

O-314-13

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION BY JACOB ARMANI
UNDER NO 2608445 FOR THE TRADE MARK**



BENJAMIN ARMANI

AND

**IN THE MATTER OF OPPOSITION NO. 103388 THERETO
BY GEORGIO ARMANI S.p.A.**

THE BACKGROUND AND THE PLEADINGS

1) On 27 January 2012 Mr Jacob Armani filed application no. 2608445 to register the following mark for the following goods in classes 12 and 20:



Class 12: Strollers; buggies; safety car seats for children.

Class 20: Cribs; high chairs; baby walkers; bouncing seats; baby rocking chairs; sleeping bags for baby and children; carry cots.

The application was published in the Trade Marks Journal on 24 February 2012.

2) Giorgio Armani S.p.A. ("the Opponent") opposes the registration of Mr Armani's mark on grounds under sections 5(2)(b) and 5(3) of the Trade Mark Act 1994 ("the Act").

For the purposes of its claims under section 5(2)(b) the Opponent relies on the following trade marks for the following respective goods:

International trade mark registration no. 1028641, which designated the UK for protection on 15 December 2009, with protection being conferred on 20 May 2010; the registration also claims a priority date of 20 November 2009 stemming from a Swiss trade mark:



Class 12: Vehicles; apparatus for locomotion by land

UK trade mark registration no. 2543484, filed on 31 March 2010 and registered on 24 September 2010:

ARMANI

Class 20: Furniture; goods (not included in other classes) of wood or substitutes for this material, or of plastics

International trade mark registration no. 833734, which designated the UK for protection on 19 July 2004, with protection being conferred on 27 November 2005; the registration also claims a priority date of 1 June 2004 stemming from a Swiss trade mark:

ARMANI

Class 12: Vehicles; apparatus for locomotion by land

Class 20: Furniture; goods, included in this class, made of wood or substitutes for this material, or of plastics

For the purposes of its claim under section 5(3) the Opponent relies on the following trade mark for the following goods:

Community Trade Mark no. 504282, filed on 1 April 1997 and registered on 30 March 1999:

ARMANI

Class 25: Clothing, footwear, headgear.

All the above marks constitute “earlier trade marks” for the purposes of sections 5(2)(b) and 5(3). The registration or protection process for both international registration 833734 and community trade mark no. 504282 was completed five years or more before the publication date of Mr Armani’s application no. 2608445. The proof of use provisions in section 6A of the Act therefore apply in respect of both these marks. In a letter filed on 28 August 2012, amending his notice of defence and counterstatement, Mr Armani requested proof of use in respect of the goods specified for international trade mark registration no. 833734; the amendment was allowed. The relevant period during which genuine use must be proved is 25 February 2007 to 24 February 2012 (“the relevant period”). However, Mr Armani did not request proof of use in respect of the goods relied on by the Opponent for community trade mark no. 504282.

Lastly, it is claimed that the Opponent’s mark ARMANI is a well-known mark under section 56 of the Act, and the application should be refused registration pursuant to section 5(2)(b) and 6(1)(c).

3) The Applicant filed a counterstatement, denying the grounds of opposition. The Opponent filed evidence and written submissions. Neither side requested a hearing. The Applicant filed written submissions in lieu of a hearing. I therefore give this decision after a careful review of all the papers before me.

THE EVIDENCE

4) The Opponent filed a witness statement of 8 November 2012 by Mr Giuseppe Marsocci. Mr Marsocci states that the Opponent is the Swiss branch of Georgio Armani S.p.A and that he is its Legal Representative, with responsibility for

intellectual property matters. Mr Marsocci says that Giorgio Armani S.p.A. is part of the Armani Group of companies, and attaches as **Exhibit GM1** the Armani Group Annual Report 2010, which includes a timeline showing key milestones in the growth of the group. He states that Giorgio Armani S.p.A. was co-founded in 1975 by Giorgio Armani, described by Mr Marsocci as one of the world's leading designers, and launched its first men's and women's ready-to-wear line in that year. Mr Marsocci relates: that the Armani Group currently has a turnover of over a billion and a half euros a year, approximately 5,800 direct employees and 12 factories; that it is engaged directly and through its affiliates and licensees in the design, manufacture and distribution or retail of fashion and lifestyle products, including clothing, shoes, bags, watches, eyewear, jewellery, fragrances and cosmetics, accessories, sporting articles, hotels, resorts and luxury residences under a range of Armani brand names, including Giorgio Armani, Armani Collezione, Armani Privè, Emporio Armani, EA7, AJ/Armani jeans, A/X Armani Exchange, Armani Junior, Armani Baby, Armani Casa, Armani Libri, Armani Fiori, Armani Dolci, Armani Caffé, Armani Hotels and Restaurants.

