TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS INVOLVING:

1) INTERNATIONAL REGISTRATION 943609
IN THE NAME OF SDS INVESTCORP AG
OF THE FOLLOWING TRADE MARK IN CLASSES 9 & 25:

strada del sole

AND OPPOSITION THERETO (400063) BY MARTIN & JOHN MEMORY

2) UK REGISTRATION 2315482
IN THE NAME OF MARTIN & JOHN MEMORY
OF THE FOLLOWING TRADE MARK IN CLASSES 3, 9 & 44:

STRADA

AND AN APPLICATION FOR REVOCATION (500201) BY SDS INVESTCORP AG

3) UK REGISTRATION 2445953
IN THE NAME OF MARTIN & JOHN MEMORY
OF THE FOLLOWING TRADE MARK IN CLASSES 35 & 44:

STRADA

AND AN APPLICATION FOR REVOCATION (500203) BY SDS INVESTCORP AG

Background and pleadings

1. Put at its simplest, this dispute concerns an opposition by Martin & John Memory ("Messrs Memory") against SdS InvestCorp AG's ("SdS") International Registration ("IR") 943609 for the mark **strada del sole** and SdS' application to revoke on grounds of non-use the two trade marks relied upon by Messrs Memory in their opposition. I set out some further details below:

Opposition 400063

SdS filed the subject trade mark **strada del sole** on 26 September 2007 and designated the UK for protection on 21 March 2012, following which the mark was published for opposition purposes on 10 August 2012 in respect of the following goods:

> **Class 9:** Scientific, photographic, cinematographic, optical, weighing, measuring, signaling, monitoring (supervision) apparatus and instruments, apparatus for recording, transmitting and reproducing sound or images; spectacles, sunglasses and optical tools (included in this class); spectacle cases.
>
> **Class 25:** Clothing, footwear, headgear.

Messrs Memory base their opposition under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act") relying on UK trade mark registrations 2315482 and 2445953 (both of which consist of the word **STRADA**). The opposition is directed at certain of the applied for goods (I will set them out later), not all of them. Both earlier marks are subject to the proof of use provisions as set out in section 6A of the Act. A counterstatement was filed by SdS in which it essentially denies the claims and puts Messrs Memory to proof of use.

Revocation 500203

SdS seeks revocation of UK registration 2445953 (**STRADA**) on grounds of non-use. The claim relates to all of the goods and services covered by the registration, namely:

> **Class 35:** Shop retail services and electronic shopping retail services connected with the sale of spectacle glasses, sunglasses, sports glasses and goggles, optical lenses for spectacles, frames for spectacles, chains and cords for spectacles, containers and cases for spectacles, contact lenses and preparations for the care and maintenance of the aforesaid goods; shop retail services and electronic shopping retail services connected with the sale of hair and beauty products.
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> **Class 44:** Opticians Services

The registration was filed on 7 February 2007 and it completed its registration procedure on 3 August 2007. SdS claims non-use under section 46(1)(a) in the five year period following the date of the completion of the registration procedure and, also, under section 46(1)(b) in the five year period 31 October 2008 to 30 October 2013. Messrs Memory deny the claims on the basis that the mark has been genuinely used; there is no claim to there being any proper reasons for non-use.

Revocation 500201

SdS seek the revocation of UK registration 2315482 (**STRADA**) on grounds of non-use. The claim relates to all of the goods and services covered by the registration, namely:

> **Class 3:** Shampoos; colouring, rinsing and conditioning preparations for the hair; permanent and semi-permanent wave preparations, bleaches; hair, face and body preparations for application in sprays including non-aerosol sprays, mousses, lotions, waxes, gels and lacquers; hair cosmetics; face and body lotions, creams and preparations; all of the aforesaid included in Class 3.
>
> **Class 9:** Spectacle glasses, including sunglasses and spectacles for sports; optical lenses and finished lenses for spectacles; chains and cords for spectacles; containers, frames and cases for spectacles.
>
> **Class 44:** Hairdressing salons, hair and beauty services.

The registration was filed on 12 November 2002 and it completed its registration procedure on 15 August 2003. SdS claims non-use under section 46(1)(a) in the five year period following the date of the completion of the registration procedure and, also, under section 46(1)(b) in two separate five year periods (20 March 2007 to 19 March 2012, and, 31 October 2008 to 30 October 2013). Messrs Memory deny the claims on the basis that the mark has been genuinely used; there is no claim to there being any proper reasons for non-use.

