

O-597-18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3211502
BY MARC CRAIG LTD
TO REGISTER A SERIES OF TRADE MARKS:**

MARC CRAIG

marc craig

**IN CLASSES 9, 14, 18, 25, 28 AND 42
AND OPPOSITION THERETO UNDER NO. 409279
BY MARC CAIN GMBH**

Background

1. On 8 February 2017 MARC CRAIG LTD (“the applicant”) applied to register the series of marks shown on the cover page of this decision for the following goods and services:

Class 9: *Sunglasses; pre-recorded discs, tapes and other media bearing music and other material relating to art and youth culture; computer software relating to art and youth culture; computer games for entertainment purposes cases and holders for portable computers and mobile telephones.*

Class 14: *Precious metals and their alloys; jewellery, precious and semi-precious stones; horological and chronometric instruments.*

Class 18: *Handbags, cases, briefcases, wallets, purses, laces, boxes, key cases or furniture coverings, all of leather or imitations of leather; trunks and travelling bags; bags, luggage; umbrellas.*

Class 25: *Clothing, footwear and headgear.*

Class 28: *Games, toys and playthings; gymnastic and sporting articles; decorations for Christmas trees.*

Class 42: *Art work design; graphic art services; commissioned artist's services.*

2. The application was published for opposition purposes on 17 February 2017. It is opposed by Marc Cain GmbH (“the opponent”). The opposition is based upon Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under Sections 5(2)(b) and 5(3) of the Act, the opponent relies upon the following two earlier trade marks:

- i. EUTM 012315198 (“198”)

MARCCAIN

which was filed on 15 November 2013 and registered on 27 March 2014. It is registered in respect of the following goods and services:

Class 3: *Perfumery, essential oils, cosmetics.*

Class 9: *Spectacles, spectacle cases, spectacle frames, sunglasses, goggles for sports.*

Class 14: *Jewellery, precious stones; Horological and chronometric instruments.*

Class 18: *Leather and imitation leather goods made thereof; Trunks and travelling bags; Umbrellas, sun umbrellas, parasols.*

Class 24: *Textiles and textile goods, not included in other classes; Bed covers; Table covers.*

Class 25: *Clothing, footwear, headgear.*

Class 35: *Franchisers and franchisees, namely professional business and organisational consultancy for franchising concepts; Online, retailing and catalogue mail order, included in class 35, relating to perfumery, essential oils, cosmetics, spectacles, spectacle cases, spectacle frames, sunglasses, goggles for sports, jewellery, precious stones, horological and chronometric instruments, leather and imitations of leather, and goods made of these materials, trunks and travelling bags, umbrellas, parasols, textiles and textile products, included in class 24, bed covers, table covers, clothing, footwear, headgear*

ii. UK 2029713 (“713”) (series of two)

MARC CAIN

MARCCAIN

which was filed on 08 August 1995 and registered on 20 September 1996. It is registered in respect of the following goods:

Class 3: *Perfumery, essential oils, cosmetics, toiletries.*

Class 18: *Leather and imitation leather; articles made of these materials not included in other Classes; trunks and travel bags; umbrellas and parasols; bags, wallets and purses.*

Class 25: *Articles of clothing, headwear and footwear.*

3. Under Section 5(2)(b) of the Act, the opponent claims that the applied for marks are similar to its earlier marks, that the respective goods and services are similar, and that there is a likelihood of confusion on the part of the public.

4. Under Section 5(3) of the Act, the opponent claims that the earlier marks have acquired a reputation in the UK in respect of all of the goods and services for which they are registered. In particular, it claims that “the opponent has a substantial reputation in relation to the Marc Cain range of clothing and accessories that have been on sale in the UK for many years”. According to the opponent, use of the applied for marks would be likely to cause confusion and thereby take unfair advantage of the reputation of the earlier marks. Further, if the applicant’s marks were used in relation to goods/services of lower quality than its own, use of the marks could potentially be detrimental to the reputation of the earlier marks. It further states (as written):

“It is submitted that the Opponent wishes to protect its mark from erosion of the distinctiveness it has acquired. The erosion of the distinctiveness may lead, subsequently, to the erosion of the exclusivity of the Opponent’s mark. If the exclusivity of the mark becomes tarnished and eroded, this could lead to the loss of sales. The possible loss of sales would indicate the economic behaviour of the relevant public.”

