’s date. I do not intend to summarise the evidence again. A full summary is available in the decision on Opposition 52204.

Applicant’s Evidence

6. Again, as the evidence submitted by the applicant on this opposition was submitted in the later opposition number 52204, their evidence is summarised in that decision and I do not intend to repeat it here.

Opponent’s Evidence-in-Reply

7. This consists of a witness statement, dated 20 November 2001, from Ms Sofia Arenal. Ms

Arenal makes various comments concerning the applicant's evidence. These are again set out in the summary of her witness statement dated 7 March 2002 on opposition proceedings 52204.

Decision

8. I will firstly consider the ground of opposition based on section 5(2)(b) of the Act. The section reads as follows:

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

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

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

9. An earlier trade mark is defined as follows:

“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,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or...”

10. In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *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. 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* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, 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.* page 84, paragraph 27.

- (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* page 224;
- (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* page 224;
- (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* page 132, paragraph 17;
- (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* page 224;
- (g) 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* page 224;
- (h) 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* page 732, paragraph 41;
- (i) 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* page 133 paragraph 29.

11. Under section 5(2), the test is a composite one, involving a global appreciation taking into account a number of factors. With these comments in mind I proceed to consider the opponent's case under section 5(2)(b).

The earlier trade mark

12. The opponent is the proprietor of a number of trade marks set out in an annex to this decision. All are earlier trade marks within the meaning of section 6 of the Trade Marks Act 1994. They have registrations for FIORUCCI and ELIO FIORUCCI. It was clear that their best case fell to be determined by reference to their FIORUCCI marks. Again they have a number of FIORUCCI marks. I propose to concentrate on the opponent's earlier UK registration 1158425 and CTM 367250 as the basis of their opposition as these represent their

best case. The respective marks and specifications of goods are as follows:

Applicant's Mark

FIORUCCI

Class 9:

Sunglasses; spectacles; cases adapted for sunglasses and spectacles; chains and cords for sunglasses and spectacles; frames for sunglasses and spectacles; lenses for sunglasses and spectacles.

Class 14:

Horological and chronometric apparatus and instruments; watches and clocks; watch straps; chains and bands for watches; watch cases; jewellery; precious stones; precious metals and their alloys and goods made of precious metals or coated therewith.

Class 18:

Bags; handbags; purses; cases; wallets; clutchbags; tote bags; backpacks; shopping bags; shoulder bags; billfolds; key cases; cheque book covers; card cases; briefcases; attaché cases; luggage; travelling bags; suitcases; trunks; umbrellas.

Opponent's Mark

FIORELLI

Class 9: (CTM)

The specification uses the wording of the Class 9 heading and includes the term. "...optical...apparatus and instruments...."

Class 14 (CTM):

Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and Chronometric instruments.

Class 18 (CTM):

Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.

Class 18 (UK registration):

Handbags, shoulder bags and travelling bags.

Reputation/Inherent distinctiveness of the earlier trade mark

13. The case law set out above indicates that one of the many factors to be taken into account is the distinctiveness of the opponent's earlier trade mark. The mark may possess that distinctive character because of the inherent nature of the mark, or it may enhance its distinctive character through the use that has been made of it. Therefore, in reaching a decision under section 5(2)(b), it is necessary to look at the opponent's mark and to assess its

inherent capacity to distinguish and to look at the use that has been made of the mark.

14. For the reasons set out in the decision relating to opposition 52204, I concluded that the trade mark “FIORUCCI” would be an unfamiliar word to the British buying public. It is an unusual name in the United Kingdom, as such, it seems to me that it has a high degree of distinctive character per se.

15. As in opposition proceedings 52204, Ms Arenal sought to rely on the enhanced distinctiveness of the mark arising from the use that has been made of it. In those proceedings I concluded that the evidence filed was insufficient for me to find an enhanced recognition in the market place for clothing. By Ms Arenal’s own admission, the bulk of the use shown in the evidence filed in both proceedings related to clothing, predominantly women’s clothing. Given this fact, it is not surprising perhaps that in relation to the goods in dispute in these proceedings, I cannot find that the opponent’s mark enjoyed an enhanced level of recognition at the relevant date. I agree that the evidence shows some use on sunglasses, bags, watches, umbrellas and other accessories but there is insufficient evidence of the extent and duration of that use and the position that the opponent held in the relevant market.

16. To conclude, I find that although the opponent’s mark FIORUCCI possess a high degree of distinctiveness per se, that distinctive character has not been enhanced through the use that has been made of the trade mark.

Identity/Similarity of the Goods

17. It was accepted that the opponent’s and applicant’s goods falling in classes 14 & 18 were identical or similar. However, in so far as the application covers goods in class 9, there was a disagreement between the parties as to whether the opponent’s earlier CTM registration covered identical or similar goods.