2. Both sides filed evidence. The evidence for Messrs Memory comes from Mr Martin Memory (one of the joint opponents and a joint owner of the earlier marks the subject of the revocation proceedings) together with evidence from Ms Bernadette Noke and Tamsin Kemp, both of whom work for Memory Opticians (as manager and assistant manager respectively). SdS' evidence comes from Mr Timothy Dabin, a corporate investigator. All of the evidence focuses on the use made of Messrs Memory's marks so I will come on to this shortly. Both sides also filed written submissions and made oral submissions at a hearing that took place before me on 24 October 2012. At the hearing SdS was represented by Ms Catherine Wolfe of Boult Wade Tennant and Messrs Memory by Mr Huw Evans of Chapman & Co.

Proof of use/revocation

3. It is logical to start here because this will not only determine the revocation proceedings, but will also set the parameters for the opposition proceedings; the latter is relevant because if the earlier marks have not been genuinely used then they cannot be relied upon in the opposition proceedings, or may only be relied upon to a limited extent. Although the assessments to be made are similar, I will bear in mind that there are different relevant periods.

The relevant periods

4. There are five different relevant periods in play:

i) In the opposition proceedings, the relevant period is the five year period ending on the date of publication of SdS's application, namely: **11 August 2007 to 10 August 2012.** This applies to both earlier marks.

ii) In both revocation proceedings, the five year period between **31 October 2008 and 30 October 2013**.

iii) In revocation 500201, the five year period between **20 March 2007 and 19 March 2012.**

iv) In revocation 500203, the five year period following the completion of the registration procedure, namely, the five years between **4 August 2007 and 3 August 2012**.

v) In revocation 500201, the five year period following the completion of the registration procedure, namely, the five years between **16 August 2003 to 15 August 2008**.

5. Although the grounds represented by each of the above revocation periods are self-standing, the later periods take on more significance because if there has been genuine use in the later period then this will save the registration(s) even if there has been no use in the earlier period(s). However, if there has been no use, or only partial use, the position in the earlier periods must also be considered in order to assess the dates from which revocation or partial revocation can take effect.

The legislation and the leading case-law

6. The provisions relating to revocation are contained in section 46 of the Act, the relevant parts of which read:

> "46.-(1) The registration of a trade mark may be revoked on any of the following grounds –
>
> > (a) that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) ……

(d) …….

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."

7. Analogous provisions are contained in section 6A (proof of use in opposition proceedings) of the Act. Section 100 is also relevant:

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

8. In *Stichting BDO and others v BDO Unibank, Inc and* others [2013] EWHC 418 (Ch) Arnold J commented on the case-law of the Court of Justice of the European Union ("CJEU") in relation to genuine use of a trade mark:

"In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07*Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider* v *OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The 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 by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]""

Primary evidence for Messrs Memory

Witness statement of Mr Martin Memory

9. Martin Memory describes himself as a director of Memory Opticians which he states was set up in 1983 by his brother John Memory; John Memory was acting as a sole trader at this point in time. Martin Memory joined the business some five years later (around 1988) as a business partner. The business originally operated out of premises in Amesbury, Wiltshire, but it is stated that this has expanded to premises in Salisbury and Tidworth (the dates of expansion are not given).

10. Martin Memory describes the businesses' expansion into its own line of eyewear. Prior to this they had provided opticians services and retailed various third party brands. Martin Memory refers to meetings with Italian manufactures and that Messrs Memory wanted an Italian sounding name which is why it chose STRADA. It is stated that the brand name was chosen around 13 years ago, so this would have been around the year 2000. The first order (from the manufacturer) was made around this time for approximately 400 pairs of spectacles. It is stated that the name Strada was placed on the arms of each frame. A few months later the frames arrived at Memory Opticians and they began selling them to the public.