5. Under Section 5(4)(a) of the Act, the opponent claims that use of the applicant’s marks is liable to be prevented under the law of passing off, owing to its goodwill attached to the sign MARC CAIN which it claims to have used throughout the UK since September 2011. The opponent says that it has acquired a significant goodwill in relation to clothing and fashion accessories.

6. In its statement of grounds, the opponent indicates that under Section 5(2)(b) the opposition is directed against the applied for goods and services falling in classes 9, 14, 18, 25 and 42; under Sections 5(3) and 5(4)(a), it is directed against all of the goods and services in the application.

7. The applicant filed a defence and counterstatement, denying all the grounds.

8. Only the opponent filed evidence. I have read all the evidence but I will summarise it only to the extent I consider necessary. Neither party requested a hearing but both filed written submissions in lieu, which I will bear in mind. The applicant is not professionally represented. The opponent is represented by Lewis Silkin LLP.

The evidence

9. The opponent’s evidence takes the form of an affidavit from Helmut Schlotterer, the opponent’s founder and managing director. The affidavit is dated 5 January 2018. Mr Schlotterer explains that the opponent was founded in 1973 and that it is a “globally operated premium brand for women’s fashion”. It currently operates 1,840 stores worldwide and it employs 1,037 employees in Germany.

10. According to Mr Schlotterer, 82 million euros were invested in the period 2007-2014 in administration and manufacture, as well as research and development and “a total of 35 million euros has been invested in the business so far”. Mr Schlotterer says that “Marc Cain’s signature store in the UK is located in St Albans and there is also an additional premium Marc Cain showroom in London”. No information is provided as to when the London store and showroom were open.

11. The Marc Cain mark was first used in Germany in 1973 and, according to Mr Schlotterer, “given the UK’s proximity to Germany [...], it was not long before the Marc Cain range of women’s fashion began appearing in the UK and the opportunity to open stores on the ground was realised”. The Marc Cain marks are said to feature on all fashion items produced by the opponent. Exhibit HS2-3 consists of undated copies showing examples of the Marc Cain mark (stylised) applied to the following goods: women’s garments, shoes, a keyring, a handbag, a scarf, a necklace and a fragrance. Copies of a swing tag and internal labels bearing the Marc Cain mark (stylised) are also produced; I note that these carry USA women’s clothing sizes, i.e. size 2 and 3. The swing tag is priced in euros, i.e. 399 EUR, with the price in sterling handwritten below, i.e. £379.

12. Mr Schlotterer says that all of Marc Cain fashion items, including accessories and fragrances, are available to consumers throughout Europe including the UK and that “in addition to Marc Cain’s UK stores and the official Marc Cain’s website, Marc Cain’s branded products are available at John Lewis department stores throughout the UK” and can be purchased by UK consumers via third party websites, such as eBay and Amazon. Exhibit HS4 consists of examples of UK websites offering Marc Cain products. These show a number of women’s clothing items, as well as bags and footwear items available for sale. All the copies have been printed on 27 December 2017 (after the relevant date).

13. According to Mr Schlotterer, the opponent has sold a very high volume of goods under the Marc Cain mark in the UK in particular in the last 10 years. He produces in support Exhibit HS5, which sets out Marc Cain’s UK sales revenue figures for the period 2006-2016. The exhibit is marked as confidential. The opponent did not bring the matter to the attention of the Tribunal and it was not picked up. Even if I were to

take this to be a request for confidentiality, the opponent has provided no reason why the Registrar should preserve the confidentiality of the information contained in the exhibit (or indeed of any other part of the evidence filed). That said, the only specific information that needs to be included in this decision, is that the UK annual sale figures, although not insignificant, are relatively modest, and are not broken down in any way by reference to the goods.