18. It should be noted that the opponent’s CTM 367250 covers a range of goods in class 9. Above I have set out only the relevant part of that specification. The wording of the specification is in fact the class heading as it then was for Class 9 of the International Classification of Goods and Services (the Nice Classification). It was Ms Arenal’s submission that the class heading when used as a specification of goods covered all the goods within that class. She submitted that this was the practice of the Office for Harmonisation in the Internal Market.

19. It may or may not be the practice of OHIM to treat class headings as covering all the goods or services that fall within the class. What I can say is that it is not the practice of the United Kingdom Patent Office to treat the class heading as including all the goods in that class. When a class heading is used as the specification of goods or services, it is the practice in the United Kingdom to treat that wording not as covering all the goods in that class but as covering the goods set out in the class heading.

20. A good example of this can be seen if one looks at the class heading for class 15 “Musical Instruments”. The list of goods in class 15 includes “music stands” and “valves for musical instruments”. In my view, neither of these fall within the term “musical instruments”.

Thus, when the class heading is used as a specification, it ceases to act as a class heading and becomes merely a list of the goods or services for which the mark is registered. That is how I intend to proceed in this case.

21. Therefore, I must decide whether the term “optical apparatus and instruments” covers identical or similar goods to the terms, “Sunglasses; spectacles; cases adapted for sunglasses and spectacles; chains and cords for sunglasses and spectacles; frames for sunglasses and spectacles; lenses for sunglasses and spectacles”.

22. Ms Arenal argued that sunglasses and glasses fell within the term “optical apparatus”. Mr Hamer disagreed and submitted that they did not. There was no evidence on this point and therefore I must determine the matter myself having regard to the ordinary meaning of the words “optical apparatus and instruments”. Collins Dictionary defines ‘optical’ as “1. of or involving light or optics. 2. of the eye or the sense of sight”. ‘Apparatus’ is defined as “1. A collection of equipment used for a particular purpose. 2. Any complicated device, system or organisation.” So does a term concerning, “complicated device of or involving light or the sense of sight”, cover the more mundane terms sunglasses and spectacles? I think that they do. It seems to me that sunglasses and spectacles fall within the term optical apparatus. The other goods falling in class 9 are accessories for sunglasses and spectacles and would in my view be similar.

23. To conclude I find that the goods covered by the opponent’s and applicant’s trade marks are either identical or similar.

Comparison of the Trade Marks

24. I now proceed to compare the trade marks, taking into account any visual, aural or conceptual similarities. I must judge the matter through the eyes of the average consumer who is deemed to be reasonably well informed and circumspect. The average consumer of both the applicant’s and opponent’s products would be ordinary members of the public. Here the goods are primarily sunglasses, spectacles, watches, jewellery, various bags and other fashion accessories. As with clothing, it seems to me that these items will primarily be chosen by the eye.

25. For the reasons set out in the decision on Opposition 52204, **I find that there is a high degree of visual similarity and some aural and conceptual similarity between the marks.**

The Applicant’s Use and Evidence as to Confusion

26. As in the parallel opposition proceedings, Mr Hamer suggested that given that both marks had been on the market for some time, the absence of any evidence of confusion was a factor that should be taken into account when assessing the likelihood of confusion. He also pointed to the evidence of third parties filed by the applicant, stating that they would not confuse the two trade marks. The opponent filed evidence from Mr Jones suggesting that the public would be confused.

27. Dealing with the first point, I accept that whether two marks can be shown to have co-

existed in the market place, parallel use of the two marks can be a factor to take into account in the global appreciation under section 5(2); see *Codas* (SRIS 0/372/00).

28. In the parallel opposition which concerned goods in class 25, I had very limited evidence of the applicant's use on goods in that class. Mr Hamer accepted that his clients main use had been on bags falling in class 18. I did not understand Ms Arenal to dispute this fact. Had it been in dispute, I would have had no hesitation in finding that on the basis of the evidence filed, the applicant has for a number of years sold a large number and range of bags in the United Kingdom.

29. However, in these opposition proceedings, Mr Hamer faces another difficulty. Mr Hamer's argument is that given this extensive use by the applicant, the absence of any evidence of confusion in the market place should be a factor that I should take into account when deciding whether there is a likelihood of confusion. This however, it based on the premise that there has been parallel use of both marks in the market over a period of time. On the evidence, that does not seem to be the case here.

30. On the evidence before me, it seems that the opponent's use of FIORUCCI has been limited, such use that has been shown has been predominantly on women's clothing. There is some use on sunglasses, bags and watches and jewellery but the use does not appear to be extensive.

31. As such, I am faced with the problem that whilst the applicant has shown use on the goods in classes 9, 14 and extensive use in class 18, the opponents have not shown much on goods falling within these classes. Therefore, I do not think that I can give too much weight to the fact that there has been no evidence of confusion brought before me. I must apply a notional and fair use test, assuming use of both the registered trade mark and the applicant's mark across the range of goods for which they are respectively registered and applied for.

