

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2112252 BY
MAZETTI CLOTHING COMPANY LIMITED TO REGISTER A SERIES
OF MARKS IN CLASS 25**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 49004
BY SANDYS S.p.A.**

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DECISION

On 9 October 1996 Mazetti Clothing Company Limited applied to register the following series of seven marks:

SERGIO

SERGIO

Sergio

SERGIO

Sergio

SERGIO

SERGIO

Nothing turns on the fact that it is a series of marks. For convenience I will hereafter simply refer to the mark as being SERGIO. The specification of goods claimed is:

"Tops, shirts, sweatshirts, hooded tops with matching joggers, jogging bottoms, T-shirts, rugby shirts, shorts, body suits, polo tops, turtle neck tops, zipper tops, golf tops, body tops and hooded sweats."

5 On 16 September 1998 Sandys SpA filed notice of opposition to this application citing the following grounds:

10 (i) Section 5(2)(b) having regard to their earlier trade mark No. 1205864, SERGIO TACCHINI which is registered in Class 25 for:

"T-shirts, shorts, jackets, scarves, tracksuits, shoes, boots, sports shirts, sports skirts, jumpers, sleeveless pullovers, anoraks trousers and ski-suits; swim wear gloves, head bands and wrist bands, all being articles of clothing;"

15 (ii) Section 5(4)(a) having regard to the use of the mark SERGIO TACCHINI. I assume this goes to the law of passing off

(iii) Section 3(6) in that the mark was adopted by the applicants in bad faith.

20 The opponents also note that the application was accepted and advertised on the basis of honest concurrent use but say that the applicants did not satisfy the requirements of Section 7 of the Act in that the period of use and extent of sales were insufficient.

25 The applicants filed a counterstatement denying the above grounds and pointing to continuous use of the mark SERGIO by the applicants (from about October 1993) or their predecessors in business (from 1989). They also refer to various other marks which include the element SERGIO.

Both sides ask for an award of costs in their favour.

30 Both sides filed evidence and indicated that they were content for a decision on the matter to be taken from the papers and without recourse to a hearing. Acting on behalf of the Registrar and after a careful study of the papers I now give this decision.

35 **Opponents' evidence**

The opponents filed an affidavit by Sergio Tacchini, the President and Managing Director of Sandys SpA. He gives evidence as to use of his company's mark in the UK since 1975 in relation to sportswear and leisure clothing.

40 Turnover has been as follows:

<u>YEAR</u>	<u>APPROXIMATE TURNOVER</u> <u>FIGURES[£: Pounds Sterling]</u>
1990	2,565,900
1991	2,509,000

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	1992	2,945,800
	1993	1,755,900
	1994	785,650
	1995	1,546,900
5	1996	2,577,876

10 In support of this Mr Tacchini exhibits (ST-2) a specimen swing tag and copies of various catalogues. The goods are said to have been sold throughout the UK including through major department stores and High Street outlets such as Olympus Sport. Examples of point of sale advertising are provided at Exhibit ST-3. The SERGIO TACCHINI brand is also promoted by means of sponsorship deals with various leading sportsmen and women (Exhibit ST-4); indirect advertising as a result of television coverage of sporting events; and through trade exhibitions (various UK events are listed).

15 The opponents also filed a statutory declaration by Jill Matchett, their Trade Mark Attorney who exhibits (JM-1) copies of the papers from the official file relating to the application for No. 2112252 including evidence of use submitted by the applicants. In relation to the claim in the applicants' counterstatement that various SERGIO marks co-exist on the UK register Ms Matchett notes that No. 1552889 SERGIO ATHLETIC, was withdrawn after opposition.

20 **Applicants' evidence**

25 The applicants filed a statutory declaration by Aslam Ali Shah, their Managing Director. He was previously the Manager of West End Fashion (Textiles) Ltd who first adopted and used the mark (until its liquidation).

Mr Shah exhibits, and reaffirms the contents of, his declaration in support of the application (filed at the examination stage).

