#### O-400-10

#### **TRADE MARKS ACT 1994**

## IN THE MATTER OF APPLICATION NO 2356525 BY JOHN RICH & SONS INVESTMENT HOLDING COMPANY

TO REGISTER THE TRADE MARK:



**IN CLASS 25** 

AND

THE OPPOSITION THERETO
UNDER NO 94246

BY

**AKKURATE LIMITED** 

#### Trade Marks Act 1994

In the matter of application no 2356525 by John Rich & Sons Investment Holding Company to register the trade mark:



in class 25 and the opposition thereto under no 94246 by Akkurate Limited

1) On 23 February 2004 John Rich & Sons Investment Holding Company (Holding) applied to register the above trade mark. The application was published for opposition purposes on 23 December 2005 for:

clothing, headgear; sportswear and outerwear for men, women and children; hats and hosiery; all consisting of wool or made principally from wool; swimwear, T-shirts, sweatshirts, belts, shoes, trainers, boots.

The above goods are in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

- 2) On 23 March 2006 Akkurate Limited (Akkurate) filed a notice of opposition to the registration of the trade mark. Akkurate claims that registration of the trade mark would be contrary to sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act).
- 3) Section 5(2)(b) of the Act states:

(2) A trade mark s	shall not be register	ed if because -	
registered f	o) it is similar to for goods or service earlier trade mark is	es identical with o	

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

#### Section 5(3) of the Act 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 Community trade mark or international trade mark (EC) 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."

#### Section 5(4)(a) of the Act states:

- "4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented——
- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade".

The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

"The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

4) In relation to the grounds of objection under sections 5(2)(b) and 5(3) of the Act, Akkurate relies upon two registered trade marks:

 United Kingdom registration no 1451553 of the trade mark JOHN RICHMOND. The application for registration was filed on 19 December 1990 and the registration process was completed on 11 June 1993. The trade mark is registered for:

articles of outerclothing; T-shirts; footwear; headgear; all included in Class 25.

The trade mark is subject to the following disclaimer:

"Registration of this mark shall give no right to the exclusive use separately of the words "John" and "Richmond"."

 Community trade mark registration no 649145 of the trade mark JOHN RICHMOND. The application for registration was filed on 29 September 1997 and the registration process was completed on 26 May 1999. The trade mark is registered for:

clothing, footwear and headgear; articles of outerclothing; shirts, T-shirts, sweatshirts, sweaters, trousers, jeans, skirts, jackets, dresses, suits, shorts, articles of underclothing; nightwear; shoes and boots; hats and caps; belts; socks; gloves.

The above goods are in class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

As the trade marks had been registered for more than five years at the date of the publication of Holding's application they are subject to proof of use<sup>i</sup>.

- 5) Akkurate claims that it has used its trade marks for all of the goods covered by each of its registrations.
- 6) In relation to section 5(2)(b) of the Act, Akkurate claims that the respective trade marks are similar and that the goods of its earlier registrations are identical or similar to those of the application of Holding.
- 7) In relation to section 5(3) of the Act, Akkurate claims that it has a reputation in respect of all of the goods covered by each of its registrations. It claims that:

"Use on all goods in the application would take unfair advantage of or be detrimental to the distinctive character or reputation of the earlier mark."

It claims that this is the case because:

"The name JOHN RICH in the mark applied for will create an association with the name JOHN RICHMOND leading to a loss of advertising power and a diminution of the attractiveness, image and prestige associated with the earlier mark, as well as a transfer of the attractiveness, image and prestige of the earlier mark to the mark applied for. For example, the earlier mark conveys an image connected with the internationally recognised fashion designer John Richmond and with qualities such as exclusiveness, individualism and style."