14. Mr Schlotterer provides worldwide advertising and marketing figures in relation to the Marc Cain brand for the period 2006-2017. The figures, which are said to include the EU, including the UK, amount to 156 million euros. Mr Schlotterer also refers to the opponent winning two German awards in 2016 and 2017, the most recent of which was as one of Germany 'TOP 100' innovative SMEs. The rest of the evidence relates to use of the Marc Cain marks on the opponent's website, on social media, on press articles and on the Marc Cain Inside magazine. The following information is exhibited:

- Exhibit HS6 is a printout taken from whois.domaintools.com for the domain name marc-cain.com which is reported to belong to the opponent and to have been created on 1 March 1999. Mr Schlotterer says that the website "is accessible to worldwide consumers including those in the UK";
- Exhibit HS7 is a copy from the front page of the website www.marc-cain.com. The copy is produced in English; however, it is possible to see that the website can also be accessed in other languages, namely German, Dutch and French. It features the Marc Cain mark (stylised) and refers to Marc Cain's women's' clothing (and accessories) as "luxurious" and "designer". The copy was printed on 22 December 2017 (after the relevant date). Exhibit HS8 are screenshots from the Wayback machine showing the opponent's website on various dates in 2000, 2005, 2010 and 2015. The screenshots feature the stylised mark but there is no reference to the goods on offer;
- Exhibit HS9 are copies of online press articles about the Marc Cain brand. The copies were printed on 29 December 2017 (after the relevant date) but it is possible to see that the articles were published on various dates between 2012 and 2017. These include, inter alia:

- i. copy of an online article from marieclaire.co.uk published on 30 January 2015 taking about Tali Lennox, the eldest daughter of Annie Lennox, opening the Marc Cain Fashion Week in Berlin;
 - ii. copy of the front page of the online magazine express.co.uk published on 1 October 2016. It contains the heading “Marc Cain, Topshop and Amazon: The best accessories we want this week”;
 - iii. copy of the front page of the online magazine dailymail.co.uk published on 19 January 2016. It refers to Marc Cain’s Fall 2016 Runway Show at Mercedes Benz Fashion Week Berlin;
 - iv. copy of an online article from vogue.co.uk, about the Marc Cain Autumn-Winter 2017 collection. The copies show a number of women’s clothing items worn by female models on a catwalk;
- Exhibit HS10 are extracts from the internal Marc Cain newsletter from 2013 to 2017. The copies are supposed to show that the Marc Cain marks were featured in various publications around the world. The UK publications include Elle, Marie Claire, Grazia and Vogue.
 - Exhibit HS11 are copies from the Marc Cain Facebook, Twitter and Instagram pages. The pages were all printed on 29 December 2017 (after the relevant date).

Decision

Section 5(2)(b)

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

“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”.

16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which states:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

17. In these proceedings, the opponent is relying upon the registered marks shown in paragraph 2 above, which qualify as earlier marks under the above provisions. As trade mark 713 completed its registration process more than five years before the publication date of the application in suit, it is subject to proof of use, as per section 6A of the Act. However, I note that in response to the question in box 7 of the counterstatement i.e. “do you want the opponent to provide “proof of use?”, the applicant has answered “No”. Consequently, the applicant has accepted the statement contained in the opponent’s statement of grounds to the effect that the earlier 713 mark has been used on the goods covered by the registration. The other mark upon which the opponent relies, i.e. 198, completed its registration process less than five years before the publication date of the application in suit; as a consequence, it is not subject to proof of use and the opponent is entitled to rely upon all of the goods and services covered by the registration.

18. I propose to begin my consideration of the opposition with the opponent’s 198 mark, which is identical to the second mark of the series (in the 713 mark) and has a broader specification. I will then consider the first mark of the series (in the 713 mark), i.e. the plain mark, separately.

Section 5(2)(b) case law

19. The following principles are gleaned from the decisions 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

20. In comparing the respective specifications, all the relevant factors should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the Court stated at paragraph 23:

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

21. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

22. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (GC) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

23. In *Les Éditions Albert René v OHIM*, Case T-336/03, the GC stated:

“61... The mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature, intended purpose and the customers for those goods may be completely different.”

24. I also keep in mind the following guidance of the GC in *Gérard Meric v OHIM*, Case T- 133/05 (“*MERIC*”):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

25. The opposition under Section 5(2)(b) is directed against the applied for goods and services falling in classes 9, 14, 18, 25 and 42. In its statement of grounds, the opponent does not specifically address the question of the similarity between the respective goods and services beyond its general submission that they are identical or similar. The only submissions the opponent has put forward on the point, is the filing of a table (contained in its submissions in lieu), which highlights what terms it claims are identical or similar. Notably, in relation to some of the terms included in the applied for the specification, there is no claim that the parties’ goods and services are identical or similar.