11. Martin Memory states that "we" advertised in the shop, for example, on posters and internal advertising. Reference is then made to Exhibit MM1. This contains a series of photographs of frames together with what are dummy lenses. STRADA appears on the dummy lenses. The name also appears on a label on what appears to be either a shelf or a drawer. It is stated that the name also appears on the arms of the frames, but this cannot be seen in the photographs provided. The photographs are said to have been taken in "the shop" (although, which shop and when is not stated) and that the frames are displayed to the public.

12. Martin Memory states that a large amount of Strada frames have been sold over the years. On several occasions they have returned to the Italian manufacturer to order more frames. They have met the manufacturer at trade shows and viewed their latest lines – if they liked what was on offer, orders would be placed for the frames with, again, STRADA on the arms. It is estimated that between 400 and 500 frames have been ordered from the manufacturer over the years.

13. Reference is made to the marks filed by Messrs Memory. The goods beyond spectacles were filed to protect areas of interest into which they might expand. In relation to use, it is stated that the mark has been used substantially and the goods

sold in their shops for around 13 years and has been in constant use. Exhibit MM2 contains copy record sheets detailing information about consultation dates and orders placed. The first is from November 2003 that latest from September 2013. To give a feel, in the five year period for proof of use in the opposition proceedings, around 25 records are provided which refer to STRADA spectacles being ordered. Exhibit MM3 contains stock lists from various years showing the stock of STRADA and other spectacles.

Primary evidence for SdS

Witness statement of Timothy Dabin

14. Mr Dabin is a principal at Priaulx, a corporate investigation consultancy company. He was instructed to investigate whether there has been any use of the marks of Messrs Memory. He states that he could not locate any use and, therefore, he was subsequently instructed to visit Memory Opticians to ascertain what use was being made in the actual optician stores of Messrs Memory. He provides copies of his two reports in exhibit TD1.

15. The first report (dated 29 July 2013) is ostensibly research undertaken of the Internet including web searches, domain name searches, Companies House records etc. It demonstrates much of the history given by Martin Memory regarding the setting up of the business, but no use was found of the brand STRADA being used. There were some company names which contained the word STRADA, but that is as close as one gets. In the report Mr Dabin mentions that he called Martin Memory as part of his investigation. Mr Dabin explains that Martin Memory initially believed that he was something to do with SdS (the dispute had arisen by this time), something Mr Dabin denied. Martin Memory informed Mr Dabin that STRADA was an own label/brand for lenses, sunglasses and was used generally within the three Memory Opticians and that they were actively expanding the range; Mr Dabin was sceptical of the response given Martin Memory's initial suspicions.

16. The second report (dated 12 August 2013) is made after Mr Dabin visited the three Memory Opticians. The first visit was to the Amesbury store. This is described as a small shop. It was believed that Martin Memory was in attendance so it was decided not to specifically enquire about Strada. A search of the exterior and interior of the shop did not locate any visible use of the mark. A search of available literature did not locate any reference to Strada. Enquires were made with Katie Memory (the wife of Martin) as to whether they had an own brand of glasses or sunglasses. She said they did not, but that they offered an "essentials" range of branded glasses at discount prices. A Memory Opticians brochure was picked up and a miscellaneous item purchased.

17. The second visit was to the store in Tidworth. One female member of staff was present, she did not give her name nor did she have a name badge on. Other than an eight year gap to help bring up her grandson, this person had worked there since 1983. Exterior and interior searches revealed no use of STRADA. It was enquired as to whether they sold their own brand of lenses, glasses or sunglasses. The person answered "not any longer", they stopped selling them a year ago. She went to a chest of drawers and opened them to reveal four pairs of glasses, attached to one of

which was a clear label carrying the brand name MEMORY. A display of Memory "essentials" was noted in the shop, this was explained as branded glasses sold by way of special offer. The person was specifically asked about STRADA and she said that she had no knowledge of it.

18. The final visit was to the store in Salisbury. This was the largest of the three. Again, searches revealed no use of STRADA. A member of staff called Tasmine (she had a name badge) was spoken to. Mr Dabin states that it became clear that she had no knowledge of the brand name STRADA, although it is not explained why.

19. Photographs of the outside of each of the shops are provided in the report. They reveal no use of STRADA. MEMORY is used prominently. In the Salisbury shop, it was noted that on the second floor there was a sign for SLICE Hair Salon, the sign for which uses a similar colour scheme to MEMORY OPTICIANS. The number (obtained from Yellow Pages) for this establishment was dialled and was answered by Memory Opticians who advised that SLICE had not traded for at least five years.