- 8) Under section 5(4)(a) of the Act, Akkurate relies upon the sign **JOHN RICHMOND**. It claims that this sign has been used throughout the United Kingdom in relation to clothing, footwear, headgear and fashion accessories. It claims that these goods have been sold through high street shops and have been regularly featured in the press. Akkurate claims that the sign was first used in 1986 or 1987.
- 9) Akkurate seeks the refusal of the application in relation to all of its goods under each ground of opposition.
- 10) Holding filed a counterstatement.
- 11) Holding requires proof of use of the trade marks of Akkurate in respect of all of the goods for which they are registered.
- 12) Holding denies that there is any likelihood of confusion in respect of either of Akkurate's registrations. Holding requires, in respect of section 5(3) of the Act, Akkurate to prove that it has a reputation as it claims. Holding denies that, even if the claims to reputation are substantiated, use of its trade mark would take unfair advantage or be detrimental to the distinctive character or the repute of Akkurate's trade mark. Holding does not admit, in relation to the grounds of opposition under section 5(4)(a) of the Act, that Akkurate has a protectable goodwill in relation to the sign upon which it relies. Akkurate is put to proof of its claim of a protectable goodwill. Holding denies that, in any event, use of its trade mark would amount to a misrepresentation.
- 13) Both parties filed evidence.
- 14) A hearing was held on 10 November 2010. Holding was represented by Mr Ross Manaton of Bromhead Johnson. The representatives of Akkurate were advised on 16 September 2010 of the date of the hearing. (On 20 August 2010 Mr Manaton had advised, through a copy of a letter, the representatives of Akkurate that a hearing was being requested.) On the afternoon of 8 November 2010 they were contacted by the hearings clerk, as no skeleton argument had been received. The hearings clerk was advised that the representatives were no longer acting for Akkurate. The representatives had not advised the tribunal of this prior to this date. The hearings clerk was given the name of the solicitors

who act for Akkurate in other matters. She contacted the solicitors to ascertain if they had any instructions in relation to this matter. The solicitors advised that Akkurate "has decided not to pursue this matter and therefore will not be attending the hearing tomorrow". The solicitors were asked to clarify whether this meant that the opposition was being withdrawn. They did not supply any such clarification. Consequently, the tribunal has received no submissions from Akkurate in relation to its evidence and the legal basis of its case.

#### Evidence of Akkurate

- 15) This consists of a witness statement made by Anthony Paul Yusuf. Mr Yusuf is a director of Akkurate, a position that he has held since the establishment of the company in 1998. He is also a director of World Clothes Holdings Limited (World) and World Clothes Inc Limited (World Inc), which are companies related to Akkurate. World owns 50% of the shares of Akkurate. Mr Yusuf has been associated with World Inc since 1994 and with World since it was established in 1996. Mr Yusuf states that the primary business of Akkurate relates to the design, supply and retail of clothing, footwear and fashion accessories "associated" with the clothing designer John Richmond, who is a director of Akkurate. Mr Yusuf works on the business side of Akkurate, Mr Richmond handles the designs. Mr Yusuf has worked in the fashion industry since 1987, prior to 1994 he was a director of a company that was a licensee of Mr Richmond. Mr Yusuf has known Mr Richmond for over 20 years.
- 16) Mr Yusuf describes Mr Richmond as being a "world renowned designer of clothing". Mr Richmond has worked in the fashion industry as a clothes designer for more than 20 years. Mr Richmond started his designing career as designer/partner with Maria Cornejo, trading as Richmond-Cornejo in London between 1984 and 1987. Mr Yusuf states:

"They were at the forefront of the Young Designers explosion during the early 1980s along with Katherine Hamnett and John Galliano."

In 1988 John Richmond launched his own labels: JOHN RICHMOND Man and JOHN RICHMOND Woman. Mr Yusuf states that Mr Richmond has had considerable success as a clothing designer, frequently exhibiting his clothing in international fashion centres, such as London, Paris and Milan. Mr Yusuf states that reports and features highlighting the designers who have exhibited at these shows, including John Richmond, have been disseminated widely.

#### 17) Mr Yusuf states:

"the name JOHN RICHMOND has been used, initially under licence to John Richmond (sic), in relation to a brand of clothing marketed by the companies he has set up, and their licensees."