30 Briefly that declaration attests to use as follows:

	YEAR	TURNOVER
	1989	£1,518,348
	1990	£1,701,373
35	1991	£1,476,326
	1992	£999,770
	1993	£272,333
	1994	£845,946
	1995	£1,132,010
40	Up to 1 st October 1996	£352,526

and advertising expenditure

	YEAR	ADVERTISING EXPENDITURE
	1989	£1,460
5	1990	£1,262
	1991	£200
	1992	£1,600
	1993	£1,504
	1994	£1,189
10	1995	£1,929
	Up to 1 st October 1996	£1,682

15 (from 1993 the above represents expenditure on promotion of all the company's goods of which approximately half relates to the mark at issue). Examples of labels and a customer list are exhibited at AAS-1 and AAS-2.

20 The nature of the applicants' business is that of importers, exporters and wholesalers of fashion and leisure clothing. Advertisements have appeared from time to time in the publication 'Menswear' and merchandise has been exhibited at various exhibitions and trade shows. Mr Shah says that he has never encountered any confusion with the opponents' mark and has never received any complaint despite the fact that the parties were exhibiting side by side at a trade show in Cologne.

25 He concludes with a number of observations on the opponents' position and claims. The main points are that:

- 30 S the mark used by the opponents is not SERGIO TACCHINI simpliciter but those words in combination with a T device
- S the opponents are primarily concerned with sports clothing unlike the applicants who primarily target the fashion and leisure wear market
- 35 S it is suggested that the opponents have now dropped the word SERGIO and their goods are now generally referred to as TACCHINI
- S the result of a UK register search for SERGIO marks is exhibited (AAS-3).

Opponents' evidence in reply

40 Mr Tacchini filed a further affidavit in response to the applicants' evidence. The main points are

5 S leisurewear is said to be an important part of the SERGIO TACCHINI range (though the only substantiating information is after the material date)

5 S the applicants' clothing range, although described as fashion and leisurewear, is not distinct from the sports clothing market

S the opponents use a variety of forms of the mark. Although TACCHINI is used alone it is wrong to suggest that the word SERGIO has been dropped

10 S it is suggested that the mark SERGIO is used by the applicants in a typeface that is close to that used by the opponents.

That completes my review of the evidence.

15 Section 5(2) reads as follows:

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

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

(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,

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

As identical marks are not involved sub paragraph (b) applies here.

30 I take into account the guidance provided by the European Court of Justice in Sabel BV v Puma AG (1998 RPC 199 at 224), Canon v MGM (1999 RPC 117) and Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BC (1999 ETMR 690 at 698).

It is clear from these cases that:-

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

40 (b) the matter must be judged through the eyes of the average consumer, of the goods/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;

45 (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 therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components;
- 5 (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;
- 10 (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it.

The goods at issue in this case are various items of clothing as set out earlier in the decision. It will be apparent from the respective specifications that some goods are identical. Others, whilst described in somewhat different terms (tops/jumpers and sports shirts/rugby shirts for instance) are or could be identical. Even where identical goods are not claimed, taking account of the notional breadth of the specifications I must necessarily conclude that similar goods are involved. The applicants have nevertheless suggested that the opponents are primarily concerned with sports clothing whereas they themselves are in the fashion and leisurewear market. I reject the argument that a distinction can be drawn on this basis. The dividing line between sportswear and leisurewear is a thin one and often blurred. Items such as shorts, tracksuits, jogging bottoms which may initially have been conceived as sports clothing also serve as casual wear. Moreover Mr Shah's claim that his company does not sell clothing designed for sporting activities is contradicted by items in the applied for specification such as rugby shirts and golf tops and the earlier trade marks' specification is certainly not limited to sportswear items even if the latter constitutes the main area of trade. In short identical or similar goods are involved. The matter, therefore, turns on my view of the marks but without forgetting the composite nature of the test (see BALMORAL Trade Mark 1999 RPC 297 at page 301) and the criteria drawn from the ECJ cases set out above.

In this particular case the opponents have also claimed an enhanced degree of distinctiveness for their mark based on the use which has been made of it. The level of sales is in my view significant but not overwhelmingly large taken in the context of what must, I think, be a very large market. The company does however sponsor a number of leading sports persons (mention is made of Ilie Nastase, John McEnroe, Martina Hingis, Sergi Bruguera, Goran Ivanisevic and skier Marc Girardelli) as well as various sporting events. I note that these leading sports personalities feature in the advertising material. I am persuaded, therefore that the claimed reputation of the mark is not without foundation though it should also be noted that most of the use is in conjunction with an accompanying device element shown in varying degrees of prominence.

