

## **TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No 2219833  
by The Lunan Group Limited to register a trade mark in  
Class 25**

**and**

**IN THE MATTER OF Opposition thereto under No 52204  
by Edwin Co. Limited**

### **Background**

1. On 20 January 2000, Orton Pty Limited applied to register the mark “FIORELLI”, for the following specification of goods:

Class 25

Clothing; footwear; headgear.

2. Following an assignment, the application is now in the name of The Lunan Group Limited. The application was accepted and published, and on 2 March 2001 Edwin Co. Limited filed notice of opposition. The earlier trade marks upon which the opponent’s rely 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.

3. The applicant filed a counterstatement in which the grounds of opposition are denied. Both sides filed evidence and asked for an award of costs in their favour. The matter came to be heard before me on 12 June 2002. The applicant was represented by Mr Hamer of Counsel, instructed by Frank B Dehn & Co and the opponent by Ms Arenal of Mewburn Ellis.

4. There are parallel proceedings before the Office involving the same parties and the same trade marks. These are opposition proceedings number 50920. At the start of the hearing 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 both sets of proceedings was also substantially the same.

## **Evidence**

### Opponent's Evidence

5. The opponent's evidence consists of one witness statement and two appendices. Appendix SA1 consists of a second witness statement together with five exhibits and appendix SA2 consists of a third witness statement and one attachment. The first witness statement comes from Sofia Arenal, a trade mark attorney who is representing the opponent in these proceedings. Ms Arenal's statement consists of an explanation of Appendix SA1 & 2.

6. Appendix SA1 includes a witness statement from Mr Nicholas Vratsidas. Mr Vratsidas explains that he is the Proxy of Edwin Co. Ltd and has held this position since 14 December 1990. He confirms that he is authorised to make the statement on the company's behalf and that the information contained comes from his own knowledge or from company records. Mr Vratsidas explains that the Italian designer and business man Elio Fiorucci began selling products under the name FIORUCCI in Italy in 1967 and that products are sold under that name in the following Italian cities: Milan, Rome, Naples, Padua, Bologna, Genoa, Bari, Palermo, Catania and Turin. He gives the following history of the brand FIORUCCI.

“3. The earliest UK sales of clothing and fashion accessories under the trade mark FIORUCCI were made in 1971. Jeans bearing the trade mark FIORUCCI were sold in Harrods as long ago as 1972.

4. Elio Fiorucci had set up the company Fiorucci SpA, and during the 1970s, Mr Eric Shemilt became the exclusive agent for FIORUCCI products in London. Unfortunately, records from this period are not available, because Fiorucci SpA went bankrupt.

5. In 1983, the companies Weavemart Limited and Fiorucci International Holdings were formed. These companies were involved in the sale, promotion and licensing of clothing articles and accessories such as leather goods, watches, jewellery, stationery and so on, all under the FIORUCCI brand. At that time, the first FIORUCCI store opened in the UK. This was in Kings Road.

6. A second Fiorucci store was opened in Brompton Road, London in about 1984 or 1985. The following range of products was available in the shop: clothing and accessories such as shoes, watches, jewellery, glasses, stationery and so on.

7. At about the same time, Weavemart Limited changed its name to Fiorucci UK, and began distributing FIORUCCI branded products covering the same range as indicated at point 5 above. Many of the products were sold by individual retailers who sold other brands alongside FIORUCCI. In particular there was an outlet called Shop, at 4 Brewer Street London W1. Products bearing the trade mark FIORUCCI have been

sold all over the UK. Sales were substantial in the 1980s. In march 1988, *The Evening Standard* newspaper reported the annual turnover of FIORUCCI products in the UK to be £3 million.

8. In 1990, Fiorucci UK went into liquidation, as did Fiorucci SpA, at which time the Japanese company Edwin Co. Limited bought the businesses including the trade marks.

9. In 1994, a sub-licence agreement was signed in relation to the FIORUCCI trade mark between Edwin Co. Ltd's licensee Fiorucci s.r.l. and Service Company Srl, for European countries including the UK. The names of licensees appear on the back of the product brochures - see exhibit NV3."