Clothing has been traded under the name JOHN RICHMOND continuously from the late 1980s to the present day. Initially, this trading, in the United Kingdom, was through a company called Proudheights, of which Mr Richmond was a director. The business of Proudheights was taken over by World Inc in 1994 or 1995. Mr Yusuf states that the trade mark JOHN RICHMOND is now owned by Akkurate as a result of an assignment of rights in the JOHN RICHMOND trade mark in the United Kingdom from Mr Richmond to World on 15 December 1998 and from World to Akkurate on 6 June 2005, and by virtue of an assignment of Community trade mark registration no 649145 from Mr Richmond to Akkurate on 15 December 1998.

- 18) Mr Yusuf states that initially sales of JOHN RICHMOND clothing were made primarily in the United Kingdom. He states that by the early 1990s "significant" sales of JOHN RICHMOND clothing were being made abroad, including in the European Union. Mr Yusuf states that by the mid 1990s the JOHN RICHMOND range of clothing included jackets, coats, shirts, trousers, dresses, skirts, tops, underwear, bikinis, gloves and scarves. He states that these goods were sold and promoted widely across the United Kingdom, Europe and beyond. By the late 1990s JOHN RICHMOND was also being used on "a range of accessories".
- 19) Mr Yusuf states that in 1995 Akkurate entered into an agreement with an Italian company, Falber Confezioni Srl (Falber). (At the beginning of his statement, Mr Yusuf states that Akkurate was only established in 1998.) He states that Falber was granted a licence by Akkurate to manufacture and distribute JOHN RICHMOND clothing to designs created by Akkurate. Mr Yusuf states that Falber specialises in the manufacture and worldwide distribution of high quality apparel and accessories for men and women.
- 20) Exhibited at APY2 is a copy of the cover of a book entitled *Fashion Now i-D selects the world's 150 most important designers*. In this exhibit there is a copy of a page of the book that relates to Mr Richmond. The date of the publication of the book is not given; the last date referred to in the extract is 1995.

"Whether it's George Michael wearing his ubiquitous Destroy jacket in the video to the song 'Faith' or Bryan Adams photographing his new collection, John Richmond has often been surrounded by the rock and pop aristocracy. Born in 1961 In Manchester, Richmond graduated from Kingston Polytechnic in 1982 and immediately working under his own name as well as designing freelance for Emporio Armani, Joseph Tricot and Fiorucci. In 1984 he formed the Richmond-Cornejo label with graduate Maria Cornejo. The pair's avant-garde, street- and clubwearinspired collections earned them a cult following, appropriating a distressed punk aesthetic, logos and slogans of alienation, ripped-off sleeves and skintight trousers. Since 1987, Richmond has worked under his own name producing a mainline collection, two diffusion ranges: his leather jackets, printed either with slogans or tattoo designs, being

perhaps his most enduring, definitive pieces. His passion for music iconography, plus a unique balance between precise tailoring and irreverent styling, informs Richmond's designs. Street culture is still a significant influence in with recent seasons mixing the smartness of the mod aesthetic with heavy metal detailing. In 1995, Richmond avoided the fate of many of his British contemporaries looking to Europe for support, achieving significant global growth thanks to Italy's Falber SRL (production) and Moschillo (sales and distribution). He now shows .... and womenswear at Milan Fashion Week. As well as his men's and women's mainline collections, he also runs the diffusion lines John Richmond X and Richmond and produces bag and shoe collections."

(The ends of the lines cannot be read clearly owing to the quality of the photocopying.)

21) Exhibited at APY3 are pages downloaded from encyclodpedia.com on 27 October 2009. The article reads, with bibliography excluded, as follows:

"Born: Manchester, England, 1960. Education: Graduated from Kingston Polytechnic, 1982. Family: Married Angie Hill; children: Harley, Phoenix. Career: Freelance designer in England for Lano Lano, Ursula Hudson, Fiorucci, Joseph Tricot, and Pin Up for Deni Cler, 1982-84; designer/partner with Maria Cornejo, Richmond-Cornejo, London, 1984-87; introduced John Richmod Man and John Richmond Woman collections, 1987; introduced lower-priced Destroy collection, 1990; introduced Destroy Denim collection, 1991; opened first London boutique, 1992; launched own ready-to-wear and accessories line, 1995; signed on to design womenswear and accessories for Valextra, 2000-03. Address: 25 Battersea Bridge Road, London SW11 3BA England