5) Mr Marsocci says that "The sales of goods and services under the Armani mark are significant". He goes on to set out in a table the consolidated worldwide revenues and earnings before interest, tax, depreciation and amortisation (EBITDA) of the Armani Group for the years 2001 to 2010. For the year 2010, for example, consolidated worldwide revenues are shown as €1,588 million and EBITDA as €322 million. Mr Marsocci states that the Armani Group invests heavily in marketing efforts and in advertising its products throughout the world, and gives figures for estimated annual investment in advertising worldwide for the years 2000 to 2011. **Exhibit GM2** gives country-by-country figures for turnover and items sold in the EU from 2005 to 2009. Total turnover in the EU for spring/summer 2009 is given as €318,224,187 and for autumn/winter 2009 as €290,648,139, and the respective figures for total items sold are 6,273,152 and 5,200,308 respectively. Total turnover in the UK for spring/summer 2009 is given as €28,548,477 and for autumn/winter 2009 as €27,985,717, and the respective figures for total items sold are €602,011 and €596,184 respectively. **Exhibit GM3** gives country-by-country total advertising expenditure in the EU from 2005 to 2008. Total advertising expenditure in the EU for 2008 is given as €37,904,000. Total advertising expenditure in the UK for the years 2005 to 2008 is given as €3,767,000 €5,116,000 €4,623,000 and €4,201,000 respectively.

6) **Exhibit GM4** contains a range of advertisements from newspapers and magazines from 2005 to 2010 in the UK, Italy, Spain, France, Germany, Portugal, Greece, Sweden, Netherlands, Austria, and Belgium showing various signs – Emporio Armani (with device), Giorgio Armani, Armani Collezione, Armani Casa (with device), AJ Armani Jeans, Armani Jeans, Armani Junior – used in connection with clothing, footwear, headgear, handbags and furniture.

7) **Exhibit GM5** contains a list showing the number and geographical spread of retail outlets selling "Armani-branded products" in each country of the EU for the years 2005 to 2009. For 2009 the grand total in the EU was 4,747. In the UK in that year there were 230, spread throughout the country. **Exhibit GM6** shows a list of 19 "own-brand shops and concessions" currently selling "Armani items" in London and four other major cities in the UK. They are listed under various composite names:

Giorgio Armani, Emporio Armani, Armani Collezione, Armani Exchange, Armani Junior, Emporio Armani Caffè, Armani Casa and Giorgio Armani Cosmetics.

8) Mr Marsocci states that the “Armani Junior line” caters specifically for goods for children aged 2-16, with “a further sub-line called Armani Baby for children aged 0-2”. He says both lines are used in association with a wide variety of children’s clothing, shoes and accessories such as hats, gloves belts, bags, purses and small bijoux. He adds that “the mark Armani” is also used with pacifiers, baby bottles, drinking cups, baby toys and baby covers. An extract from the Armani website downloaded in November 2012 (**Exhibit GM7**) shows such items. In many cases it is difficult to make out clearly the marks used on the goods. Hats and gloves shown appear to bear the device incorporated in international trade mark registration no. 102864, as described below. Baby covers bear the word ARMANI accompanied by this device. **Exhibit GM8** contains a list of authorised dealers who sell these goods from 54 outlets across the UK. Mr Marsocci states that **Exhibit GM9** shows a schedule of the number of units sold in the UK under the Armani Junior brand (which includes the Armani Baby sub-line) and their value for the years 2004 to 2012, as follows:

UNITED KINGDOM + (NORTH IRL.)

YEAR	UNITS	VALUE
2004	53.343	1.219.249
2005	54.229	1.257.285
2006	46.691	1.183.086
2007	52.145	1.307.762
2008	64.328	1.625.882
2009	68.509	1.809.779
2010	58.815	1.927.865
2011	66.743	2.355.126
2012	91.912	3.556.303

The above schedule does not explicitly show Sterling as the unit of currency used. **Exhibit GM9** contains three sample invoices from 2010 and 2011 to a UK distributor (also showing end destination outlets); these are made out for €946, £80,098 and £10,311 respectively. They cover a range of items as described above, each item being categorised in the invoice: “Segment: ARMANI JUNIOR-ARMANI JUNIOR-MAN”.

