

O/022/22

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION FOR TRADE MARK NO. 3522993
IN THE NAME OF S & D PRODUCTIONS AND MANAGEMENT LTD FOR THE
TRADE MARK**



IN CLASSES 25 AND 33

AND

THE OPPOSITION THERETO UNDER NUMBER 423360

BY

GIORGIO ARMANI S.P.A.

Background and pleadings

1. On 15 August 2020, S & D Productions and Management LTD applied for the trade mark shown on the cover page of this decision (number 3522993) for the following goods:

Class 25: *Clothing for leisure wear.*

Class 33: *Alcoholic beverages containing fruit.*

2. The application was published for opposition purposes in the *Trade Marks Journal*, on 27 November 2020. On 26 February 2021, Giorgio Armani S.p.A. (“the opponent”) filed an opposition to the application under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). The section 5(2)(b) and 5(3) grounds are based upon the following earlier registered European trade mark:¹

15743867: filing date 10 August 2016, claiming a UK seniority date of 4 July 2007; registered 6 January 2017



3. Under section 5(2)(b) of the Act, the opponent relies upon the above mark in respect of the goods registered in class 25, detailed later in this decision. The opponent claims that the applicant’s goods in class 25 are identical to its own; the marks are similar; and, the earlier mark is famous, all these factors leading to a likelihood of confusion. There is no section 5(2)(b) opposition against the applicant’s class 33 goods.

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

4. Under section 5(3) of the Act, the opponent claims a reputation in its mark for its goods registered in class 3 (detailed later) such that the relevant public will believe the parties' marks are used by the same undertaking or an economically linked undertaking. The opposition under section 5(3) is directed at all of the applicant's goods. The opponent also claims that use of the applicant's mark will erode the distinctiveness of the earlier mark, damage its repute, and give an unfair advantage to the applicant by virtue of the reputation of the earlier mark.

5. The applicant denies the grounds of opposition.

6. The opponent is professionally represented by Haseltine Lake Kempner LLP, and the applicant represents itself. Both parties filed evidence. The opponent's evidence comes from Antonio Croce, its Intellectual Property Manager.² The applicant's evidence comes from Fiona McNamee, its CEO, although, essentially, it comprises submissions, rather than evidence of fact.³ I make this decision after careful consideration of all the papers, including the parties' submissions filed in lieu of a hearing, neither party having requested to be heard.

Section 5(2)(b)

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

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

(a) ...

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

² Witness statement dated 22 July 2021

³ Witness statement dated 27 September 2021

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

8. The opponent’s mark is an earlier mark within the meaning of section 6 of the Act, having been filed earlier than the application. It is also not subject to the proof of use provisions (section 6A of the Act) which means that the opponent is able to rely upon the goods identified in its statement of grounds (class 25 for the section 5(2)(b) ground) without proving that it has made use of its trade mark in relation to the goods.

9. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) 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.⁴

The principles

(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

⁴ Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

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

10. The law requires that goods/services be considered identical where one party's description of its goods/services encompasses the specific goods/services covered by the other party's description (and vice versa).⁵

11. The applicant's specification which is opposed under section 5(2)(b) is *Clothing for leisure wear*. The opponent's class 25 specification is: *Coats; jackets; trousers; skirts; tops; raincoats; overcoats; belts; braces for clothing; suits; stuff jackets; jumpers; jeans; dresses; cloaks; parkas; shirts; T-shirts; sweaters; underwear; baby-dolls being nightwear; bathrobes; bathing costumes; negligée; swim suits; dressing gowns; shawls; neckerchiefs; scarves; ties; neckties; sweat shirts; under shirts; polo shirts; body suits; shorts; combinations [clothing]; wedding dresses; stockings; socks; shoes; slippers; overshoes; galoshes; wooden clog; soles for footwear; footwear upper; boots; ski boots; snow boots; half boots; esparto shoes or sandals; sandals; bath sandals; gloves; mittens; hats and caps; visors (headwear)*. The applicant's specification covers many of the opponent's specific goods; for example, T-shirts, sweat shirts, polo shirts and shorts. The goods are, therefore, identical.

The average consumer and the purchasing process

12. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the goods at issue and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."⁶ 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

⁵ *Gérard Meric v OHIM*, Case T-33/05, General Court

⁶ *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)

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.