The twin icons of popular rebellion—rock music and biker chic— are combined with good tailoring and attention to detail to make John Richmond's designs a success, commercially and critically. He is one of the most business-minded of his British counterparts, steadily building up his clothing range while others have fallen prey to financial and production problems. His designs have developed along the lines initiated during his partnership with Maria Cornejo, with certain motifs being carried through. These make his work instantly recognizable and, he says, justify the use of the "Destroy" slogan as a brand name for his cheaper lines, instead of promoting it as a diffusion range.

Richmond's womenswear shows the use of sharp tailoring with subversive twists that carry out the motto of "Destroy, Disorientate, Disorder," so often emblazoned on his garments, as he tries to challenge accepted design conventions and expectations. Richmond's clothes are always sexy and brazen, leading many stylists and pop stars to reach for his styles when

wanting to create a memorable and striking image. Well-cut jackets, often in hot fruity colors, are combined with fetish motifs. Bondage chains, zips, and leather inserts hark back to punk, although the sophistication of the style and the quality of the fabric make the overall look far more contemporary. His tattoo-sleeve tops and biker jackets were seen everywhere, even inspiring a vogue for the real thing among some London clubbers.

These design details also highlighted another side of his more subversive work. The macho tattoos he juxtaposed with transparent georgette wrap tops in the late 1980s questioned sexual stereotypes, something he continued in his menswear, where bright shiny fabrics were used for long-jacketed suits, and net was set against hard leather. These were perhaps a reflection of the vulnerable, slightly camp edge possessed by many of the rock heroes who inspired Richmond; impossibly masculine images, at the same time tempered by a glam-rock glitziness or the feminine twist of a soft shiny fabric. Although the anarchy symbols he so often used challenge, they never led to his creating unwearable or unsellable clothes. A suit might have been made with bondage trousers as a witty edge to a traditional design, but the fine Prince of Wales check of the fabric still made it seem stylish and desirable.

Richmond's Destroy and Destroy Denim labels had the same pop star/rock chic feel yet retained the quality of design of his main line, relying mainly on Lycra, denim, and splashes of leatherette to produce a sportswear influence and clubby feel. Jeans in denim and biker jackets formed the basis of this collection, although sharp suits also featured, with 1970s glam rock again an influence: feather boalike trim around coats and jackets and tight sequin tops for both men and women. Later collections showed a growing maturity in style and widening of influences, in couture-inspired jackets with gilt buttons and quilted linings and sleek slit skirts, still with the distinctive Richmond elements like shiny leggings and the contrast platform heels of the boots designed for Shelly's, the popular London footwear chain.

For the 1996-97 winter season, Richmond's second Milan showing stressed a distinctive sophistication merging sensuality with a cosmopolitan flair. He refined classic ensembles to suit a mature, worldly buyer who wanted to appear tasteful yet alluring. His dresses, which Forlí Red Falcon made and distributed, succeeded primarily because of Richmond's fabric and detailing savvy. For the modish, self-confident woman, he underscored uncomplicated lines.

Richmond made his mark on the season with devoré velvets, metallic woolens, delavé taffetas, and optical prints. The collection of skirts and day costumes tended to be well-fitted and long; tapered pants

complemented crêpe georgette blouses. For casual wear, he relaxed the silhouette with twin sets, trapeze skirts, low-slung pant lines, and tight, figure-revealing tops. His choice of animal prints and skins, bi-tone gabardine, satin, suedes, and vinyl, and velvet for dresses provided texture and variety to suit more occasions and settings. His palette centered on black, dark umber, and navy, often offset by diagonal slashes of pink and burgundy. For some ensembles in his winter 2001-02 collection, Richmond, like Dior, Gucci, Chanel, Prada, Armani, and numerous other of the fashion world's top designers, chose fur, a material that Brenda Polan of the *London Evening Standard* connected with wealth, sex appeal, luxury, and glamor.