9) **Exhibit GM10** comprises photographs of a number of promotional events held at Harrods, Selfridges and House of Fraser stores in the UK in 2011. ARMANI JUNIOR can be seen prominently displayed on promotional material at these events. Mr Marsocci says that “the sub-line Armani Baby” was also promoted.

10) **Exhibit GM11** shows ARMANI appearing in the top 100 of Interbrand’s “Best Global Brands” rankings for 2008, 2009 and 2010.

11) **Exhibit GM12** consists of an online article reporting the European launch of the Emporio Armani Sportbike, and **Exhibit GM13** comprises photos of the bike from the Bianchi catalogue, showing its frame bearing the words EMPORIO and ARMARNI on either side of a device. **Exhibit GM14** contains invoices showing sales of the

bike to a UK distributor. Mr Marsocci gives sales figures for the bike in the UK as follows:

YEAR	UK SALES (€)
2007	539
2008	8356
2009	1060
2010	1419

Exhibit GM15 shows the online Oxford Dictionary's definition of the word "vehicle": as "a thing used for transporting people or goods, especially on land"

12) Mr Marsocci states that "the mark Armani" has been used in the UK since 2006 in relation to furniture and related goods of wood, substitutes for this material, or of plastics. He continues that the Armani Group sells furniture "under the Armani/Casa line". **Exhibit GM16** contains a print-out from the armanicasa.com website showing the mark Armani/Casa (with device) used in relation to a variety of furniture, including beds, chairs, tables, etc. Technical specifications show materials including wood and plastics. Mr Marsocci says that furniture is sold in the UK primarily through the Armani/Casa shop located at the Chelsea Harbour Design Centre. The listing of the Armani Casa store on the Chelsea Harbour Design Centre website is attached as **Exhibit GM17**.

SECTION 5(2)(b)

13) Section 5(2)(b) of the Act reads:

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.

14) In reaching my decision I have taken into account the guidance provided by the Court of Justice of the European Union ("CJEU") in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Case C-3/03 Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

"(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

In making my findings on where there exists a likelihood of confusion I have also borne in mind the guidance given by the CJEU in Case C-51/09P *Barbara Becker*, where it stated:

“34 However, in paragraphs 30 and 31 of *Medion*, the Court held that, beyond the usual case where the average consumer perceives a mark as a whole, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element. In such a case, the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue come, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

35 In the present case, having repeated all of the rules set out in paragraphs 30 to 33 of this judgment, the General Court held essentially, in its assessment of the conceptual similarity of the marks at issue, first, that, as consumers in part of the European Union generally attribute greater distinctiveness to the surname than to the forename in word signs, the component ‘Becker’ in the mark applied for was likely to have attributed to it a stronger distinctive character than the component ‘Barbara’; second, that the fact that Ms Becker is famous in Germany had no effect on the similarity of the marks at issue since they refer to the same surname and the component ‘Barbara’ is merely a forename and, third, that the component ‘Becker’ retained an independent distinctive role in the composite mark because it would be perceived as a surname.

36 Although it is possible that, in a part of the European Union, surnames have, as a general rule, a more distinctive character than forenames, it is appropriate, however, to take account of factors specific to the case and, in particular, the fact that the surname concerned is unusual or, on the contrary, very common, which is likely to have an effect on that distinctive character. That is true of the surname ‘Becker’ which the Board of Appeal noted is common.

37 Account must also be taken of whether the person who requests that his first name and surname, taken together, be registered as a trade mark is well known, since that factor may obviously influence the perception of the mark by the relevant public.

38 Furthermore, it must be held that, in a composite mark, a surname does not retain an independent distinctive role in every case solely because it will be perceived as a surname. The finding with respect to such a role may be based only on an examination of all the relevant factors of each case”

15) International trade mark registration no. 833734 is subject to the proof of use conditions contained in Section 6A of the Act. The goods in class 20 on which the Opponent relies under this mark are already covered by UK trade mark registration 3543484 for the identical word mark ARMANI, for which no proof of use is required. There is therefore no point in assessing the proof of use provisions in respect of these goods, because the Opponent can already rely on them under its other mark. This leaves the goods registered in class 12. However, even if the mark meets the use conditions, the only use in respect of class 12 goods appears to be in respect of

bicycles. Having regard to the relevant case law¹, I consider that *bicycles* would represent a fair specification. Having regard to the case law on comparison of goods (as I set out in more detail in paragraphs 25 to 29 of this decision) I see no similarity with the goods of Mr Armani's application. The purpose, nature, and channels of trade of bicycles will be different from those of any of the items of Mr Armani's specification, nor will there be complementarity or competition between any of them. There is therefore no point in making any more detailed analysis with regard to this earlier mark.