7. Mr Vratsidas gives the following figures for UK sales of FIORUCCI branded products in recent years:

<b>YEAR</b>	<b>TURNOVER-LIRA</b>	<b>TURNOVER-£ EQUIVALENT</b>
1995	2500 000 000	968,032
1996	2500 000 000	1025,860
1997	2600 000 000	926,883
1998	2800 000 000	973,246
1999	2800 000 000	934,087

8. He states that the sterling equivalent has been calculated using the average annual exchange rate for each year.

9. Mr Vratsidas states that throughout all these changes of corporate involvement, Elio Fiorucci has continued to design clothing and other fashion accessories such as sunglasses, bags, jewellery, stationery and watches. He has also been actively involved in promoting FIORUCCI branded products. He is widely known in the fashion industry, both in the UK and elsewhere, having been a prominent figure in that industry for over 30 years. He says that Elio Fiorucci received an award this summer from the National Chamber of Italian Fashion and also from the city of Milan and the provincial and regional authorities of Lombardy for his work and commitment to fashion during the last thirty years. This award was presented during the Free Style show, which is the Casual Fashion Fair of Milan. It takes place just before the fashion week of Milan, which is one of the most important meetings for the European fashion world. After this award, the National Chamber opened an exhibition to the public entitled "Free Spirit Fiorucci: the sense of freedom", gathering hundreds of samples, accessories and gadgets all marked FIORUCCI, and all coming from the last thirty years of Elio Fiorucci's career in the world of fashion. Exhibit NV1 shows literature relating to this award.

10. Mr Vratsidas goes on to state that FIORUCCI branded products have been sold continuously in the United Kingdom since the early 1970s and at NV2, he exhibits copies of invoices relating to FIORUCCI merchandise sold in the UK during the 1990s. He explains that FIORUCCI and Elio Fiorucci have also been widely publicised with annual advertising

expenditure in recent years as follows:

<b>YEAR</b>	<b>EXPENDITURE-LIRA</b>	<b>EXPENDITURE- £-EQUIVALENT</b>
1995	80 000 000	30977
1996	80 000 000	32828
1997	95 000 000	33867
1998	120 000 000	41711
1999	150 000 000	50040

11. He says that colourful and eye catching brochures have been produced over the years bearing the name FIORUCCI, Elio Fiorucci and the trade mark FIORUCCINO in relation to a range of children's clothing and accessories. At NV3 he provides samples of such brochures.

12. Mr Vratsidas says that the FIORUCCI brand has received extensive media coverage since it began and at NV4 he provides examples of advertising and editorials in the UK over the years. I will discuss these later.

13. Mr Vratsidas states that Elio Fiorucci has produced a mischievous image for the FIORUCCI brand, and many of his designs are provocative and perhaps controversial. He claims that this attracts further publicity. Elio Fiorucci has set up department stores in Milan and further stores are planned for London and New York in the near future. There is also a Fiorucci museum in Italy called the Archivo Moda and the designer and his products have also been the subject of books. A copy of a book by Eve Babitz entitled "Fiorucci: The Book" is at exhibit NV5. There is also a sheet containing quotes from that book which help to illustrate the reputation and ethos of the FIORUCCI and Elio Fiorucci names.

14. Appendix SA2 consists of a witness statement, dated 2 December 2002, from Mr Terry Jones. Mr Jones explains that he has been involved in the fashion industry for over 30 years and is currently the editor in chief and creative director of i-D Magazine. This is a monthly magazine which is sold throughout the world, including the United Kingdom, and aimed primarily at the fashion, design and advertising industries. The annual circulation figures of the magazine have been approximately 50,000. Prior to setting up the magazine in 1980, Mr Jones' work in the fashion industry included being a creative consultant for Jesus Jeans, Robbe di Kappa, Sportswear Magazine, German Vogue and Donna and also an art director for a number of fashion magazines with a nationwide circulation, including Vanity Fair and Vogue.

15. Mr Jones states that he first became aware of the brands FIORUCCI and ELIO FIORUCCI in 1976 and feels that the two are synonymous with an eclectic global style, and pop culture. The brands are easily recognisable, and very much have their own style. He states his view that the names FIORUCCI and ELIO FIORUCCI are, without doubt, known throughout the whole of the UK fashion industry. He goes on to say that those brands have had a significant UK and indeed international presence for many decades and that he associates the brand names with a wide range of products from fashion, household and beauty accessories including shoes and bags.

16. The remainder of Mr Jones' witness statement consists of opinion evidence concerning the marks FIORELLI and FIORUCCI and it refers to the relevant goods in the other opposition proceedings. I need not summarise it further.