198 Mark

Class 9: Sunglasses; pre-recorded discs, tapes and other media bearing music and other material relating to art and youth culture; computer software relating to art and youth culture; computer games for entertainment purposes cases and holders for portable computers and mobile telephones.

26. The earlier specification includes *spectacles, spectacle cases, spectacle frames,*

sunglasses, goggles for sports in class 9. Both specifications include the identical term *sunglasses*; these goods are self-evidently identical.

27. In the table filed with its submissions in lieu, the opponent has not highlighted any similarity between the applied for *pre-recorded discs, tapes and other media bearing music and other material relating to art and youth culture; computer software relating to art and youth culture; computer games for entertainment purposes cases and holders for portable computers and mobile telephones* and the earlier goods and services in classes 3, 9, 14, 18, 24, 25 and 35. In the absence of any obvious similarity between these goods and the earlier goods and services, I find that they are not similar.

Class 14: Precious metals and their alloys; jewellery, precious and semi-precious stones; horological and chronometric instruments.

28. The earlier specification covers *jewellery, precious stones; horological and chronometric instruments* in class 14.

29. Both specifications include the identical terms *jewellery* and *horological and chronometric instruments*; these goods are self-evidently identical.

30. *Precious metals and their alloys; precious and semi-precious stones*, might form part of *jewellery* and horological and chronometric instruments. In my experience, jewellery shops commonly also deal in precious metals/stones, such as buying and selling bullion and jewels. Further, it would not be uncommon for a consumer to select precious stones/metal to incorporate into an item of jewellery. Consequently, there is some similarity in terms of the channels of trade and, also, some complementarity and I find that *precious metals and their alloys; precious and semi-precious stones* are similar to a low degree to the opponent's goods in class 14.

Class 18: Handbags, cases, briefcases, wallets, purses, laces, boxes, key cases or furniture coverings, all of leather or imitations of leather; trunks and travelling bags; bags, luggage; umbrellas.

31. The earlier specification covers *leather and imitation leather goods made thereof; trunks and travelling bags; umbrellas, sun umbrellas, parasols* in Class 18.

32. Both specifications include the identical terms *trunks and travelling bags and umbrellas*; these goods are self-evidently identical.

33. *Handbags, cases, briefcases, wallets, purses, laces, boxes, key cases or furniture coverings, all of leather or imitations of leather; bags and luggage* are all encompassed by the earlier *leather and imitation leather goods made thereof*. These goods are identical in the principle outlined in *Meric*.

Class 25: Clothing, footwear and headgear.

34. Both specifications include the identical terms *clothing, footwear and headgear* in class 25; these goods are self-evidently identical.

Class 42: Art work design; graphic art services; commissioned artist's services.

35. In the table filed with its submissions in lieu, the opponent has not highlighted any similarity between these services with any of the earlier goods and services in classes 3, 9, 14, 18, 24, 25 and 35. In the absence of any obvious similarity between these services and the earlier goods and services, I find that they are not similar.

36. As I found that the contested *pre-recorded discs, tapes and other media bearing music and other material relating to art and youth culture; computer software relating to art and youth culture; computer games for entertainment purposes cases and holders for portable computers and mobile telephones* in Class 9 and *art work design; graphic art services; commissioned artist's services* in Class 42 are not similar to any of the opponent's goods and services, there is no likelihood of confusion in relation to these goods and services and the opposition under Section 5(2)(b) (based on the 198 mark) fails in relation to them.

173 Mark

37. The opponent's 173 mark covers the same goods in classes 18 and 25 which are covered by the 198 mark and which, I have already found, are identical to the applied for goods in classes 18 and 25.

38. The 173 mark also covers *perfumery, essential oils and cosmetics* in class 3. In the table filed with its submissions in lieu, the opponent has not highlighted any similarity between its earlier class 3 goods and any of the contested goods and services. Consequently, reliance on those goods do not improve the opponent's position in relation to the goods and services which I have already found are dissimilar under the earlier broader specification, namely *pre-recorded discs, tapes and other media bearing music and other material relating to art and youth culture; computer software relating to art and youth culture; computer games for entertainment purposes cases and holders for portable computers and mobile telephones* in Class 9 and *art work design; graphic art services; commissioned artist's services* in Class 42.