Comparison of the goods

25) In making an assessment of the similarity of the goods, all relevant factors relating to the goods in the respective specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro- Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

“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.”

26) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(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.”

¹ See in particular: *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32; *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03*; *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10

27) Whether goods are complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), will depend on whether there exists a close connection or relationship such that one is important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) ("Boston")* Case T- 325/06 it was stated:

"It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48)."²

28) In construing a word used in a trade mark specification, one is concerned with how the goods or services are, as a practical matter, regarded for the purposes of the trade (see *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.). I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning (see *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267). It is also helpful to bear in mind the following comment of Floyd J in *YouView TV Limited v Total Limited* [2012] EWHC 3158 (Ch) (at paragraph 12):

"....Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in *The Chartered Institute of Patent Attorneys (Trade Marks) (IPTRANSLATOR) (C-307/10)* [2012] E.T.M.R 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question".

29) However, when comparing the respective goods, if a term clearly falls within the ambit of a term in the competing specification then identical goods must be considered to be in play (see *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-133/05 – "Meric"*) even if there are other goods within the broader term that are not identical.

² I bear in mind the recent comments of the Appointed Person in LUV (O-255-13), where he pointed out that the guidance in *Boston* should not be seen as providing an alternative quasi-statutory approach to evaluating similarity; the purpose of the test, taken as a whole, is to determine similarity of the respective goods in the specific context of trade mark law.

30) The goods covered by the earlier marks which may be relied upon are:

- “Vehicles; apparatus for locomotion by land” (as covered by IR 1028641)
- “Furniture; goods (not included in other classes) of wood or substitutes for this material, or of plastics” (as covered by UK registration 2543484)

31) Neither side filed evidence addressed to the issue of similarity of goods, so I can only consider factors which are obvious. In the absence of evidence I must adopt the approach of Neuberger J in *Beautimatic* and give the words their natural meaning, subject to their being construed within their context. I will make the comparison with reference to the Applicant’s goods. I will go through them term by term (but grouping them when it is useful and reasonable to do so – see the comments of the Appointed Person in *Separode* BL O-399-10).

Class 12: Strollers, buggies

32) *Strollers* and *buggies* both fall within the ambit of the Opponent’s *apparatus for locomotion by land*. Whilst I understand Mr Armani’s point (in his counterstatement) regarding the breadth of this term, it must nevertheless be considered in accordance with the case-law I have discussed above. Apparatus for locomotion by land thus covers everything (in class 12) the function of which is to move something or someone from one place to another, and thus includes strollers and buggies. As explained in paragraph 29 above, they are therefore considered identical goods under the guidance in *Meric*. Moreover, I consider there is reasonable similarity with the Opponent’s *furniture* insofar as this also covers children’s furniture (such as high chairs and carrycots). The users (children and their parents) are the same and their purpose overlaps in providing comfort and security for children. They will be sold through the same retailers of children’s goods, the same catalogues or catalogue sections, and will be found in the same sections of supermarkets and department stores.

Class 12: Safety car seats for children

33) For the transportation by car of children below a certain age or height the safety car seat for children will be indispensable. However, those purchasing such seats will not necessarily think that the responsibility for them will lie with the same undertaking which manufactures or supplies the vehicles with which they are used. They will not be sold in the same trade channels. I do not therefore consider them to be complementary in the sense envisaged in *Boston Scientific*. However, there will be a greater overlap with both the users and the channels of trade of the *strollers* and *buggies* covered by the Opponent’s *apparatus for locomotion by land*, and with the items covered by the Opponent’s *furniture* in Class 20, as discussed below. They will all be bought for the use of children by those who have care of them, and will be supplied through the same specialist childcare shops or catalogues, or will be found in the same areas of department stores and supermarkets, and in the same sections of general catalogues. Moreover, their nature and purpose (provision of safe comfortable/secure seating for children) overlap. There is at least a moderate degree of similarity with these goods.