Additionally, in 2000, Richmond signed a three-year contract with Valextra, the Italian accessories firm, to design a new womenswear collection and coordinating accessories line featuring footwear and handbags. "I didn't want to work with just my company, and I don't really plan to do any other consulting," Richmond told *Women's Wear Daily* (27 November 2000), "I'm thinking of clothes that fit with the bags; I thought this was the easiest way to change people's perception of Valextra, to show how accessories fit into modern life."

22) Mr Yusuf states that by the 1990s the clothing of Mr Richmond had been worn by rock stars such as Madonna, Prince, George Michael, Dave Stewart, Elton John and New Kids on the Block. He states that the JOHN RICHMOND brand has derived significant cachet and prestige from its association with "the musical elite". Exhibited at APY4 is a copy of a page from "the Italian Press", with no further provenance. It is headed Collezioni Donna. Towards the bottom of the page the following appears in English and Italian:

"To John Richmond, recognition for the designer of the international rock aristocracy: "Destroy" clothes exclusively for Madonna, Prince, George Michael, Dave Stewart, New Kids on the Block and many others."

23) Exhibit APY5 consists of copies of articles from the print media: *Drapers' Record* for April 1992, *The Evening Standard* of 30 July 1991, *Sunday Times* from 1992 *FHM* for November 1992 and *Women's Wear Daily* of 18 November 1992. The article reproduced at page 2 of the exhibit includes the following: "There also is the danger that Destroy will take over from Richmond's main signature collection, which represents about 40 percent of his sales of about 2.5 million pounds (\$4.5 million U.S.) a year. Richmond's top-end collections for men and women cover about 40-50 pieces a season with a wholesale price range of 38-300 pounds (\$68-\$540). His Destroy collection, which is aimed mainly at men, is about the same size and wholesale prices range from 20 to 100 pounds (\$36-\$180)." Mr Yusuf identifies the article as emanating from *Draper's Record*. However, the layout to the text is different to that of page 1 of the exhibit and the content suggests that it derives from a United States publication. The

article identified as being from *Draper's Record*, at page 1 of the exhibit, relates to United Kingdom designers targeting their export efforts on mainland European markets. The article includes a quotation from Mr Richmond about the possible effect of the "EC Single Market". The article from The Evening Standard refers to Mr Richmond's cheaper Destroy range. It states that "Harrods is devoting five of its windows from Friday to show-case John Richmond past and present". Photographs of female models in jackets, a skirt and trousers by JOHN RICHMOND appear in the article. Mr Yusuf identifies the article reproduced at page 5 of the exhibit as emanating from The Times from 1992, however, it appears to emanate from the Sunday Times from some time in 1992 (the article begins "For spring/summer 1993, London has grown up"). The article covers a number of designers showing at London Fashion Week, including Mr Richmond. The article from *FHM* is in the form of an interview with Mr Richmond. headed: "John Richmond is arguably British fashion's hottest property. name behind the ubiquitous Destroy label and some of the most copied designs in the business....." Women's Wear Daily appears to be a United States publication. The writer states: "John Richmond Ltd, comprising the five year old John Richmond men's and women's sportswear collections; Destroy, a two-yearold secondary line, and Destroy Denim, rings up an volume of about \$5 million".