39. As to the similarity between the remaining goods in the application, namely, *sunglasses* in class 9 and goods in class 14 (which I have found to be similar to the goods in class 9 and 14 covered by the opponent's 198 registration) and the other goods covered by the opponent's 173 registration, i.e. classes 18 and 25, once again, the opponent has not highlighted any similarity between them. Accordingly, in the absence of any obvious similarity, I find that these goods are not similar to any of the opponent's goods covered by the 713 mark.

40. As I found that the contested goods and services in classes 9, 14 and 42 are not similar to any of the opponent's goods (as covered by the 713 mark), there is no likelihood of confusion in relation to these goods and services. Consequently, the opposition under Section 5(2)(b) (based on the 173 mark) fails in relation to them.

The average consumer and the nature of the purchasing act

41. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods will be selected in the course of trade.

42. 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.”

43. The average consumer of the parties’ goods in classes 9, 14, 18 and 25 is a member of the general public. As to how the goods will be selected, the opponent accepts in its submissions in lieu, that visual considerations are likely to dominate the selection process. I agree. For the most part, the goods will be obtained by self-selection i.e. from the shelves of a bricks and mortar retail outlet or from the equivalent pages of a website or catalogue. The level of attention is likely to vary according to the type of the item purchased, for example, one would expect an average consumer to pay a higher degree of attention to the selection of a piece of jewellery (although that degree could vary depending on how expensive the jewellery is) and a relatively lower degree of attention to the selection of an umbrella. That said, given the nature of the goods, the average consumer will wish to ensure that the goods are, for example, the desired fit, colour or style. Consequently, at least an average degree of attention will be paid to their selection.

Comparison of marks

44. 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 them, 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.”

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

46. The marks to be compared are:

Applicant's marks (series of two)	Opponent's marks
MARC CRAIG marc craig	Mark 198 
	Mark 713 (first mark of the series) 

Overall impression

47. The applied for marks are word marks. The first mark (in a series of two), consists of the words MARC CRAIG presented in standard upper-case letters; in the second mark, i.e. marc craig, the letters are in lower case. Although CRAIG is also an English first name, it is likely to be perceived as a surname when placed after a first name, i.e. MARC.

48. The earlier mark 198 (which, as I have already said, is identical to the second mark of the series in the earlier 713 mark) is a graphic mark consisting of the word element MARCCAIN, presented in upper case letters in a stylised script with the letters CC in the middle of the mark overlapping each other. The mark is presented as one word, but it naturally breaks down into MARC and CAIN. The first mark of the series in the earlier 713 mark consists of the words MARC CAIN presented in standard upper-case letters. In each of the earlier mark it is likely that the component CAIN will be assumed to be a surname because of its juxtaposition to the first name MARC.

49. Both parties accept that the marks will be perceived as having the same structure, consisting of a first name followed by a surname. The opponent submits that the word MARC occupies the dominant position at the beginning of each mark. There is no evidence that the average consumer is likely to focus his attention only on the first element of the marks and that he would not notice the surnames as much as the first names. A name has a distinctive character not only because of the first name but also because of the surname.

50. Consequently, the distinctive character of the parties' marks, which consist of a first name and a surname, reside in the combination of these elements¹. In the applied for marks and in the first mark of the series in the earlier 713 mark, that it the overall impression it conveys. In the earlier 198 mark, the stylisation has a visual impact and makes a contribution to the overall impression, but the verbal element MARCCAIN remains the component that has greater relative weight.

¹ BL-O-120-04

Visual and aural similarity

51. Visually and aurally, the parties' marks are similar to the extent that they coincide in the first name MARC. On the other hand, they differ in the surnames CRAIG/CAIN and in their respective sounds. Both surnames begin with the letter C and contain the letters AI. However, they are of different length and have different endings, i.e. G and N; further the letters AI are positioned in different positions, between different letters, i.e. the letters R and G in CRAIG and the letters C and N in CAIN. The earlier 198 mark also differs visually in the stylisation of the verbal element.

52. Whilst there is a certain level of similarity between the parties' marks, to the extent that they all share the first name MARC and some of letters in the surnames, the differences between the components CRAIG and CAIN result in the marks conveying different overall impressions.