### **Applicant's evidence**

17. This consists of a witness statement plus two exhibits which contain further witness statements. The main witness statement, dated, 30 November 2001, comes from Mr Stuart John Lunan. Mr Lunan explains that he is a Buying, Sales and Marketing Director for the Lunan Group Limited, a position he has held for six years. His responsibilities include design, development and sourcing of FIORELLI products including leathersgoods, eyewear, watches and clothing. Mr Lunan goes on to explain that he has previously made a witness statement in relation to another application - 2195383, which Edwin Co. Ltd have also opposed (this is shown at exhibit SJL1). The two statements do overlap in content and on this basis, I propose to concentrate on the witness statement shown at exhibit SJL1, except to say that exhibit SJL2 of the November 2001 witness statement consists of several witness statements which I have summarised briefly below:

- The first witness statement, dated 21 March 2001, is from Ms Rachel Bamber. Ms Bamber explains that she is a Show Development Manager for BBC Haymarket Exhibitions Limited and has worked on the CLOTHES SHOW for three years. She states that she has been aware of the FIORELLI brand for many years and would say that it is well known in the UK. FIORELLI products have been exhibited at CLOTHES SHOW every year since 1994. Ms Bamber states that she does know the name FIORUCCI but is not aware of where FIORUCCI products are being sold in the United Kingdom and that she would not associate it with the FIORELLI brand as she regards the two names as completely different and would not be likely to confuse them.
- The second witness statement, dated 16 March 2001, is from Mr Ray Greenhalgh. Mr Greenhalgh explains that he is the Managing Director of M+S Management Services, a position he has held since 1986. For the last 9 years, M+S has organised a twice yearly trade show in Birmingham for the fashion accessories industry. FIORELLI products have been exhibited at the show for several years. Mr Greenhalgh advises that he has known of the brand for several years and associates it with handbags, small leathersgoods, watches and clothing and that in the UK FIORELLI is extremely well known within the fashion accessories industry. Mr Greenhalgh also explains that he has never come across the name FIORUCCI and that he does not regard this brand as being similar to FIORELLI and that he would never mistake one for the other.
- The third statement, dated 9 April 2001, is from Bernadette West. Ms West explains that she is employed as a Merchandise Selector for Associated Independent Stores Limited (AIS). As AIS does a significant amount of business with the Lunan Group, Ms West explains that she is very well aware of the name FIORELLI and considers it to be a major brand. Due to her knowledge of the brand, Ms West actively sought out FIORELLI and invited them to become involved in trade exhibitions run by AIS for their stores and FIORELLI has now been stocked in their stores for upwards of three

years. Ms West has heard of the name FIORUCCI and dimly recollects that it may have been used on clothing. She states that she has never thought that there is any connection between the FIORELLI brand and the name FIORUCCI and would never mistake the two names.

- The fourth statement, dated 2 April 2001, is from Mr Nick Cook. Mr Cook explains that he is the Editor of Womanswear Buyer, a position he has held for four years. He has been aware of the FIORELLI brand for about five or six years and associates the name primarily with bags, wallets, and more recently with activewear. Mr Cook explains that he has been aware of the name FIORUCCI for a similar length of time and would associate them with a certain type of clothing featuring loud prints and flashy materials, most strongly associated with the disco scene of the late 1970s. He believes they are known to a certain level in the United Kingdom. In his opinion, FIORELLI and FIORUCCI are both distinct and he has never mistaken or confused them.
- The final statement, dated 21 May 2001, is from Mr David Cottrell. Mr Cottrell explains that he is a self-employed sales agent and has distributed the FIORELLI brand for about six years. Mr Cottrell believes that the FIORELLI brand has become extremely well known and, in his opinion, is now the best known accessory brand in the United Kingdom. FIORELLI has been extensively promoted as a lifestyle brand. Mr Cottrell confirms that he is aware of the name FIORUCCI from about twenty years ago when they were quite popular for jeans, but he has not been aware of much activity since the late 1970s. He is aware of a FIORUCCI department store in Milan, but does not recall encountering FIORUCCI anywhere else in recent times in the United Kingdom.

18. Turning now to Mr Lunan's witness statement of May 2001, Mr Lunan explains that The Lunan Group Limited is one of the United Kingdom's leading suppliers of leather and synthetic goods, including bags, handbags, shoulder bags, clutch bags, tote bags, shopping bags, small items of luggage, backpacks, portfolio's, briefcases, purses, wallets, billfolds, card cases and key cases, which are supplied and sold under the brand name FIORELLI. The brand has, some years ago, expanded to include eyewear, watches, clothing and umbrellas and there has also been a significant business in these goods in the United Kingdom for the last several years.