20. Mr Dabin provided a second witness statement which sheds no further factual light on matters beyond what has already been set out.

Reply evidence of Messrs Memory

Second witness statement of Martin Memory

21. I note the following statements:

- Display stands are regularly rotated to give a fresh appearance. As a result, there may have been times when STRADA glasses were not on display, but they will have been on display for the majority of the time.

- When not on display, the glasses are in a display drawer which is equally accessible and that the spectacles are shown to customers when required.

- The name is used on the lenses as part of consistent branding throughout the shops.

- STRADA glasses (with display lenses) are taken on home visits by consultants.

- Promotions have taken place in respect of STRADA glasses. An example is given of a promotion in 2008 whereby special offers were provided to customers. Exhibit MM2-1 contains a price list associated with this offer with details of the "Special Promotional Price Package" for the STRADA spectacles.

- Staff in the opticians are trained to categorise glasses as "good, better or best". STRADA are in the good category. Not many other "good" category glasses are stocked, so STRADA is an important brand.

- STRADA is not intended to be, or defined as, an own brand. It is a stand-alone brand. This helps in case of future expansion and the possible sale in other opticians not part of the Memory group.

- It is confirmed that the photographs (of spectacles) in Martin Memory's previous witness statement were taken outside of the relevant period, but that it is illustrative of previous use. It is exactly how the glasses have looked on display during the relevant periods.

- That in relation to the consultation records, all are for STRADA sales, but they are only representative.

Witness statement of Bernadette Noke

22. Ms Noke is the branch manager of the Salisbury optician store. She has worked there for 10 years. She is aware of the STRADA brand and has been aware of it since she began working there. She states that the glasses would have been on display for the majority of the 10 years she has worked there. She would suggest them to clients who wanted a pair at the lower price end. She attaches a photo in Exhibit BN1 showing STRADA on the lenses (as per Martin Memory's first witness statement); she states that the word also appears on the inside arm of each pair, but this cannot be seen. She states that they have always been used like this.

23. Exhibit BN2 is the same document that Martin Memory provided in his second witness statement, concerning the promotion of STRADA glasses. She describes this as a copy of an internal handbook from 2008. She also provides details of sales made through the 3 stores. Between 1 August 2007 and 31 August 2012, 206 pairs were sold. It is accepted that this is low, but it is still an important product as part of the range offered. Some customers, apparently, ask for them by name as a repeat purchase. She states that she would not refer to STRADA as an own brand and has not been trained to do so, it is not linked to the MEMORY brand.

Witness statement of Tasmin Kemp

24. Ms Kemp is the assistant manager of the Salisbury branch. She provides the same photo and 2008 document as mentioned by Ms Noke. She makes similar observations about display rotations. She makes similar comments about the market level of the glasses and that some customers ask for them by name.

Analysis and findings regarding genuine use

25. Ms Wolfe was critical of the evidence on behalf of Messrs Memory. She submitted that much was internal (such as the records), that the only actual evidence showing the mark was taken of the goods in a cabinet (as opposed to being on display), and that there is nothing showing advertising or promotion etc. Mr Evans, on the other hand, submitted that the various witnesses had explained the position with regard to use, that the mark was shown on the spectacles and that they were placed on displays etc. I consider it fair to accept certain primary aspects of the evidence, as follows:

i) The history of the coining of the mark is well explained and is to be accepted.

ii) The mark has been applied to the spectacles by way of a sticker on the dummy lens. Even though the photographs are after the relevant date, the witnesses have stated that they have always been presented in this way and I have no reason to disbelieve this.

iii) The mark has, as a matter of fact, been applied to the arm of the spectacles. However, as none of the photographs actually show this I cannot hold that its impact is great – it may be extremely small.

iv) That some customers have purchased spectacles in the STRADA range, albeit the numbers are very low. The numbers given by Ms Noke mean that across the three opticians, just over 41 pairs per year were sold.

v) That spectacles bearing STRADA on the dummy lens (and also on the arm) have at times been on display. The frequency of display is, however, not known. Although the witnesses refer to them being on display for the majority of the time, this lacks any objective detail from which to make a finding.