53. In terms of visual similarity, the first mark of the series in the earlier 713 mark is visually similar to the contested marks to a medium degree. As regards the other earlier mark, i.e. 198 mark, given its degree of stylisation, the degree of visual similarity is lower, i.e. low. In terms of aural similarity, as the stylisation of the earlier 198 mark will not affect the way in which it is spoken, both the earlier 713 and 198 marks are aurally similar to a medium degree to the contested marks.

Conceptual similarity

54. Conceptually, the word MARC, present in both signs, is a well-known English first name for a male which has also a very common variant, namely, MARK. As I have said earlier, the marks' second words, CAIN and CRAIG, will most likely be perceived as surnames due to their juxtaposition to the first name MARC. The opponent submits that "both marks are name of a person" and are conceptually identical. In BL-O-276-18, Emma Himsworth QC, sitting as the Appointed Person rejected a similar argument. She stated:

“27. The EU courts have accepted that names may have a concept. Therefore to the extent that the Hearing Officer proceeded with an analysis of conceptual similarity on the basis that the marks in issue were names he was in my view correct to do so.

28. It is also clear that the mere fact that the marks the subject of the comparison can be grouped under a common generic term of ‘names’ does not automatically lead to a finding of conceptual similarity. This is well illustrated by the examples given in Part C, Section 2, Chapter 4 Comparison of Signs of the Guidelines for Examination of European Trade Marks issued by the EUIPO on 1 October 2017 where the names FRANK and MIKE are identified as being names which would not lead to a finding of conceptual similarity because the public is not likely to make a conceptual link between the two words; whereas the contrary is the case where the names in issue are FRANK and FRANKIE one being a different version of the other such that the public is likely to make a conceptual link.

[...]

32. For the reasons set out above, in so far as the appeal against the Hearing Officer’s finding that the marks were conceptually dissimilar was pursued on the basis that because all the marks in issue were names it automatically followed that the marks must be found to be conceptually similar I reject it.”

55. Similar considerations apply here. The mere fact that the competing marks will be perceived as names of persons does not, by itself, give rise to conceptual similarity. In particular, in the case of names containing two different surnames, the public is not likely to make a conceptual link between the two names, since there is no reason to assume a link between two persons with different surnames. The public will associate the signs at issue with the names of two separate people; the earlier mark will be associated with an individual named MARC CAIN and the applied for marks will be associated with an individual named MARC CRAIG. The marks are not conceptually similar. At a high level of conceptual generality, the marks both contain the same first name MARC; however, a conclusion on this basis that the marks are conceptually similar would, in my view, lead to a skewed result, since the names are followed by different surnames and surnames possess inherent qualities of identification.

Distinctive character of the earlier mark

56. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

“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 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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).”

57. The opponent has provided some evidence of use of the earlier marks. However, I find the opponent’s evidence inadequate to demonstrate that the earlier marks have acquired an enhanced degree of distinctive character through use in the UK in relation to any of the goods and services covered by the earlier specifications. This is because:

- though UK sale figures are provided, there is no indication of the goods sold bearing in mind that the earlier specifications cover goods and services in class 3, 9, 14, 18, 24, 25 and 35. I should also mention that even considering that the evidence suggests that the opponent’s business is in women’s clothing and

fashion accessories, there is no clear indication of what the “fashion accessories” referred to in the evidence might be and how much of the total sale may have been made in relation to them. In any event, the volume of the sale is relatively modest from the evidence;

- the evidence does not reveal the name of any UK consumers and no invoices are provided in support;
- most of the evidence of use of the earlier mark on the goods is undated or after the date of the application (the relevant date) and is therefore irrelevant in assessing whether, at that time, the earlier marks had acquired an enhanced degree of distinctiveness. Further, the copies of swing tags and internal labels exhibited at HS2-3 show US clothing sizes and currency in euros which suggests that the goods were manufactured for US and/or European markets;
- the marketing and investment figures are not broken down in any way and certainly not in relation to any specific sum spent in the UK;
- Mr Schlotterer refers to a UK MARC CAIN store and showroom as well as to MARC CAIN branded goods being available at John Lewis department stores, but he failed to give any indication of when these stores were opened or from when the goods became available. Though in its submissions in lieu, the opponent referred to the MARC CAIN store opening in 2012, this information was not included in the evidence and, as such, must be disregarded;
- the copies of press articles exhibited at HS9 refer to MARC CAIN fashion week in Berlin; the evidence relating to the MARC CAIN brand being advertised on UK publications does not make it possible to ascertain to what extent the earlier marks were advertised and does not establish that the magazines on which the opponent relies will have come to a significant level of attention among people in the UK.