19. Exhibit SJL1 shows a printout from a database known as Marquesa. The print out shows several United Kingdom and Community trade marks commencing with the letters FIOR- in Classes 9,14 and 25. These include The Lunan Group's own United Kingdom trade mark registration No. 1503182 FIORELLI in Class 18 which was applied for in 1992 and has coexisted on the United Kingdom trade mark register with the Opponent's trade marks since 1995, including the Opponent's United Kingdom registration No.1158425 FIORUCCI in Class 18 which covers virtually identical goods.

20. Mr Lunan points out that there are other marks sharing a string of letters with FIORELLI and FIORUCCI in the United Kingdom, e.g FERUCCI which is registered for sunglasses and spectacles and FERRUCCI which is in use in relation to shoes. Mr Lunan confirms that he

has not experienced any difficulty in members of the public distinguishing between these marks even though they are the same length.

21. Prior to this opposition, Mr Lunan states that he did not associate the name FIORUCCI with any particular products and had never heard of Elio Fiorucci and is confident that in April 1999, FIORUCCI bags did not have a major presence on the UK market. Mr Lunan also has no recollection of having encountered any other FIORUCCI goods in the United Kingdom, including watches, eyewear and clothing. Mr Lunan notes that Mr Vratsidas has stated in his witness statement dated 21 December 2000, that Fiorucci UK and Fiorucci SpA went into liquidation in 1990, which accords with his impression that in April 1999 FIORUCCI was not widely perceived as a current brand. He notes that Mr Vratsidas does not apportion the sales figures and advertising expenditure to products in particular categories, and in the case of advertising expenditure; it is not clear how much, if any, relates to the United Kingdom.

22. He states that there has been substantial use of the mark FIORELLI in the United Kingdom over the last decade and that the FIORELLI brand of handbags originated in Australia in about 1988 with Oroton Pty Limited. Oroton started selling FIORELLI bags and other leathersgoods into the United Kingdom in 1990 or 1991 and set up a United Kingdom company, Oroton (UK) Limited, to handle their operations in this country.

23. Mr Lunan states that by 1994 Oroton were selling a range of FIORELLI handbags, shopping bags, backpacks, cases and pouches in the United Kingdom. FIORELLI sunglasses were also introduced into the United Kingdom in about 1993. In February 1995, The Lunan Group bought Oroton (UK) Limited and became the sole distributor licensed to sell FIORELLI products in the United Kingdom and elsewhere in Europe. The Lunan Group subsequently bought the full rights in the FIORELLI brand in the United Kingdom and Europe in 1999, and formally took assignment of the FIORELLI trade mark and associated goodwill on 1 January 2000. A copy of an assignment dated 1 January 2000, which has been recorded at the Trade Marks Registry, is exhibit SJL5. FIORELLI bags, small leather goods and sunglasses have continued to be sold in the United Kingdom to the present day. FIORELLI watches were introduced into the United Kingdom by The Lunan Group in 1996 or 1997 and continue to be sold to the present day.

24. He goes on to say that throughout the 1990s FIORELLI leathersgoods have been sold through major department stores in London and other major towns and cities throughout the United Kingdom, including House of Fraser, Selfridges, Alders, Bentalls, Debenhams, John Lewis Partnerships and Owen Owen. FIORELLI has its own concessions in some major stores, including within Debenhams stores in Leeds and Manchester, Menarys in County Down, Frasers in Glasgow and Kendalls of Manchester. At SJL6, he exhibits a photograph of a FIORELLI leathersgoods display in a House of Fraser store in 1995. FIORELLI leathersgoods are also sold through a wide range of independent retailers throughout England, Scotland, Northern Ireland and Wales. The Lunan Group also now has its own FIORELLI retail outlets selling a full range of FIORELLI goods including bags, the first of these being opened in Lakeside Shopping Centre, Essex in 1997. Three other such stores in different locations have since followed. Exhibit SJL7 shows a customer print out showing a list of outlets to which FIORELLI products have been sold.

25. Mr Lunan provides various exhibits, these include:

- SJL8 - examples of FIORELLI leathersgoods and small leathersgoods brochures from the years 1993, 1995, 1996,1998 and 1999.
- SJL9 - a selection of swing labels and point of sale display materials for FIORELLI bags and other leathersgoods from 1995 onwards.
- SJL10 - products information showing examples of the range of FIORELLI sunglasses available.
- SJL11 - examples of promotional posters for FIORELLI sunglasses dating from 1996 and 1997 used in-store and on the London Underground, and examples of packaging used for FIORELLI sunglasses in about 1994 or 1995, 1996, 1998 and 1999.
- SJL13 - brochures dating from 1997 and 1998/1999 showing a range of FIORELLI watches.
- SJL15 - a copy of a letter from Kevin Evans, Group Sales Manager at Zeon Ltd, which confirms that FIORELLI watches are sold in approximately 350 independent stores and are exhibited at the leading Spring Fair trade show at the NEC Birmingham and the world's major watch exhibitions in Switzerland and Hong Kong.