32. Turning to the evidence of third parties, it is well established that the question of the likelihood of confusion is primarily a matter for the tribunal; *The European Limited v. The Economist Newspaper* [1998] F.S.R. 283. The tribunal can take into account expert evidence where that evidence is properly sought and where the expert gives evidence as to his experience and it is explained in sufficient detail so that the tribunal court can comprehend the reason why the expert holds that opinion and can assess the weight that is to be attached to it; see comments of Mr Simon Thorley Q.C. in *Loaded Trade Mark* (SRIS 0/455/00). Having reviewed the evidence of Ms Bamber, Mr Greenhalgh, Ms West, Mr Cook, Mr Cottrell and Mr Jones, I am of the view that they merely give their opinion as to the likelihood of confusion. Their evidence states their own view as to whether they would confuse the two trade marks and some proceed to analyse and make comparisons between the marks. These are matters for the tribunal and they have not, in my view, qualified themselves to give evidence on this point.

Conclusions under section 5(2)(b)

33. Together with my finding in relation to the inherent distinctiveness of the opponent's mark, the degree of similarity of the marks and the similarity/identity of the goods, how

do these findings come together under section 5(2)(b).

34. Mr Hobbs, Q.C., sitting as the Appointed Person *Balmoral Trade Mark* [1998] R.P.C. 297 at page 301, found that section 5(2) raised a single composite question. Adapted to this case it can be stated as follows:

Are there similarities (in terms of marks and goods) which would combine to create a likelihood of confusion if the “earlier trade mark”, **FIORUCCI** and the sign subsequently presented for registration, **IORELLI**, were used concurrently in relation to the goods for which they are respectively registered and proposed to be registered?

35. Having considered the various factors, I reach the view that this question must be answered in the affirmative. In so finding, I have taken account of the inherent distinctiveness of the opponent’s marks and the identity/similarity of the goods and that a lesser degree of similarity between the marks can be offset by a greater degree of similarity/identity between the goods.

36. I found some aural and conceptual similarity between the marks and a higher degree of visual similarity. As noted above, it seems to me that the goods in question are primarily chosen by the eye but I do not discount the possibility that aural and conceptual similarities will also play a part in the selection process. Mr Lunan gives evidence as to the way in which the products in question are selected and that they would not be the subject of a rushed or hurried purchase. That may be so, but I must also take into account the fact that the average consumer is unlikely to see the marks side by side but must instead carry around with them an imperfect picture of the mark in their head, so called imperfect recollection. Taking all these factors into account, I reach the view that there is a likelihood of confusion within the meaning of section 5(2)(b).

37. Ms Arenal went on to suggest that the average consumer, even if they did not directly confuse the one mark for the other, might believe that the mark IORELLI represented another FIORUCCI brand and so believe they came from the same undertaking. Given my finding of a likelihood of direct confusion between the marks, I need not consider this submission further.

Applicant’s Prior Registration in class 18

38. There is a further twist to this case. The applicant already has a trade mark registered in class 18. This is registration number 1503182. It has a filing date of 13 June 1992. This is before that of the current application and the opponent’s CTM but after that of the opponent’s earlier UK trade mark. To the extent that the applicant’s earlier trade mark includes identical goods to those in their later application then those goods are covered by the earlier registration. I do not think that this earlier registration assists them in these proceedings.

Section 5(4)(a)

39. Given my findings under section 5(2)(b) I need not consider this ground further. One of

the requirements of section 5(4)(a) is that the trade mark enjoys a reputation and goodwill. It is sufficient to say that, given my outline of the evidence set out above concerning the opponents' reputation, I do not consider that the opponent could have succeeded under this section of the Act.

Section 5(3)

40. Given my findings that the goods in question were identical or similar, this ground of opposition falls away. In any event, one of the requirements of section 5(3) is that the earlier mark should have a reputation. I should state that if my conclusions concerning the similarity of the opponent's and applicant's goods in class 9 were wrong then, given that under section 5(2) I found that the opponent's evidence did not support their claim to a reputation, the opponent's case under section 5(3) would fall at the first hurdle.

Conclusion

41. The opposition is successful under section 5(2)(b). The application is refused in its entirety.

Costs

42. As the opponent has succeeded they are entitled to a contribution towards their costs. I order the applicant to pay the opponent the sum of £ 1200-00 within seven days of the end of the period allowed for appeal, or in the event of an unsuccessful appeal, within seven days of the final determination of the matter. I have reduced the award of costs on this case to take account of the fact that both proceedings were dealt with at the same hearing and the legal issues and submissions were substantially the same.

Dated this 6TH Day of December 2002.

**S P Rowan
For the registrar
The Comptroller General**