58. The deficiencies in the opponent's evidence are such that it does not establish that the earlier marks have acquired an enhanced degree of distinctive character in the UK at the relevant date. I am far from satisfied that the average consumer in the UK has been exposed to the marks such that there is a greater likelihood of confusion. I can only therefore consider the inherent distinctiveness of the earlier marks.

59. The earlier mark consists of the male first name MARC combined with the surname CAIN; the combination will be seen as the name of an individual called MARC CAIN and does not describe or allude to the goods. There is no evidence before me to the effect that MARC CAIN is a well-known person such that the perception of the average consumer may in some way be affected. The first name MARC (and its variant MARK) is common in the UK; there is no evidence to suggest that the surname CAIN is common or uncommon. On that basis, the earlier mark can be said to be inherently distinctive to an average level. Whilst the stylisation of the earlier mark makes a visual impact, it does not increase its distinctiveness for the purpose of assessing the likelihood of confusion².

Likelihood of confusion

60. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

61. In *L.A. Sugar Limited v By Back Beat Inc*, case BL-O/375/10 where he stated:

² I note and bear in mind that it is the distinctiveness of the common element (the words) which are key in the assessment of whether there exists a likelihood of confusion, as per the decision of Mr Iain Purvis QC (as the Appointed Person) in *Kurt Geiger v A-List Corporate Limited*, BL O-07513.

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

62. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

63. I have found that most of the goods are identical. I have found the purchasing process to be mainly visual and to involve, at least, an average degree of attention. I have found the respective marks to share a low (in relation to the earlier 918 mark) and medium (in relation to the first mark of the series in the earlier 713 mark) level of visual similarity and a medium level of aural similarity. I also found that the marks are not conceptually similar. Finally, I found that the earlier mark has an average degree of distinctive character.

64. In its submissions in lieu, the opponent referred me to a decision of the Board of Appeal in R940/2004-1 in which the marks WILD CARD and WILD CASH had been found to be similar. That case is clearly not an all fours with the instant case, since the Board of Appeal was not comparing one forename and surname with another forename and surname. In these proceedings, the fact that each mark, taken as a whole, identifies a different person by its full name assumes a critical importance.

65. I have already rejected the opponent's argument that the element MARC is the dominant component in each mark because it is located at the beginning of the marks. Whilst the beginnings of marks may be more likely to catch the consumer's attention, this is not always the case and account must be taken of the overall impression of the signs. In the present case, the second element of the marks, i.e. CRAIG and CAIN are most likely to be recognised as surnames. Since the surnames are different, there is no reason to assume a link between the two persons.

66. In its statement of grounds, the opponent states that "the marks share several identical letters and are not overall sufficiently distinguishable from each other". In its submissions in lieu, it also states:

"The words CRAIG and CAIN share the letters C, A and I. There is some aural similarity in the words CRAIG and CAIN, which is stronger than the aural similarity found in CARD and CASH. It is submitted that as the letter G is at the end of the word (and the mark) it is likely to be lost and not heard in a governing way - unlike the sound the letter G makes when at the beginning of a word such as "green".

67. I reject the opponent's argument. Thought the marks share the first name MARC, the average consumer is used to distinguishing between different surnames. Even considering the effect of imperfect recollection in relation to the first mark of the series in the 713 mark (which represents, in term of marks, the best prospect of success for the opponent), I consider that the variations between the surnames are unlikely to pass unnoticed. My conclusion is therefore that the differences between the surnames are such that they will not be lost in the overall impression and that the MARC CRAIG and MARC CAIN marks are not close enough to be directly confused. Indeed, the applicant's case is even stronger in relation to the 918 mark, in which the additional stylisation, perceived visually, creates a further distance between the marks.