26. The approximate turnover in bags and small leathersgoods, eyewear and watches sold under the mark FIORELLI in the United Kingdom is estimated as follows:

Year	Estimated sales of FIORELLI bags and small leathersgoods	Estimated sales of FIORELLI eyewear	Estimated sales of FIORELLI watches
1995	£3,300,000	£55,000	-
1996	£4,300,000	£62,000	-
1997	£6,100,000	£90,000	£31,000
1998	£8,000,000	£70,000	£49,000
1999	£8,500,000	£59,000	£60,000

27. At SL16 he exhibits by way of example a selection of invoices for FIORELLI bags, small leathersgoods and watches sold in the United Kingdom between 1995 and 1999.

28. Mr Lunan provides the following estimate for the amount spent on advertising in the United Kingdom:

Year	Approximate advertising expenditure on FIORELLI bags and small leathersgoods	Approximate advertising expenditure on FIORELLI eyewear	Approximate advertising expenditure on FIORELLI watches
1995	£40,000	£2,600	

1996	£71,000	£3,800	
1997	£100,000	£5,900	£22,000
1998	£83,000	£4,500	£2,700
1999	£72,300	£3,900	£2,400

29. Exhibit SJL17 comprises copies of advertisements and features relating to FIORELLI bags and small leathersgoods which have appeared in the trade magazine Fashion Extras (July 1991, October 1995, 1996, July 1997 and 1998) and in consumer magazines such as "19" (November 1995), Vogue (December 1996), Cosmopolitan (May 1997 and April 1998), The Company (December 1997) and the House of Fraser store magazine (Spring and Christmas 1998).

30. Mr Lunan states that throughout the 1990s until 1998, FIORELLI bags, small leathersgoods and other products were exhibited annually at the major Spring Trade Fair at the NEC Birmingham. Exhibit SJL20 comprises guides to the trade fairs run by Chic, in 2000 and 2001, listing FIORELLI amongst other leathersgoods manufacturers.

31. He goes on to say that FIORELLI products have also been exhibited at major shows attended by the public and exhibit SJL21 comprises extracts from brochures for the CLOTHES SHOW exhibition from 1996, 1997, 1998 and 1999 and from the CLOTHES SHOW event in Scotland in 1996 and The Cosmo Show in 1998.

32. Mr Lunan explains that umbrellas have been sold in the United Kingdom under the mark FIORELLI since about 1996. Annual sales are estimated to have been as follows:

Year	Estimated sales of FIORELLI umbrellas
1997	£11,000
1998	£25,000
1999	£69,000

33. As a result of all these activities, Mr Lunan states that he has no doubt that the name FIORELLI was widely recognised in the leathersgoods trade and on the market amongst consumers well before April 1999. In addition, sales of FIORELLI clothing in the United Kingdom between 1997 and 1999 are estimated to have been as follows:

Year	Estimated sales of FIORELLI clothing
1997	£330,000
1998	£370,000
1999	£700,000

### **Opponent's evidence-in-reply**

34. This consists of a witness statement, dated 7 March 2002, from Ms Sofia Arenal. Ms Arenal confirms that she has read the applicant's evidence. For ease of reference Ms Arenal refers to the two witness statements made by Mr Lunan as "the Lunan May 2001 witness statement" and "the Lunan November 2001 witness statement" respectively.

35. In response to paragraph 5 of the May 2001 witness statement, she notes that Mr Lunan comments on the state of the register. Ms Arenal argues that the state of the register tells us nothing about the reality of the marketplace. Further, she points out that whilst he exhibits a number of UK and Community Trade Marks with the prefix FIOR, the majority of those are stylised and/or contain elements which render them sufficiently different from the FIORUCCI trade mark. The opponent is not seeking to establish a monopoly in the prefix FIOR.