The visual, aural and conceptual similarities and differences between the respective marks are obvious in as much as the applicants' mark is in the same as the first element of the opponents' earlier trade mark. The opponents' mark (No. 1205864) consists of a full name. The mark applied for is purely the forename SERGIO. The question therefore, arises as to whether the trade mark applied for is so similar to the earlier mark that there exists a likelihood of

confusion on the part of the public including the likelihood of association (though it is clear from the ECJ cases that likelihood of association is not an alternative to that of likelihood of confusion but rather serves to define its scope).

5 A similar issue arose in relation to application No. 2119687 for the mark LAURA in Class 2. That application had an objection raised against it on the basis, inter alia, of an earlier trade mark (No. 1231150), LAURA ASHLEY for identical goods. The Registry's Hearing Officer maintained the objection against the application but the decision was reversed on appeal to Matthew Clarke QC sitting as the Appointed Person ¹. After reviewing the ECJ guidance in Sabel v Puma he came to the following view:

15 "In my judgement, it was unrealistic to conclude, in this case, that the public would be likely to be confused if the application was granted between the trade mark "Laura" and the other trade marks which include the words "Laura Ashley". I consider that by far the more distinctive and dominant component of the word elements of the earlier marks is the surname "Ashley" and that it is the two names "Laura" and "Ashley" which provide for its overall distinctiveness. I consider that the name "Laura" is a common enough Christian name which has no intrinsic association with the specification of goods in respect of which registration is sought. It appears to me that Mr Krause who appeared for the appellants before me was well founded in submitting that the name "Laura" was no more objectionable because of the provisions of Section 20 5(2) of the 1994 Act in relation to "Laura Ashley" than the word "John" would be in relation to the words "John Lewis" if both were to be used in relation to household paints, or "Thomas" in relation to "Thomas Cook" if the former were to be used in relation to travel services. Moreover, I think he was well founded in submitting that in approaching the question that has to be decided in this case, regard has to be given to the kind of goods in respect of which the application is being made and the type of consumers who are likely to purchase those goods. He submitted that the consumers of industrial, craft and artistic materials covered by the specification would be unlikely to purchase on impulse. It would be unlikely that such consumers would confuse such products with those to which the previous "Laura Ashley" marks were applied.

35 It is of importance that in both the relevant provisions in the European Directive and in Section 5(2) of the 1994 Act what has to be identified is the likelihood of confusion, not simply the possibility of confusion. At the very highest, in the present case, in my view, it might be said that there was a possibility of confusion in the mind of certain members of the public but I consider that it was unreal to think in terms of there being a likelihood of confusion."

40 Each case must of course be considered on its merits and Mr Clarke was careful not to suggest that his decision on the LAURA application provided a template for deciding other cases where a forename is being compared with a full name. The decision has however caused me to consider very carefully what view I should take of the conflict bearing in mind also the

¹ The decision has not been reported at the time of writing but is dated 5 November 1999 and can be found under reference O/430/99.

fundamental difference that this is an inter partes action and I have the benefit of evidence from the parties.

5 It seems to me that there are a number of factors which distinguish this case from those pertaining in LAURA/LAURA ASHLEY

10 S it was acknowledged that LAURA was a common English Christian name. The Appointed Person accepted the applicants' agents' submission that 'Laura' was no more objectionable because of the provisions of Section 5(2) of the 1994 Act in relation to 'Laura Ashley' than the word 'John' would be in relation to 'John Lewis' if both were to be used in relation to household paints, or 'Thomas' in relation to 'Thomas Cook' if the former were to be used in relation to travel services.

15 S SERGIO is a foreign (Spanish or Italian) forename and almost by definition uncommon in this country. That fact gives it a degree of distinctiveness which an English forename (let alone a common one) would find difficult to achieve

20 S that in turn suggests a greater likelihood that the name would be associated with any trader in a particular goods area who used that name as part of his mark

25 S it was held in LAURA that the more distinctive and dominant component of the word elements of the earlier mark is 'Ashley' and that it is the two names 'Laura' and 'Ashley' which provide for its overall distinctiveness. Whilst I do not doubt the distinctiveness of the element TACCHINI I do not think it exercises such a dominant position within the overall context of the mark that it detracts from my previously expressed views about the forename SERGIO

30 S the names of fashion houses or designers are likely to be of importance in the process of selecting and buying clothes

35 S I have evidence before me that the opponents' composite mark has a reputation in this country. Whilst I do not forget the presence of the device element (in most of the examples of use shown), in the context of clothing it is the name of the designer or founder of the fashion house that will imprint itself on the memory.