26. Based on the totality of the evidence, I add that:

vi) There has been no use of the mark on the Internet, no sales in other shops or retail outlets.

vii) There is no real promotion or advertising of the mark. The only evidence put forward is of an internal document whereby staff were advised of promotional pricing for the spectacles in 2008.

27. At the hearing, I highlighted to Ms Wolfe and Mr Evans the judgment of the CJEU in Case C-141/13 P *Reber Holding GmbH & Co. KG v OHIM, Wedl & Hofmann GmbH,* the relevant part of which reads:

> "31 As a first stage, in paragraphs 33 and 37 of the judgment under appeal, the General Court held – having regard to the evidence produced by the appellant – that the actual commercial use of the earlier trade mark 'Walzertraum' was undisputed and that there was a certain degree of continuity in its use.
>
> 32 However, contrary to the view taken by the appellant, the assessment of the genuine use of an earlier trade mark cannot be limited to the mere finding of a use of the trade mark in the course of trade, since it must also be a genuine use within the meaning of the wording of Article 43(2) of Regulation No 40/94. Furthermore, classification of the use of a trade mark as 'genuine' likewise depends on the characteristics of the goods or service concerned on the corresponding market (*Ansul*, EU:C:2003:145, paragraph 39). Accordingly, not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question."

28. I did so because the above case supports the proposition that even if the use presented in evidence is non-sham commercial use, it does not always follow that such use constitutes genuine use. This struck me as having potential application to these proceedings given the low, on the face of it, level of sales made under the mark. The *Reber* case is also referred to by Ms Amanda Michaels (sitting as the Appointed Person) in *100% Capri* (BL O/357/14) where she stated:

> "19. Since then, and indeed since the hearing of the appeal, the CJEU has delivered its judgment in Case C-141/13, *Reber Holding GmbH & Co KG v OHIM,* 17 July 2014. In that case, an application for a CTM was opposed by the proprietor of a national mark which was put to proof of use of the mark. The evidence showed that the earlier mark had been used in relation to hand-made chocolates which had been sold only in one café in a small town in Germany. Sales of some 40-60 kg of chocolates per annum were shown, but given the overall size of the German market for confectionery and the lack of geographical spread of sales, the CJEU upheld the General Court's finding that there had been no genuine use of the German mark. On the facts of the case, it might be thought that the CJEU had approved the application by the General Court of a stricter test of genuine use than in the earlier jurisprudence, and in particular *La Mer,* in which the CJEU had held that there was no *'*quantitative threshold' to pass. However, in *Reber* the CJEU referred at [29] to that earlier jurisprudence, including *Ansul* and *La Mer*, and the need to consider all the circumstances of the case, and so it does not seem to me that the Court intended to diverge from its established approach to the assessment of genuine use."

29. As neither Ms Wolfe nor Mr Evans were fully au fait with the *Reber* decision, I permitted both of them an opportunity to provide written submissions in relation to that case and its impact here. Ms Wolfe submitted that the judgment was clearly relevant to the matters I needed to determine. Mr Evans, on the other hand, felt that *Reber* was not of assistance given that the facts were so different given the smaller (and single) location from which sales were made in *Reber* compared to the three locations through which the mark of Messrs Memory has been used, the populations of those towns, and the level of sales demonstrated. Mr Evans also highlighted that in *Reber* the undertaking concerned could have potentially used the mark more given its trading history and that it cannot possibly be concluded that use is not genuine use merely because it is localised.

30. *Reber* has not really changed the law with regard to genuine use, but it is nevertheless a very good example of a form of commercial use that was neither sham nor token, but nevertheless was not genuine; it is therefore a clarification of the earlier case-law. Mr Evans has made a comparison of some of the relevant facts between *Reber* and the present proceedings. I do not necessarily disagree with his view that the level of use in *Reber* constitutes a smaller scale of use than in the present proceedings. However, that does not mean that the use by Messrs Memory is genuine use. I must consider all the relevant circumstances relating to the use before the tribunal. Some of the relevant factors I bear in mind are that:

i) The UK market for the goods and services relied upon is reasonably large. A good many people wear and purchase spectacles and an even greater proportion will visit opticians.

ii) The quantum of sales is extremely low when compared to the likely size of the market. Such sales do, on the other hand, have a certain degree of frequency.

iii) The geographical spread of use is limited to three towns, all in roughly the same geographical area.

iv) There is no evidence of the mark having been promoted in brochures, advertisements or on the web etc.