Class 20: *Cribs, high chairs, baby rocking chairs, bouncing seats, baby walkers*

34) *Cribs, high chairs* and *baby rocking chairs* all fall within the ambit of the Opponent's *furniture* (such a term covers furniture specifically for children and babies), and are therefore identical under the guidance in *Meric*. *Bouncing seats* serve the same or a highly similar function as *rocking chairs*. *Baby walkers* generally take the form of mobile seats for children. I consider that both are covered by *furniture*, and are therefore also identical; but in any case they have the same users, the same, or highly similar, uses, and are sold through the same channels of trade. They are thus in any event highly similar.

Class 20: *Carry cots*

35) Carry cots will invariably be constructed of wood or plastic (or both), so they will fall within the ambit of *goods (not included in other classes) of wood and substitutes for this material, or of plastics*, and are thus identical under the guidance in *Meric*. I think carrycots could also be considered items of children's furniture and, insofar as this is covered by the Opponent's *furniture*, fall within its ambit, thus being identical here too. In consistency with my earlier findings, the term apparatus for locomotion by land includes goods such as strollers and buggies and, also in consistency with my earlier findings, are similar to these goods too.

Class 20: *Sleeping bags for baby and children*

36) I do not consider *sleeping bags for baby and children* to be *furniture*, and they are not made of wood or plastic. The users of *sleeping bags for baby and children* will be babies and children, but this is not sufficient to establish similarity. Sleeping bags will generally be seen as serving the purpose of providing a way of keeping warm for persons, whether adults or children, who are sleeping away from home; this may be, for example on long journeys or when visiting, but it will principally be when camping. There is no complementarity or competition with goods of the Opponent's specification. Children's and adults sleeping bags will as a rule be sold through the same trade channels, which will not be those through which the other items of children's furniture already discussed will be sold. Similar considerations apply to a comparison of with goods of the Opponent's specification in Class 12. The goods are not similar with any of the goods of the Opponent's specification under either of the earlier marks. I shall confine the rest of my analysis to the goods for which I have found similarity, as if the goods are not similar there can be no likelihood of confusion³.

The average consumer and the purchasing process

37) According to the case-law, the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting

³See *Waterford Wedgwood plc v OHIM* – C-398/07

goods can, however, vary depending on what is involved (see, for example, the judgment of the General Court (“GC”) in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

38) Where the goods conflict is limited to goods aimed at children or babies, the average consumer will, therefore, ordinarily be a parent or person having the care of children, and will have regard to the product’s suitability for the size of the child, its comfort and safety, etc. Neither items of furniture nor the products of Mr Armani’s specification will be very frequent purchases. These factors suggest that the average consumer will pay a reasonably high (but not the highest) degree of attention when selecting the goods in question. All these goods will normally be selected by the consumer either in a retail outlet, or from a catalogue, or online. The selection process will therefore be predominately visual, but I do not ignore the potential for aural use of the marks during the purchasing process, and aural considerations will not be ignored in my analysis.

The distinctiveness of the earlier marks

39) The degree of distinctiveness of the earlier marks must be assessed. This is because the more distinctive the earlier mark (on the basis either of inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24).


40) The earlier UK mark no. 2543484, consisting of the word ARMANI on its own, is not descriptive or allusive in any way in relation to the relevant goods. It will be seen by the average consumer as a foreign word, and I think they will recognise it as the surname of a famous clothes designer, so giving it a foreign surnominal connotation. They will in any case find it an unusual, possibly Italian, surname. It has a reasonably high degree of inherent distinctiveness.

41) International registration 1028641 also contains nothing allusive or descriptive of the goods specified. The word EMPORIO will strike the average UK consumer as unusual, although probably a foreign word suggestive of the word EMPORIUM. I have already commented upon the word ARMANI. The prominent EA7 component is also of at least a reasonable degree of inherent distinctiveness. Viewed globally, taking into account the balance and lay-out of its components, I think the overall impression made by international registration 1028641 as a whole gives it a high degree of inherent distinctiveness.

42) In terms of enhanced distinctiveness, this can only be in relation to the goods at issue under section 5(2)(b). The only potential evidence relates to Mr Marsocci’s evidence and exhibits relating to the sale of furniture in the UK, and to a single Armani/Casa shop in the Chelsea Harbour Design Centre in London. This is borne in mind, but the paucity of the evidence, together with the limited significance of the evidence that has been filed, leads me to conclude that the earlier marks’ distinctiveness has not been enhanced to any material extent in relation to the relevant goods.

Comparison of the marks

43) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. The marks to be compared are shown below.