13. The average consumer for the parties' goods is a member of the general public. As it is important what clothes look like, the selection, or purchasing process, will be predominantly visual. The purchase could be from physical shelves, from a website or from a catalogue, all of which entail visual perception. However, I bear in mind that there may be oral requests made to sales assistants, such as asking for a particular item to be brought for trying on, in which case there may be an aural dimension to the purchasing process. The average consumer will be considering, for example, cost, size, colour, fabric and suitability for an occasion or use. The goods are not infrequent purchases or those which require particular consideration. This all means that the average consumer will pay a normal, or medium, degree of attention to the purchase of the goods.



Comparison of marks

14. 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 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.”

15. 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.

16. The marks to be compared are:

Opponent's mark	Application
	

17. The earlier mark comprises a circular device, with a gap at the bottom and top so it is not a complete circle. There are rectilinear components within the circle radiating from the top, bottom and right-hand side. The overall impression of the mark resides in the device.

18. The applicant's mark is a composite mark comprising a device and two words, SERENITY and DÈQUAN. The device is a circular device in grey and red, but with gaps at the top, bottom and on the left-hand side, so that the device is not a complete circle. There are rectilinear components within the circle radiating from the top, bottom and the left-hand side. The words appear underneath the device and also within the top left and bottom right of the circular border part of the device. All of the components of the mark contribute to the overall impression, but the device has the most dominant impact because it is large and strikes the eye first before the words are read.

19. There is a single point of visual similarity between the marks: the devices. They both consist of a circular device, with gaps in the circular border, and rectilinear elements radiating inwards from points around the circle where the gaps are (the earlier mark also has a line radiating from the solid circular line on the right-hand side). Although the rectilinear components are different, and the applicant's device has three rather than two gaps in the circular border, the visual impressions are highly similar.

Taking into account this level of similarity between the devices, but that the words, present in both the applicant's device and beneath it do not have a counterpart in the earlier mark, the marks, overall, are visually similar to a medium degree.

20. The applicant submits that the device in its mark represents the letters S and D, and that the device in the earlier mark represents the letters G and A. The earlier mark is elaborately arranged and I think it unlikely that the letters G and A would be perceived without close analysis, which is not how the average consumer behaves according to the caselaw cited above. Accordingly, the earlier mark would not be articulated. That being the case, whether or not the device in the later mark would be perceived as the letters S and D, as submitted by the applicant, there is no aural similarity between the parties' marks. Even if the earlier mark was perceived as G and A, these letters sound completely different to S and D and to the words within the applicant's mark, and there would be no aural similarity.

21. The applicant's mark has the concept of serenity (meaning peace or calm), along with a device and the word DÈQUAN, which appears to be an invented word. The earlier mark has no meaning and the device in the application has no meaning.⁷ Since the earlier mark has no concept, the marks are not conceptually similar.

Distinctive character of the earlier mark

22. 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.⁸ The opponent claims an enhanced level of distinctiveness through use of the mark in its pleadings. I will firstly look at the inherent level of distinctiveness taking into account the guidance of the CJEU in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, before turning to the opponent's evidence.⁹

⁷ Geometric devices such as these do not have a concept; see *Chanel v EUIPO*, GC, Case T-44/20

⁸ *Sabel BV v Puma AG*, Case C-251/95

⁹ Case C-342/97

23. The earlier mark is an elaborate device which does not evoke, allude to or describe the goods for which it is registered, or any characteristic of the goods. It has a high level of inherent distinctive character.

24. Distinctive character is a measure of how strongly the mark identifies the goods of the opponent; determined, according to *Lloyd Schuhfabrik Meyer & Co.*, by assessing the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking. Mr Croce, the opponent's witness, states that the opponent is an internationally renowned Italian fashion house, founded in 1975. It designs, manufactures, distributes and retails haute couture and ready-to-wear clothing, leather goods, shoes, watches, cosmetics and jewellery. However, all of the evidence is directed to the opponent's class 3 goods, for which it states it has a reputation for the section 5(3) ground. There is no evidence relating to the opponent's class 25 goods. The opponent has not, therefore, substantiated the claim to enhanced distinctive character made in its notice of opposition in connection with its section 5(2)(b) pleading. The opponent may not rely upon an enhanced level of distinctive character through use, but its mark is inherently high in distinctive character.

Likelihood of confusion

25. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. This means that there can still be a likelihood of confusion if the goods are similar or identical but the marks are less so; or, if the marks are similar but the goods are less similar. In this case, the parties' goods are identical, which is a point in the opponent's favour.