40 The applicants counter by pointing to five other marks on the register in Class 25 incorporating the element SERGIO. They also suggest that it is well established practice and knowledge within the trade as a whole that when it is desired to refer to one part of a two word mark of the type registered by the opponents, it is the second part of the mark that is adopted. They cite the shortening of Giorgio Armani to Armani. I do not accept these counter-arguments. The five registered marks referred to, without exception, show Sergio used in combination with a surname. Three of them also have additional device elements. 45 Furthermore there is no evidence before me that any of them are in use or known in the UK market place. I note the Giorgio Armani/Armani example. It is equally possible to think of

other examples where it might be said that the forename as opposed to the surname has been used as a mark in its own right (Hugo/Hugo Boss, Tommy/Tommy Hilfiger). There is of course no formal evidence before me on the point. In as much therefore as I can make anything of the point it is that there is probably mixed practice within the trade.

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Taking all the above factors into account I am persuaded that the opponents have made out their case and that there is a real likelihood of confusion in the particular circumstances of this case. Customers or potential customers who had encountered the opponents' mark would, if they subsequently saw the mark SERGIO, be likely to think that it indicated goods from the same trade source.

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The opposition succeeds under Section 5(2)(b). In the circumstances, and given that I have taken account of the reputation of the opponents' mark to the extent I feel able in dealing with Section 5(2)(b), I do not propose to give separate consideration to the Section 5(4)(a) ground.

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The Section 3(6) objection, that the applied for mark was adopted in bad faith, has not been explained or developed in evidence. I have not, therefore, felt it necessary to record the applicants' explanation as to how they came to choose their mark. I dismiss the Section 3(6) ground.

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I should, however, touch on one further aspect of the case. The application in suit proceeded to publication in the Trade Marks Journal on the basis of honest concurrent use under Section 7 of the Act. Both the counterstatement and the applicants' evidence refer to the use that has been made of the mark SERGIO. But it is not clear whether they are asking for the position under Section 7 to be considered as part of the present proceedings. Where on application for registration, an applicant has, in response to an objection under Section 5(2), shown to the satisfaction of the registrar that there has been honest concurrent use of the trade mark, Section 7(2) provides;

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(2) In that case the registrar shall not refuse the application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

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The Registry has set out its position in relation to the honest concurrent use provisions of the Act in a Notice in Trade Marks Journal No. 6171 of 16 April 1997. As this case has not been the subject of a hearing I have not had the benefit of submissions from the parties in relation to the law or the circumstances of this case. Having reviewed the applicants' evidence I have concluded that it is in any case inadequate to provide the basis for a claim under Section 7.

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The applicants rely on two main pieces of evidence to substantiate the claim set out in Mr Shah's declaration. The first is exhibit AAS/1 to a declaration of 4 November 1997 submitted during the course of the examination process (and adopted into these proceedings as an exhibit to Mr Shah's main declaration). The second is Exhibit AAS/2 to Mr Shah's evidence in these proceedings. The first of these items is a photocopied page showing various labels. There is no indication as to date of adoption or use of these labels. All but three of the labels refer to SERGIO BY MAZETTI rather than SERGIO on its own. SERGIO is the more prominent element but clearly linked to the second element MAZETTI by means of the preposition. The

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second exhibit consists of photocopies of the neck labels of a number of shirts and tops. Again they show either SERGIO LONDON BY MAZETTI or SERGIO BY MAZETTI. The only exception is the second photocopied item where the neck label is partly obscured and it is not, therefore, possible to tell what is underneath the words SERGIO LONDON. Whilst Mr Shah has claimed that he is not aware of any instances of actual confusion between his company's products and those of the opponents that is not altogether surprising as almost all of the exhibits relied upon suggest that SERGIO has in actual trade been used in conjunction with the further identifier of brand origin, MAZETTI. I am unable to accept this evidence as a starting point for considering the position under Section 7.

The opposition is therefore successful. The opponents are entitled to a contribution towards their costs. I order the applicants to pay the opponents the sum of £635. This sum is to 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 29 day of August 2000

**M REYNOLDS
For the Registrar
The Comptroller-General**