Mr Armani's Mark	The Opponent's Mark UK Registration 2543484
	ARMANI

44) The Opponent's mark consists exclusively of the word ARMANI which, by virtue of being the sole component of the mark, is its dominant and distinctive element. Mr Armani's mark consists of two roughly equally dominant and distinctive elements: the name BENJAMIN ARMANI, very clearly presented in bold, and the stylised device/letters above it, very prominently presented.

45) Visually, the Opponent's mark consists of the single word ARMANI whereas Mr Armani's mark is a composite mark as described above. The figurative element consists of the letters BA, but is so highly stylised that it was only on close examination that I recognised the letters as such. The second word in Mr Armani's mark consists of the word which forms the whole of the Opponent's mark. Overall I consider there to be a moderate degree of visual similarity between the marks. Although, on close examination, the figurative element in Mr Armani's mark may be resolved into the letters BA, I do not think this will strike the consumer immediately, so these letters will not be pronounced. Mr Armani's mark will be pronounced BEN-JER-MIN AR-MAR-NEE. The Opponent's mark will be pronounced AR-MAR-NEE. There is a reasonable degree of aural similarity between the marks. For a conceptual meaning to be relevant in a mark, it must be one capable of immediate grasp. This has been emphasised in a number of judgements of both the General Court ("GC") and the CJEU (see, for example, *Ruiz Picasso v OHIM* [2006] ETMR 29). Even if deciphered by the average consumer, the letters BA in Mr Armani's mark will mean no more than the initials of the name BENJAMIN ARMANI. However, there is a reasonable degree of conceptual similarity in that both marks are indicative of a person with the name Armani.

Mr Armani's Mark	The Opponent's Mark International Registration 1028641
	

46) Similar considerations apply to those of the assessment I have already made with regard to the Opponent's word mark ARMANI, but the additional elements of the Opponent's composite mark provide obvious points of difference. Viewing the Opponent's composite mark as a whole, it consists of two dominant and distinctive elements: EA7, very prominently presented, and beneath it the words EMPORIO ARMANI with a small device between them. Owing to their prominence and clarity I think the average consumer will probably pronounce the letters and digit EA7 in the Opponent's mark, although s/he may also add the words, which will be pronounced EM-POR-EE-O AR-MAR-NEE. EA7 will not convey an immediately apparent meaning to the consumer, EMPORIO is suggestive of the word EMPORIUM, and ARMANI will be recognized as an unusual surname. There is a low degree of visual and aural similarity between the marks, but a slightly higher degree of conceptual similarity, owing to the fact that both marks contain the name of a person called Armani.

Likelihood of confusion

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

Likelihood of confusion with UK Registration 2543484

48) I have found *cribs, high chairs, baby rocking chairs, bouncing seats, baby walkers and carrycots* to be identical, *strollers*, and *buggies* to be reasonably similar, and *safety car seats for children* to be at least moderately similar to the Opponent's furniture. I have found a moderate degree of visual similarity and a reasonable degree of both aural and conceptual similarity between the marks. I have found that the average consumer will consist of a member of the general public who is a parent or person having the care of children, who will pay a reasonably high degree of attention when selecting the goods in question, and that the selection process will normally be predominantly visual, but with the potential for aural use of the marks

during the purchasing process. Mr Armani's mark contains a forename and surname, which will hang together as a complete name, and form a dominant and distinctive component of his mark. However, I have also found that the Opponent's mark consists exclusively of a surname which the average consumer will recognise as an unusual foreign one, and that this lends the mark a high degree of inherent distinctiveness. I do not consider that consumers will directly confuse the two marks. However, I do consider that the average consumer is likely to believe that the goods marketed under the Opponent's mark and those marketed under Mr Armani's mark come from the same undertaking or from economically linked undertakings on account of the common presence of the unusual surname ARMANI in both marks. Accordingly, there is a likelihood of confusion in respect of the following goods of Mr Armani's registration: *cribs, carrycots, high chairs, baby rocking chairs, bouncing seats, baby walkers, strollers, buggies and safety car seats for children.*

Likelihood of confusion with International Registration 1028641

49) I have found identity between goods covered by this mark and *strollers* and *buggies* in Class 12 of Mr Armani's specification, and at least a moderate similarity with Mr Armani's *safety car seats for children*. My remarks on average consumer and purchasing process in paragraph 40 apply here too. I have found a low degree of visual and aural similarity between the marks, but a slightly higher degree of conceptual similarity. The prominent EA7 component, which forms one of the dominant and distinctive elements of this mark, and the foreign word EMPORIO, both take this mark further from Mr Armani's mark than the simple ARMANI word mark of UK Registration 2543484. However, I consider that ARMANI plays an independent distinctive role in the Opponent's mark and is a memorable aspect of it. Notwithstanding the lower degree of similarity between the marks, therefore, and although I do not consider that consumers will directly confuse the marks, I nevertheless consider that the average consumer is likely to believe that the goods marketed under the Opponent's mark and those marketed under Mr Armani's mark come from the same undertaking, or from economically linked undertakings, on account of the common presence of the unusual name ARMANI in both marks. Accordingly, there is a likelihood of confusion in respect of the following goods of Mr Armani's registration: *strollers, buggies and car safety seats for children.*