36. With regard to UK registration 1585967, Ms Arenal refers to an agreement signed in 1999 between the opponent and Optical Service (UK) Ltd, proprietor of the FERUCCI registration. She states that this regulates coexistence of the marks both within and outside the European Union, and permitting use and registration of FERUCCI in class 9. As for CTM registration 96099 FIORELLO (stylised), Ms Arenal advises that the opponent is considering filing an invalidation action. Ms Arenal also argues that the fact that the marks FIORUCCI and FIORELLI coexist on the Australian trade marks register is not relevant to the UK proceedings.

37. Turning to the November 2001 witness statement, Ms Arenal comments that the applicant, in selling leather jackets, skirts and t-shirts and tops, operate in a rather limited and range of clothing that has only recently become available. Although reference has been made to particular outlets through which FIORELLI clothing has been sold, she argues that there is no evidence from those outlets, e.g invoices, statements etc relating to clothing or other class 25 goods. The "independent shops" mentioned in paragraph 5 of the November 2001 statement are not named, and it appears that sales of any FIORELLI branded clothing was at best negligible before 1997 and rather variable for 1998 and 1999. Ms Arenal notes that exhibit SJL7 to the May 2001 witness statement gives a list of retailers, but there is no indication of what FIORELLI branded products they have stocked or sold; in particular there is no indication that they included FIORELLI branded clothing, footwear or headgear. In her view, there is very little in the way of evidence of use of the trade mark FIORELLI for class 25 goods in the UK and that in Mr Lunan's evidence, the vast majority of it relates to other products, notably bags. She states that none of the invoices in exhibit SJL16 appear to relate to clothing, footwear or headgear.

38. Turning to the various witness statements submitted with Mr Lunan's evidence, Ms Arenal comments as follows:

- Exhibit SJL2, Rachel Bamber. Ms Arenal notes that Ms Bamber acknowledges that she knows the name FIORUCCI and also indicates that FIORELLI products exhibited at the Clotheshow exhibition only recently included shoes and leather clothing.
- witness statement of Nick Cook, she notes that he says he associates "the FIORELLI

name primarily with bags, wallets” and only “more recently with activewear” therefore at April 2001, well after application 2219833 FIORELLI was filed, he was only recently aware of use of FIORELLI beyond bags and wallets. Ms Arenal also points out that Mr Cook confirms that he is aware of the name FIORUCCI and he links the trade mark FIORUCCI with “a certain type of clothing featuring loud prints and flashy materials.” and that he believes “they are known to a certain level in the United Kingdom....”.

- David Cottrell - Ms Arenal notes that in his witness statement, he stated “I am aware of the name FIORUCCI from about 20 years ago when they were quite popular for jeans. However, I have not been aware of much activity since the late 1970s”. In her view, this statement highlights the strength of the FIORUCCI brand. It obviously made a strong impact on the British market in the 1970s, which has not been forgotten and considerable goodwill endures in the brand.

## Decision

39. I will deal firstly with the ground of opposition based upon section 5(2)(b) of the Act. The section states 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.”

40. 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..”

41. 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.

42. 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

43. 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 FERUCCI and ELIO FERUCCI. It is clear that their best case fell to be determined by reference to their FERUCCI marks. Again they have a number of FERUCCI marks. Their UK registration 1119863 covers a range of goods in class 25 and their Community Trade Mark 367250 covers, “Clothing articles, footwear, headwear”. Both cover goods in class 25 but the CTM covers a broader range so I will consider their case with reference to the CTM.

Applicant’s trade mark

Opponent’s trade mark

**FIORELLI**

**FIORUCCI**

**Class 25**

**Class 25**

Clothing; footwear; headgear

Clothing articles, footwear, headwear

Reputation/Inherent distinctiveness of the earlier trade mark

44. 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 trade mark, to assess its inherent capacity to distinguish and to look at the use that has been made of the mark.

45. The opponent’s earlier trade mark is the word FIORUCCI. In their view, this mark is inherently distinctive for the goods in question. Whilst they admit that it is an Italian surname, that much is clear from the fact that the founder of the brand was ELIO FIORUCCI, they argue that it would be an unusual name in the United Kingdom and so has inherently a high distinctive character.

46. The applicant argues that, as it is and has the appearance of an Italian surname, it has a low distinctive character. They also refer to their evidence and to a number of marks on the register with the element FIOR. This, in their view, shows that the common element between the two marks is not that distinctive. On this point, Ms Arenal pointed out that the evidence from the register was irrelevant as it did not show any of the marks are used in the market place. That is the correct position as set out in many cases stretching back over a number of years; see for example *British Sugar plc v. James Robertson & Sons Ltd* [1996] R.P.C. 281 at page 305 referring to *Madame Trade Mark* [1966] R.P.C. 541. Further, in relation to the use of the mark FERUCCI on goods in class 9, Ms Arenal pointed to the evidence showing that such use is licensed by her clients.