31. None of the above factors are determinative *per se*, but they must all be borne in mind. Another factor is the way in which the marks have been used. Whilst I have accepted that STRADA was applied to dummy labels, the only evidence of the goods as used in the opticians is the photograph of them in a cabinet draw. This will hardly have done much to bring the mark to the attention of potential customers with a view to creating/maintaining a market share. SdS witnesses have stated that the goods will also have been on display, but for how long and in what form is not clear. The displays are not shown. None of this is symptomatic of a business wishing to create or maintain a market share. My reservations as to the way in which the marks have been used is supported by the fact that Mr Dabin, in his discussions with staff members, encountered one or two[1] who had not heard of the brand. Whilst this is, of course, hearsay, and it is not the strongest of evidence, it supports my view that Messrs Memory were not putting much, if any, effort into creating or maintaining a market share for their STRADA goods. I do not say that the mark has not been used at all, there are sales figures and there is direct evidence from people who worked in the shop, but what I will refer to as the very low-key way in which the mark has been used is another circumstance to bear in mind.

32. Mr Evans submitted that there is no *de minimus* level. This is true. However, the use must be considered genuine in accordance with the tests the Courts have laid down. I have considered whether the use in question is "warranted in the economic sector concerned as a means of maintaining or creating a market share for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark" (per *Ansul*, paragraph 43, *Sunrider* v *OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27). **In my view, the very small scale, very geographically limited use shown, coupled with the low-key means of using it, is insufficient to constitute real commercial exploitation of the mark in the UK market and therefore, this is not genuine use in any of the relevant periods. The consequence of this is that the earlier mark cannot be relied upon in these proceedings and the revocation actions succeed.**

[1] The reason it is one or two is because the second person spoken to was Tasmine and it is not clear if this person is the same person as the Tamsin who later gave direct evidence that she had heard of STRADA. Mr Dabin could have mixed up the name, or, she could be a completely different person to Tamsin.

33. In case I am wrong on that assessment, I should add that if the use shown constitutes genuine use then a fair specification would be much more limited than Mr Evans submitted. He submitted that on account of the use shown, a fair specification would cover not just the optical goods in class 9, but also the retailing services and optician services in classes 35 and 44 respectively. In relation to the two service mark classes, whilst appreciating the need not to be pernickety with specifications, a proprietor cannot expect to maintain (or rely upon) a registration for services in circumstance where the name of the optician (and retailer) is Memory Options and that the mark is used on a discrete and sparingly used range of goods within it. This claim is bound to fail. In relation to the class 9 goods, the following are registered:

> Spectacle glasses, including sunglasses and spectacles for sports; optical lenses and finished lenses for spectacles; chains and cords for spectacles; containers, frames and cases for spectacles.

34. The goods sold are spectacles. Ms Wolfe stated that if, against her primary submission, genuine use was established, then she took no issue with the inclusion of lenses for spectacles as this was, from the consumer point of view, part and parcel of the product sold. This is how I think, bearing in mind what is registered, a fair specification should read:

> Spectacle glasses, including sunglasses and spectacles for sports; optical lenses and finished lenses for spectacles

35. The chains, cords, cases etc have been removed because there is no evidence that the mark has been used in respect of them. Although there is no evidence that the mark has been used for sunglasses and sports spectacles, I have not removed the term as they are in any event included within the term spectacles which will remain.

36. The reason I have given a fall back finding in terms of genuine use is in case of successful appeal, so as to avoid the proceedings being remitted for the matter under section 5(2)(b) to be determined. I will, therefore give some brief views on this.

Section 5(2()b)

37. Section 5(2)(b) of the Act states that:

> "5.-(2) A trade mark shall not be registered if because –
> ..
> (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."

38. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel*

B.V. Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,* Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

39. At the hearing Mr Evans dropped the claim in so far as SdS' goods in class 25 were concerned. That leaves class 9, which reads:

> **Class 9:** Scientific, photographic, cinematographic, optical, weighing, measuring, signaling, monitoring (supervision) apparatus and instruments, apparatus for recording, transmitting and reproducing sound or images; spectacles, sunglasses and optical tools (included in this class); spectacle cases.