26. It is unlikely that the marks will be directly confused, which occurs where marks are mistaken for one another. This type of confusion flows from the principle that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them which has been

retained in the mind.¹⁰ Taking account of the primarily visual purchasing process, I find that the additional words, even where identical goods are concerned, and even though the earlier mark has a high degree of distinctive character, mean that there will be no likelihood of direct confusion.

27. Direct confusion is one way in which a likelihood of confusion arises; the other is where the average consumer is 'indirectly' confused. This type of confusion was explained by Mr Iain Purvis QC, sitting as the Appointed Person, in *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10:

“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”*.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

¹⁰ *Lloyd Schuhfabrik Meyer*, at [26].

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

28. That the three categories in that case are non-exhaustive has recently been confirmed by the Court of Appeal in *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others*.¹¹ Arnold LJ said, of the explanation given about how indirect confusion arises in *LA Sugar*:

“12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition. For example, one category of indirect confusion which is not mentioned is where the sign complained of incorporates the trade mark (or a similar sign) in such a way as to lead consumers to believe that the goods or services have been co-branded and thus that there is an economic link between the proprietor of the sign and the proprietor of the trade mark (such as through merger, acquisition or licensing).”

29. Whilst the *LA Sugar* categories are non-exhaustive, I consider that category (a) is relevant to the present case. The common element between the marks which is the dominant element in both - the device - is strikingly distinctive, inherently. It is my view that, as in the explanation of category (a), the average consumer would assume that no-one else but the opponent would be using it in a trade mark at all. As in Mr Purvis’ explanation of category (a), I come to this conclusion even where the other elements of the application are distinctive in their own right; i.e. the words SERENITY DÈQUAN.

¹¹ [2021] EWCA Civ 1207

30. Even if I am wrong about the present case being analogous to category (a) of *LA Sugar*, the quotation above from *Liverpool Gin Distillery* refers to another category: that of co-branding. The similar, highly distinctive dominant device element is likely to signal to the average consumer that the clothing is the result of a brand collaboration. If that is not right, I bear in mind that the use of sub-brands and brand extensions is common in the clothing trade. The GC stated, in *Zero Industry Srl v OHIM*, at paragraph 81:¹²

“...it is common in the clothing sector for the same mark to be configured in various ways according to the type of product which it designates, and second, it is also common for a single clothing manufacturer to use sub-brands (signs that derive from a principal mark and which share with it a common dominant element) in order to distinguish its various lines from one another.”

31. I find that there is a likelihood of indirect confusion based upon the highly similar distinctive and dominant devices, and a purchasing process which is primarily visual for identical goods.¹³ In finding indirect confusion between marks that consist of more than one component, the components do not have to be the same to conclude that there is a likelihood of confusion.¹⁴ I have not forgotten that I should not simply take one component of the applicant’s mark and compare it with the earlier mark. My conclusion is based upon imperfect recollection of the common, dominant and distinctive device component, which has no conceptual hook to differentiate it and which is elaborate, highly similar visually, and prone to imperfect recollection. That there are colours in the applicant’s mark does not mitigate the likelihood of confusion because the opponent’s mark is notionally registered for all colours. Whilst that might not extend, notionally, to use in the same contrasting colours as the applicant’s mark, it does extend to use in red, or grey, taking it closer visually to the applicant’s mark.

¹² Case T-400/06

¹³ *Quelle AG v OHIM*, Case T-88/05, the General Court

¹⁴ *Aveda Corporation v Dabur India Limited* [2013] EWHC 589 (Ch)

Section 5(2)(b) outcome

32. The section 5(2)(b) ground of opposition succeeds against the class 25 goods of the application. The class 33 goods were not opposed under section 5(2)(b) of the Act.

Section 5(3) of the Act

33. This ground of opposition is directed at all the goods of the application. The opponent does not reply upon its class 25 goods, but relies upon a reputation in its class 3 goods.

34. 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.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

35. The relevant case law in relation to section 5(3) 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 Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*.¹⁵ 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.

¹⁵ Since the earlier mark is a EUTM, *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, is also relevant regarding a reputation in the EU at the relevant date.¹⁵

(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*).

36. For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier mark; a link between the marks (the earlier mark will be brought to mind on seeing the later mark); and, one (or more) of the claimed types of damage (unfair advantage and/or detriment to distinctive character and/or detriment to the reputation of the earlier mark). It is not necessary that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the relevant public will make a link between the marks.

37. The first condition of similarity between the marks is satisfied, as found earlier in this decision. The next condition is reputation. Reliance upon this ground requires evidence of a reputation amongst a significant part of the relevant public. In *General Motors*, the CJEU held that:

“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.”