47. There is no dispute as to the nature of the mark in question, FIORUCCI is an Italian surname. In the absence of any guidance on this point, I would have assumed as much. It has

the look and sound of an Italian name. That said, I am of the view “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.

48. Ms Arenal also sought to rely on the enhanced distinctiveness of the mark arising from the use that has been made of it. Whilst the opponent filed a large amount of evidence seeking to show use of the mark, I questioned Ms Arenal on the scope of the evidence of use submitted and it was necessary during the hearing to subject the evidence to quite close analysis in order to identify and clarify the use that had been made of the mark.

49. The evidence of Mr Vratsidas provides a potted history of the brand FIORUCCI. I think that Ms Arenal accepted that the mark had not always maintained a consistently high profile in the market place. Instead she sought to argue this as a positive aspect of the mark. She submitted that the evidence showed that the mark had experienced several “ups and downs” through its long history. Companies and shops had traded and then ceased trading only for the brand to rise again. This was in her view a sign of the enduring nature of the FIORUCCI brand. The recent renaissance in use could be traced in the evidence to the period 1995 onwards. These sales figures show a turnover just under £1,000,000 per annum over a four year period. Mr Hamer argued that this was extremely low in the clothing market. Certainly there is no indication as to the market share that these figures represent, something that would have been helpful. Absent evidence on the point, I would not have been prepared to infer that £1 million represents a significant market share in this sector. Indeed, I favour Mr Hamer’s view. In addition, Ms Arenal sought to argue that whilst use had been predominantly on women’s clothing the brand extended to children’s and men’s clothing. The clothing sector in the United Kingdom for adults and children must be an enormous one. One million pounds of turnover per annum cannot, it seems to me, represent a significant turnover in that field.

50. Again, I understood Ms Arenal to accept these criticisms of her evidence but she argued that the mark was not a “high street” brand but more of an exclusive brand, a designer label; as such, turnover would not be as high. Mr Hamer pointed out that if that were so, then again, turnover of £1,000,000 in a designer brand could not be considered significant.

51. It is for the opponents to show that the trade mark enjoys an enhanced level of recognition. Even if the turnover was put into context, Ms Arenal faces a further problem. We spent sometime going through the evidence in some detail. This was both necessary and useful. Ms Arenal did show in my view that use had been made of the FIORUCCI trade mark across a range of goods, across a period of time. These goods were as diverse as stationery, clothing, bags, shoes, jewellery and watches. Ms Arenal argued that her main use was in respect of clothing but that use had been shown across a range of fashion goods and accessories. Mr Hamer accepted this but pointed out quite correctly, that the wider the range of goods on which use was shown the more thinly the turnover of £1,000,000 must be spread.

52. There are also a number of press articles in the opponents’ evidence. These were more helpful in my view. They were dated and put into context. There is also the book written about FERUCCI but Ms Arenal accepted that it was not a work to which much weight could be attached.

53. Ms Arenal also referred to the history of the brand, one that as noted above has been

somewhat chequered. It seems to me from the historical evidence that FIORUCCI attained some notoriety in the 1970s. Ms Arenal referred me to the evidence from third parties submitted by both the applicant and the opponent showing knowledge of the brand. All of the witnesses come from the trade who one would expect to be better informed about this sort of thing and perhaps to have better memories concerning their trade. Even so their recollections of the brand are patchy, many remembering the brand's heyday.

54. However, the reputation must be assessed as at the relevant date. For section 5(2) at least, that will be the date of application. Given the gaps in marketing over the intervening period, it seems to me that any reputation in the mark should be assessed with due regard to the evidence leading up to the date of application. Having regard to all the evidence submitted by the opponent and despite Ms Arenal's careful analysis of that evidence, I am unwilling to infer that the opponent's mark enjoyed an enhanced reputation at the relevant date. Absent better evidence showing detailed turnover figures broken down by market sector and indicating market share, I cannot in my view make the necessary finding.

**55. 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

56. It was accepted that the goods covered by both the application and the earlier trade mark are identical.

#### Comparison of the Trade Marks

57. 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. As the goods in question are items of clothing, these are primarily chosen by the eye; *React Trade Mark* [1999] RPC 529 and so any visual similarities/dissimilarities between the marks will assume more importance.