40. The opposition is directed only at some of SdS' goods, namely: "spectacles, sunglasses and optical tools; spectacle cases". Spectacles and sunglasses are identical to goods covered by the fair specification of the earlier mark as set out above. In relation to spectacle cases, these are, in my view, reasonably similar to spectacles on a complementary basis, and that they will be sold through the same trade channels to the same users etc. In relation to optical tools, these are not similar to the goods of the earlier mark. An optical tool is something used by a professional in the field, they are neither competitive or complementary[2] to spectacles/lenses per se, they are not the same in nature and will not be sold through the same trade channels. The users are also different.

Average consumer and the purchasing act

41. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97.* In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited,* [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

42. The average consumer is a member of the general public. The goods are not everyday items and a reasonable degree of care will go into their selection, although not of the highest possible degree. The goods will be selected via self selection or from perusal of brochures and catalogues etc. This suggests a visual process, but I will not ignore the aural impacts of the marks altogether.

[2] In the sense described in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06

Distinctive character of the earlier trade mark

43. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH* v *Klijsen Handel BV,* Case C-342/97 the CJEU stated that:

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

44. Given my earlier comments, the mark does not benefit from enhanced distinctiveness. In terms of inherent characteristics, for the majority of people, the mark will be seen as an invented word. It is reasonably high in inherent distinctive character.

Comparison of marks

45. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> ".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

46. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks are:

SdS' mark	Messrs Memory's mark
strada del sole	**STRADA**

47. The overall impression of the STRADA mark is based upon its single component part, the word STRADA itself. strada del sole consists of three words. The words hang together as a phrase (rather than as separate unconnected words presented alongside each other) albeit the meaning of the phrase is unlikely to be known by most consumers. None of the words takes on greater relative weight in the overall impression than the others, although, the word "del" is likely to have the least overall weight as it will be seen as something of a connective word that sits between strada and sole.

48. There is clearly some visual and aural similarity on account of the shared word STRADA (the casing does not matter because notional and fair use of either includes upper and lower case) but also some differences on account of the addition of "del sole" in SdS' mark. I consider this equates to a medium level of aural and visual similarity. Conceptually, the position is neutral as neither mark has a clear concept likely to be known by the average consumer in the UK.

Likelihood of confusion

49. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG,* paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

50. The earlier mark has a reasonably high level of inherent distinctiveness. The goods are either identical or else (in respect of spectacle cases) reasonably similar. Whilst I accept that the average consumer is unlikely to directly mistake one mark for the other, I take the view that the common presence in the marks of STRADA, a word which I have found to be distinctive to a reasonably high level, will signal to the average consumer, in relation to all of the goods at issue, that the undertaking responsible for them is the same or is related. **There is a likelihood of confusion.**

Primary outcomes

i) Registration 2315482 is revoked in respect of all its goods and services. The effective date of revocation is 16 August 2008.

ii) Registration 2445953 is revoked in respect of all its services. The effective date of revocation is 4 August 2012.

iii) The opposition to International Registration 943609 fails.

Alternative outcomes

51. The following outcomes are applicable only in the event of a successful appeal against my primary finding on genuine use:

i) Registration 2315482 is revoked with effect from 16 August 2008, save in respect of the following goods, for which the mark may remain registered:

"Spectacle glasses, including sunglasses and spectacles for sports; optical lenses and finished lenses for spectacles"

ii) Registration 2445953 is revoked in respect of all its services. The effective date of revocation is 4 August 2012.

iii) The opposition to International Registration 943609 succeeds in respect of the following goods only:

"Spectacles, sunglasses; spectacle cases"

Costs

52. SdS has succeeded on the basis of my primary findings. In the circumstances, I award it the sum of £2500 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Preparing statements and considering the other side's statements - £600

Filing and considering evidence - £1000

Attending the hearing - £500

Revocation fees - £400

***Total* - £2500**

53. I therefore order Martin and John Memory, being jointly and severally liable, to pay SdS Invest Corp AG the sum of £2500. The above sum should 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 16th day of December 2014

Oliver Morris
For the Registrar,
The Comptroller-General