Outcome under section 5(2)(b)

50) **I have found a likelihood of confusion, and the opposition under section 5(2)(b) succeeds, in respect of the following goods of Mr Armani's registration, which therefore cannot proceed to registration: *cribs, carrycots, high chairs, baby rocking chairs, bouncing seats, baby walkers, strollers, buggies, and safety car seats for children.***

51) **I have found no similarity between *sleeping bags for baby and children* and any of the goods of either of the earlier marks. Whether Mr Armani's mark can proceed to registration in respect of *sleeping bags for baby and children* will therefore depend upon my finding under section 5(3).**

SECTION 5(3)

52) For the purposes of its claim under section 5(3) the Opponent relies on Community trade mark no. 504282 for the word mark ARMANI. Its specification covers various goods, but the Opponent relies only on *clothing, footwear and headgear* in Class 25. It was filed on 1 April 1997 and registered on 30 March 1999. As a result, it constitutes an earlier mark. The proof of use provisions in section 6A of the Act apply to it. However, in a letter filed on 28 August 2012, amending his notice of defence and counterstatement, Mr Armani did not request proof of use in respect of the goods relied on by the Opponent for this mark.

53) Section 5(3) of the Act reads:

“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 Community trade mark, in the European Community) 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.”

The scope of Section 5(3) has been considered in a number of cases, most notably: *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] FSR 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* [2000] RPC 484, *Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (Ch), *Davidoff & Cie SA v Gofkid Ltd (Davidoff)* [2003] ETMR 42, *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd (Adidas-Salomon)* (C-408/01) & in *Intel Corporation Inc v CPM (UK) Ltd (“Intel”)* (C-252-07). I will refer, when relevant, to these cases and the legal principles that they lay down.

Reputation

54) In order to succeed under this ground the earlier mark must have a reputation. In *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572 Chevy the CJEU stated:

“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.”

In making this assessment all the relevant factors must be taken into account, including the duration, extent and geographical area of use of the mark, and the scale and scope of investment in promoting the mark (see *CHEVY* at paragraph 41). Since the earlier mark relied on by the Opponent is a Community trade mark, it must be shown to have a reputation in the European Community⁴.

⁴ See *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, case C-301/07

55) Mr Marsocci's account of the development of the Armani Group and brand over the years in the field of fashionable clothing, footwear and headgear, and its gradual expansion into other fields such as cosmetics, perfumes, jewellery, accessories, children's clothing and accessories, and items for babies, are confirmed by information provided in the Armani Group Annual Report 2010. The picture that emerges is the not unfamiliar one of a supplier of fashionable clothing supplied under the designer's name gradually expanding over the years into other fields of retail of fashion and lifestyle products. ARMANI appears in the top 100 of Interbrand's "Best Global Brands" rankings for 2008, 2009 and 2010. The country-by-country figures for turnover and items sold in the EU in 2009 amount to grand totals of €608,872,326 and €11,473,460 respectively. Figures for country-by-country advertising expenditure in the EU amount to a grand total of €37,904,000 for 2008. Total advertising expenditure in the UK for the years 2005 to 2008 is given as €3,767,000, €5,116,000, €4,623,000 and €4,201,000 respectively. These figures are not broken down by product lines. However, the evidence shows ARMANI being used in a range of sub-brands in advertising across the EU, including the UK, in the period 2005-2010. It is clear that that the proportion of the total sales and advertising expenditure accounted for by *clothing*, *footwear* and *headgear* must have been substantial. No evidence of market share is given, but the figures themselves are substantial and must represent a respectable slice of the market. ARMANI is most often used as part of a number of composite marks (which all include the word ARMANI). The net effect of all this is that at the date of Mr Armani's application for his mark the Opponent's ARMANI mark possessed a reputation for *clothing*, *footwear* and *headgear* among a significant part of the relevant public (i.e. the general public) in the EU. Indeed, it had a particularly strong reputation.