38. The applicant has made two comments in its evidence which could be considered as admitting that the opponent has a reputation in the mark for its registered class 3 goods:

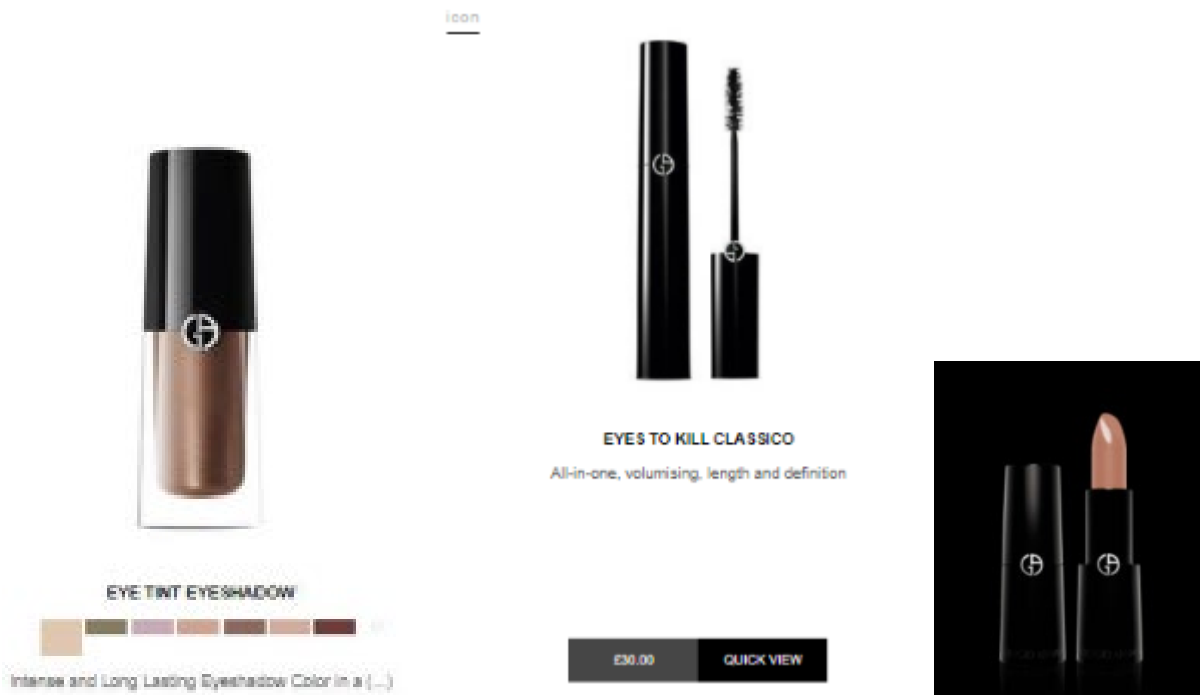
“6. It is accepted that the ‘GA’ logo is used across their goods, however, extensively across the Beauty Range (cosmetics).”¹⁶

¹⁶ Witness statement of Fiona McNamee, 27 September 2021

“10. I will make no benefit as a result of the reputation of Giorgio Armani S.P.A....”.¹⁷

39. In case this is not an admission that the opponent has a reputation in its mark for its class 3 goods (specifically cosmetics), I give below a selection of pertinent details from Mr Croce’s evidence, as follows:

- Examples of use of the mark in relation to cosmetics are shown in an article dated 21 August 2015 in *Harpers Bazaar*, which refers to the 15th anniversary of the ‘beauty range’.¹⁸
- Examples of use of the mark in relation to cosmetics are shown in screenshots from archived versions of the opponent’s website from July 2013 to June 2020, such as:¹⁹



- The opponent’s goods are sold via its website and also through a number of online and physical UK retailers such as John Lewis, Selfridges, House of

¹⁷ Ibid.