68. Thus, my conclusion is that the relevant public will be able to safely distinguish between the MARC CRAIG and MARC CAIN marks even where identical goods are involved. **There is no likelihood of direct confusion.**

69. Since the relevant public will understand the marks as indicating two distinct and unrelated persons, there is no reason why the average consumer would believe that the goods come from the same or economically connected undertakings. **There is no likelihood of indirect confusion.**

Conclusion

70. The opposition under Section 5(2)(b) fails.

Section 5(3)

71. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

72. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a

characteristic or quality which is liable to have a negative impact on the earlier mark; *L’Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L’Oreal v Bellure*).

Reputation

73. The required level of reputation was described by the CJEU in *General Motors*, Case C-375/97, in the following way:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it".

74. In its counterstatement the opponent claims that it enjoys a significant reputation in relation to all of the goods and services for which the earlier marks are registered, though the evidence focuses on women's clothing, fashion accessories and fragrances.

75. The evidence filed contains no indication of the size of the relevant UK or EU market, nor of the opponent's share within it. Given the goods at issue, both markets are likely to be huge. As I have already said, the turnover figures which have been provided are not broken down, so there is no way for me to determine the extent of sales in relation to the goods at issue. In this connection, I refer, without repetition, to what I have already said in relation to the earlier mark not having acquired enhanced distinctiveness through use. Bearing in mind the evidence filed by the opponent and summarised earlier I do not consider that the opponent has established a qualifying reputation (either in the UK or in the EU) for the purpose of Section 5(3).

76. In the event of an appeal from this decision, it may assist the parties if I point out some additional failings which obtain to this ground. Even if the opponent had established a reputation at the relevant date in relation to the goods concerned, it does not automatically follow that its claim under Section 5(3) would have succeeded. In addition to having a reputation, a link must be made (in the UK) between the applicant's marks and the earlier marks. In assessing whether the relevant public will make a link, I take into account that i) the respective marks are visually and aurally similar to, at best, a medium degree, yet conceptually there is no similarity; ii) most of the goods are identical and the prospective consumers clearly overlap; iii) even if the opponent had established a reputation, it would not be more than modest, certainly not overwhelming.

77. Bearing in mind all of the factors listed above, my view, the opponent's case falls down at this point. Whilst the signs are similar to the extent they are names that share the first name and some of the letters which make up the surnames, the differences between the surnames are such that a consumer on noting the MARC CRAIG marks will not bring to mind the MARC CAIN marks and no link will be made.

78. The opposition under Section 5(3) fails and is dismissed accordingly.

Section 5(4)(a)

79. Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

80. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court stated that:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)".

81. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Daniel Alexander QC, sitting as the Appointed Person, considered the matter of the relevant date in a passing off case. He said:

"43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'"

82. In its submissions in lieu, the applicant has provided a number of statements from Marc Craig, the applicant's CEO, to the effect that the applied for mark has been in use since 1995 in relation to Mr Craig's creative projects, products and business. However, since the information supplied was filed in the form of submissions in lieu (not evidence) outside the time limits for the filing of the evidence (and the applicant did not request an extension of time to file evidence), it is inadmissible; consequently, I will disregard it. In those circumstances, the relevant date is the date of the application, i.e. 8 February 2017.

83. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start”.

84. Even if I were to take the view that the opponent had generated a protectable goodwill in respect of women’s clothing and fashion accessories (which seems to be its main business) and that the sign “MARC CAIN” was distinctive of the opponent’s UK trade at the relevant date, the case under Section 5(4)(a) falls down at this point. For the reasons given in my finding under Section 5(2)(b), the contested mark is unlikely to be mistaken for the earlier mark and there is no likelihood that “a substantial number” of the opponent’s customers or potential customers will be deceived. Consequently, use of the contested mark would not constitute a misrepresentation to the public.

85. The Section 5(4)(a) ground of opposition is dismissed.

Costs

86. The applicant has been successful and would ordinarily be entitled to an award of costs. However, as the applicant is an unrepresented party, the tribunal wrote to the applicant and asked it to complete and return a costs pro-forma if it intended to seek an award of costs. It was advised that, if the pro-forma was not returned, no award of costs would be made. The pro-forma has not been received by the tribunal and I therefore direct that the parties bear their own costs.

Dated this 24th day of September 2018

**Teresa Perks
For the Registrar
The Comptroller – General**