The "link"

56) In addition to having a reputation, a link must be made between the respective marks. In *Adidas-Salomon*, the CJEU stated:

"The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23). The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40)."

In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07) ("Intel"), the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

"41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...."

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

The Court further stated:

The fact that for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.

The existence of a likelihood of confusion as to origin is therefore not required under section 5(3). However, the Court also went on to say:

57 Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically linked undertakings (see to that effect, inter alia, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* (C-342/97) [1999] E.C.R. I-3819 at [17], and *O2 Holdings Ltd v Hutchison 3G UK Ltd* (C-533/06) [2008] E.T.M.R. 55 ECJ at [59]).

57) I have already compared Mr Armani’s mark with the Opponent’s word mark ARMANI and found a moderate degree of visual similarity and a reasonable degree of both aural and conceptual similarity between the marks. The users of the Opponent’s *clothing, footwear and headgear* will include children (or their parents); to this extent their users will coincide with those of Mr Armani’s goods in many cases there may also be some overlap between their respective channels of trade. The nature, intended purposes and methods of use of Mr Armani’s goods are different from those of the Opponent in Class 25. However, both sets of goods will typically be sold to the same consumer, and there will therefore be an overlap of knowledge of brand names regardless of the field of activity. I have already found the Opponent’s word mark ARMANI possesses a reasonably high degree of inherent distinctiveness. However, since I have also found that it has a particularly strong reputation as a known brand for *clothing, footwear and headgear*, its distinctive character, as enhanced through use, must be regarded as high. Taking all these factors into account, my view is that, for all the goods of Mr Armani’s specification,

the Opponent's mark will, at the very least, be brought to mind when Mr Armani's mark is encountered, and that a link will therefore be made.

58) Moreover, consumers are used to suppliers who establish a brand reputation in fields such as clothing, where fashionable design is at a premium, exploiting the acquired cachet of their "designer label" by extending it to other fields. There is evidence in these proceedings that the ARMANI mark has done just this. In view of this, and by virtue of the strong reputation and distinctive character of the Opponent's mark, I consider that there exists a likelihood that for all the goods of Mr Armani's specification (including *sleeping bags for baby and children*) consumers will regard Mr Armani's mark as a sub-brand of the Opponent's. In other words, there is a likelihood that the relevant public will believe that the goods or services marketed under the Opponent's mark and those marketed under Mr Armani's mark come from the same undertaking or from economically linked undertakings. This is one of the clearest forms of "riding on the coat-tails" of a mark with a reputation. In *L'Oréal SA v Bellure NV* [2010] RPC 23 the CJEU said (at paragraph 49):

"... where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark".

In *Whirlpool Corporation and others v Kenwood Limited* [2009] ETMR 5 the Court of Appeal held at (paragraph 136) that either an intention to imitate the mark or some other factor is necessary to render an advantage unfair. However, the advantage is so obvious that it is reasonable to assume that there must have been some desire to benefit from the cachet of the ARMANI brand, and that this is therefore sufficient. In any event, use which could be classed as confusing would inevitably erode the distinctiveness of ARMANI, and so is detrimental to its distinctive character.

Although not specifically pleaded as due cause, Mr Armani referred in his counterstatement to everyone's right to be able to use their own name to promote their business. In this respect I note, though, that Mr Armani's name is actually JACOB ARMARNI not BENJAMIN ARMANI. However, even if this were not the case this would still not amount to due cause. The provisions relating to use of one's own name (and address) contained in section 11(2) of the Act are relevant as a defence to infringement, and not to the provisions of section 5(3). It is not a defence in circumstances where the use of the mark would otherwise take unfair advantage of another mark's reputation or be detrimental to its distinctive character.

The ground of opposition under section 5(3) has succeeded in respect of all the goods in the specification of Mr Armani's mark.

Sections 5(2)(b) and 6(1)(c)

On the basis of my findings, there is no need for me to consider this ground. It takes matters no further forward.

Outcome

59) The opposition has succeeded in its entirety.

COSTS

60) Georgio Armani S.p.A has been successful and is entitled to a contribution towards its costs. I hereby order Mr Jacob Armani to pay Georgio Armani S.p.A the sum of £1,200. This sum is calculated as follows:

<i>Preparing a statement and considering the other side's statement</i>	£300
<i>Preparing evidence</i>	£500
<i>Written submissions</i>	£400

61) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 8th day of August 2013

**Martin Boyle
For the Registrar,
The Comptroller-General**