58. Visually, both marks are the same length each consisting of eight letters. They share the same first four letters being FIOR and both end in an I. They differ in that the opponent's mark ends with the letters UCCI and the applicant's with the letters ELLI. Ms Arenal submitted that there were visual similarities even in this element of both marks in that they both had a vowel followed by a double letter CC and LL. Ms Arenal also submitted that there was some similarity in the visual appearance of the letters CC and LL. It seems to me that there is some merit in the last two submissions of Ms Arenal but I must be careful not to overanalyse the mark. The case law of the ECJ tells us that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various components.

59. Taking the marks as a whole what are my conclusions? As noted above, they are the same length and share the same first four letters, both end in an I. These three factors would in my view present the eye with obvious points of visual similarity. Below I will discuss aural

similarity and it is well established that in aural use the beginning of words assumes more importance with the ends of words tending to become slurred. It seems to me that similar considerations apply when considering visual similarity. As the similarity between these marks occur at the beginning of the marks this point of similarity is more likely to come to the attention of the average consumer. As stated above, I also accept Ms Arenal's point concerning the presence of the double CC and double LL in the marks. Whilst the degree of similarity between these letters is not very high, they do add to the overall appearance of visual similarity between the two marks. Taking all these factors into account I find that there is a high degree of visual similarity between the two trade marks

60. Turning to aural similarity, I have already discussed the tendency for English speakers to slur the endings of their words so that they become lost or unclear; see *London Lubricants Limited's Application (TRIPCASTROID)* 42 1925 RPC 264 at page 279. The first element in both marks would in my view be pronounced FEEOR or FEAR with the endings being pronounced UCHY and ELLY. Thus, the applicants mark would probably be pronounced FEEOR ELLI or FEAR ELLI and the opponents FEEOR UCHY or perhaps FEAR UCHY. Although the differences occur at the end of the two marks, on either pronunciation, it seems to me that their endings do present a point of aural dissimilarity between the two marks. Thus, I find that there is some aural similarity but it is not high.

61. Conceptually, I have already stated that the opponent's mark appears to be an Italian surname and that it would be seen as such by the average consumer but that it is nevertheless a distinctive mark in relation to the goods in question. The applicant's mark also has the appearance of an Italian surname. As such, conceptually both bring to mind Italian surnames and there is some conceptual similarity between the marks.

**62. To conclude, 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

63. Mr Hamer suggested that given that both marks had been in the market place 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 the evidence of Mr Jones suggesting that the public would be confused.

64. Dealing with the first point, I accept that where 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). However, in this case, I have only very limited evidence of parallel use. Mr Hamer suggested that there had been parallel use on clothing over a number of years. Whilst he accepted that most of the applicant's evidence related to use on bags and other accessories, he suggested that there was evidence of use on clothing and also that accessories and clothing were closely linked and so the lack of evidence of confusion given the applicant's prolonged use on bags etc was a factor to take into account. In my view, the evidence does not substantiate the applicant's claim to prolonged use on clothing. Mr Lunan in his evidence states that the first sales of clothing in the United Kingdom under the trade mark occurred in 1990. He also refers to the Clothes

Show in 1995. Turnover figures are given for the years 1997-1999 but again the sums involved appear modest. I accept that the applicant has shown a large amount of use on bags and to a lesser extent on other accessories. Whilst there is some similarity between bags and clothing, I do not find that the absence of any evidence of actual confusion in the market place to be a relevant factor in this case. Before taking it into account, I would have required evidence of prolonged use of the FIORELLI brand on clothing, that in my view has not been shown.

65. 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 a comparison between the two trade 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)

66. Together with my finding in relation to the inherent distinctiveness of the opponent's mark, the degree of similarity of the marks and the identity of the goods, how do these findings come together under section 5(2)(b).

67. 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, **FIORELLI**, were used concurrently in relation to the goods for which they are respectively registered and proposed to be registered?

68. 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 the inherent distinctiveness of the opponent's marks and the identity 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.

69. 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 clothing is 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).

70. 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 FIORELLI 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.

#### Section 5(4)(a)

71. Given my findings under section 5(2)(b) I need not consider this ground further. The first requirement for a claim under this section is that the trade mark enjoys a reputation and goodwill. It is sufficient for me to say that, given my outline of the evidence set out above concerning the opponent's claim to reputation, I do not consider that the opponent could have succeeded under this section of the Act.

#### Conclusion

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

#### Costs

73. 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 £1700-00 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.

**Dated this 6<sup>TH</sup> Day of December 2002.**

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