¹⁸ Exhibit AC2

¹⁹ Exhibit AC3

Fraser, Fenwick, Harrods and Harvey Nichols. Examples of online goods listings are shown which pre-date the application.²⁰

- Sales of goods in the UK bearing the mark: 2015 - £35.6 million; 2016 - £35 million; 2017 - £38.3 million; 2018 – £36.8 million; 2019 – £41.9 million; and, 2020 - £37.3 million (relevant date is 15 August 2020).
- Between 2015 and 2020, approximately €113 million was spent in the UK on marketing the goods bearing the mark. Some of the advertising took place in publications such as the *Sunday Telegraph* magazine; *Stella*; *Look*; *New!*; *The Guardian Weekend*; the *Daily Mail*; *FT How To Spend It*; the *Evening Standard* magazine; *Stylist*; *Harper's Bazaar*; and, *Cosmopolitan*. Examples are shown in Exhibit AC8, such as:²¹



²⁰ Exhibit AC6

²¹ Pages 65, 77, 87, 139, 148 and 152

The LUXE ISSUE

We're constantly searching out bargains, so sometimes we're allowed a little splurge. Meet the buys we're indulging in this week

* WORDS: LYDIA THOMPSON
PHOTOGRAPHY: IAN OLIVER WALSH



Chanel is always a good place to search for well-deserved treats and its new compact foundation doesn't disappoint. Gliding onto the skin, the silk-like finish covers imperfections while making your complexion glow. Plus it's the perfect size for your new 2.55 handbag (a girl can dream!).

Competing with their designer buddy, Armani and Dolce & Gabbana are also setting beauty pulses racing, with Armani's new Sunset Eye Palette – a perfect mix of metallic shadows that cover lids in the most exquisite way – and Dolce's first colour and care lipstick line, which is sumptuous in shade range and formula. Feeling really indulgent? Our ultimate pick has to be Jo Malone's New Rare Teas Collection, which contains precious teas deemed too valuable to drink. Encased for the very first time in six elegant scents, we want them all. Spare £960, anyone?

(Clockwise from top) 1 Dolce & Gabbana Miss Sicily lipstick £27 2 Jo Malone Jade Leaf Tea Cologne £160 3 Armani Sunset Cruise Smoky Eye Palette £55 4 Chanel Les Beiges Healthy Glow Self Touch Foundation £46

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GIORGIO ARMANI
 Limited Edition 2017
 Holiday palette. (£99;
armanibeauty.co.uk)



Lip Magnet in 510, £29, Armani (selfridges.com). Lovely subtle colours, easy to apply with the sponge applicator, but requires lip balm.



My Armani To Go Cushion Foundation, £59
 Perfect skin in a handbag-friendly compact. What's not to love (OK, the price...).

- The opponent's Luminous Silk foundation, which bears the mark and appears in the first image shown above, has won a number of UK awards, such as the 2020 Best Liquid Foundation Award in the 'Beauty Bible Awards'; the Glamour Power List 2020 Best Light-Coverage Foundation award; the Daily Mail 'Inspire

Beauty Awards' 2019 Best Foundation; and, Hi Magazine 'Hi Style Best Beauty Buys 2018 and 2019 Best Bridal Foundation.

40. The goods relied upon are *Cosmetics; perfumes; makeup; personal deodorants and antiperspirants; essential oils for personal use; soaps; bath oils; bath foams; bath cream; shower soaps; shaving creams; beauty creams; vanishing creams; skin lotions; body bronzer lotions; after-shave lotions; hair lotions; body milk; sun oils; sun milks; tissues impregnated with cosmetic lotions; eyebrow pencils; eyeliners; mascaras; face powder; lip-sticks; cleansing milks; hair care preparations; shampoos; henna; hair creams; hair sprays; nail polish; cosmetic kits; incense; joss sticks*. The goods shown in the evidence are cosmetics. There is no evidence, for example, of use of the earlier mark in relation to perfumes or toiletries.

41. However, the use in relation to cosmetics in the UK is impressive. The turnover figures are substantial, even if a single item is at the more expensive end of the normal cosmetic price range. The fact that the goods are more expensive than others on the cosmetic market feeds into the image of luxuriousness. As some of the extracts above demonstrate, the manner in which the goods appear and are referred to in the publications creates an association with glamour, celebrity endorsement and treating oneself to a luxury purchase. They are picked out by fashion and beauty stylists and fashion and beauty editors as their 'choice' or the best of what is on the market. I find that the opponent had a substantial reputation in its earlier mark at the relevant date (the date of the contested application) in relation to cosmetics, and that the reputation is one of glamour, luxury, high fashion and excellence in the market for these goods.

42. There is, strictly, no need to consider the section 5(3) ground against the applicant's class 25 goods as the ground under section 5(2)(b) has succeeded against the applicant's class 25 goods. However, for completeness, I will consider the section 5(3) ground against both the class 25 and class 33 goods of the application.

43. As noted in the caselaw summary above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

44. I found earlier that there is a medium degree of visual similarity, no aural similarity, and no conceptual similarity.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

45. The goods for which the opponent's mark has a qualifying reputation, cosmetics, are aimed at the general public, as are the goods covered by the application. If I were to assess the parties' goods by reference to the established caselaw for deciding whether goods/services are similar, I would find that they are not similar.²² They are not of the same nature; they do not share method of use or purpose; they do not share channels of trade in the sense meant by the caselaw; they are not in competition and they are not complementary in the sense meant by the caselaw. However, I also find that there is a greater distance between cosmetics and alcoholic drinks than between cosmetics and clothing for leisure wear, the former being applied to the body and the latter worn on the body.

The strength of the earlier mark's reputation

46. The evidence shows that the earlier mark had a substantial reputation in the UK for cosmetics at the relevant date.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

47. The earlier mark is an elaborate device which does not evoke, allude to or describe the goods for which it is registered, or any characteristic of the goods. At the relevant date, it already had a high level of inherent distinctive character which has been further enhanced through use to an even higher level.

²² *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, CJEU

Whether there is a likelihood of confusion

48. Although I have found a likelihood of confusion, this was between the parties' class 25 goods. That is not in issue under this ground, and so is a neutral factor in the assessment.

49. Although there is no similarity between the goods within the parameters set by *Canon*, there is also no requirement that the parties' goods be similar for this ground. I have commented above that cosmetics are applied to the body and clothing is worn on the body. More relevant than this is that clothes and cosmetics are fashion items. That is plain to see from the juxtaposition of articles about cosmetics and articles about clothing in the same magazines in the evidence. Fashion editors run stories about new cosmetic and clothing colours; for example, what cosmetics to team with what people are wearing in a given season. This is a relevant factor as to whether there is a link, although not enough by itself.

50. Taking the above into account with the earlier mark's strong reputation and high level of distinctive character, along with the application containing a similar dominant element to the entirety of the earlier mark, I find that the relevant public would make a link between the earlier mark and the class 25 goods of the application. However, the distance between the applicant's class 33 goods and the opponent's cosmetics is too great a divide, even taking into account the strength of the earlier mark's reputation and its distinctiveness. The contexts in which the parties' respective goods are likely to be encountered will not, all things considered, give rise to a link. That being the case, the opposition fails in relation to the applicant's class 33 goods.

51. Having found similarity between the marks, the necessary level of reputation and the existence of a link as far as the applicant's class 25 goods are concerned, the next step is to assess whether any of the three pleaded types of damage will arise. The opponent claims that the applicant's mark takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier trade mark. Detriment to the distinctive character or repute is damage done to the earlier mark which means that the relevant public is less likely to buy the goods or services of the earlier mark because its distinctive character is eroded or its reputation is degraded in some way.

Unfair advantage is different. It has no effect on the consumers of the earlier mark's goods and services. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to buy the goods and services of the later mark than they would otherwise have been if they had not been reminded of the earlier mark. Essentially, the later mark will get a marketing or commercial 'leg-up' because the link with the earlier, reputed, mark means that the owner of the later mark does not have to put as much effort into making the later mark known because it already feels familiar or sends a message to consumers as to what they can expect.²³ Such a finding can be made if that is the objective effect of the later mark, even if there is no proof that the applicant intended to take unfair advantage of the earlier mark's reputation.²⁴

52. The 'brand message' or image that is imparted to the relevant public by the opponent's mark is one of glamour, luxury, high fashion and excellence. These are qualities which are relevant and desirable in relation to clothing for leisure wear. I find that the applicant's mark will take unfair advantage of the earlier mark because the applicant's mark will appear instantly more attractive and appealing as a result of the marketing efforts of the opponent. Consumers will be more inclined to purchase the applicant's clothing because of the association with a luxury, high fashion image than would otherwise have been the case. The section 5(3) ground succeeds in relation to the applicant's class 25 goods.

Section 5(3) outcome

53. The section 5(3) ground succeeds against the applicant's class 25 goods but fails against the applicant's class 33 goods.

²³ *L'Oreal v Bellure*

²⁴ *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch)

Overall outcome

54. The opposition succeeds against the class 25 goods of the application but fails against the goods in class 33. The application is refused for the class 25 goods but may proceed to registration for the goods in class 33.

Costs

55. Each party has achieved an equal measure of success. Consequently, I order each party to bear its own costs.

Dated this 12th day of January 2022

**Judi Pike
For the Registrar**