- 24) Mr Yusuf estimates that by 1992 or 1993 the turnover of Mr Richmond's clothing business was between £2 and £3 million per year.
- 25) Mr Yusuf describes exhibit APY6 as comprising extracts from newspapers and magazines published in the 1990s in the United Kingdom, Italy, Germany, Sweden, France, Spain and Greece which feature the designer Mr Richmond and/or JOHN RICHMOND clothing. Not all of the extracts have clearly identified provenance. Extracts, which can be identified by publication and date, appear from Donna for January/February 1997, Menswear of 24 July 1997, a magazine from The Independent for spring 1997, Cosmopolitan for February 1997, Voque for April (year unknown), Marie Claire for September 1993 (which identified jewellery as well as clothing from JOHN RICHMOND), Elle for Sweden for October 1997, Harper's Bazaar Italia for December/January 1997/1998, Journal du Textile of 20 January 1997 (an advertisement from Moschillo for a new showroom in Paris that, inter alia, stocks JOHN RICHMOND and RICHMOND DENIM), Frank (a magazine produced by Falber) for March 1998, Anna of 10 March 1997, Amica for 4 October 1996, Glamour for September (year unknown), Sky Magazine for February 1998, The Independent For Men for spring 1997, Weekend of 26 April 1997, Wallpaper for January and February 1998, The Express Saturday for 13 - 19 September 1997, The Face for June 1997 (showing leather sandals), Harper's Bazaar Italia uomo, The Gazette of 11 June 1991, Frankfurter Allgemeine of 12 October 1990. DR The Fashion Business of 19 October 1991, The Face for September 1991 (showing various Destroy products), Chi of 7 March 1997, Uomo Voque for February 1997, Amica for October 1996, Harper's Bazaar Italia uomo for March/April 1997, Drapers Record of 3 October 1992 – "Destroy: a totally new approach to denim for women", M8

for February 1993, Cosmopolitan for April 1993, Marie Claire for February 1993, Cosmopolitan for August 1994, Sky Magazine for February 1995, Glasgow Herald of 2 January 1992 and 4 December 1991, Harpers & Queen for October 1994, Fashion Weekly of 15 October 1992, Cosmopolitan for October 1992, Elle for October 1997, Cosmopolitan (German edition) for January 1994, FHM for September 1995, Confezione of 9 December 1996, Wallpaper for July/August 1997. Scene for March/April 1997. La Padania of 7 March 1998. MF Fashion of 10 March 1998, La Padania of 10 March 1998, Esquire for September 1998, FHM for September 1998, The Times of 8 February 1999, Loaded for February 1999, fw for September/October 1998, The Daily Telegraph of 1 February 1999, m for February 1999, Esquire for March 1999, Attitude for March 1999, ES Magazine of 12 March 1999, Cosmopolitan for March 1999, FHM Collections for spring/summer 1999, Wallpaper for April 1999, Amica of 21 July 1999, Fashion of 30 July 1999, Textil Revue of 19 July 1999, Uomo Collezioni for September/December 1999, The Express of 7 February 1999, OK! of 19 February 1999, Maxim for February 1999, Frank for January 1999, The Guardian of 13 January 1999, The Independent of 13 January 1999, Loaded for April 1999, Evening Standard of 3 February 1999, Daily Record of 6 February 1999, The Daily Telegraph of 8 February 1999, The Times of 8 February 1999, Loaded for some time in 1999/2000, Arena for spring/summer 1999, GQ spring/summer 1999, The Express on Sunday of 7 February 1999, Evening Standard of 3 February 1999, *The Express* of 9 February 1999, and *Loaded* for February 1999.

26) Exhibit APY7 consists of copies of more editorial coverage and advertisements. Those that can be identified by publication and date and show a reference to JOHN RICHMOND and emanate from prior to the date of publication of the application appear from Elle (German edition) for March 2003, Petraspecial 2003, Petra for February 2002 (Richmond X), Phoebes for spring/summer 2003, Another Magazine of 8 May 2003 (vintage Destroy by John Richmond), Another Magazine of 5 May 2003 (John Richmond 1992 collection), Mada Me for January 2003, FWD of 1 October 2002, Petra for July 2003, Freundin of 28 June 2003, The Face for September 2003, Vogue (German edition) for September 2003, *I-D Magazine* for October 2003, *Pop* for autumn and winter 2003, BLVD Olanda for January/February 2004, Madame for September 2003, Style in Progress for March 2003, Phoebes for autumn/winter 2003, Der Augenoptiker for January 2004, Maxim Fashion (German edition) for winter 2003, Elsevier Thema for September 2003, Arena for November 2003, Maxim (German edition) for November 2003. Glasses and Fashion of 4 October 2003, Maxim Fashion for autumn/winter 2003, BMM of 27 September 2003, Playboy Deutsch for October 2003, Kodex The Fashion Guide for September 2003, Arena for September 2003, Allegra Germania for April 2003, Stern of 23 January 2003, FWD for 15 January 2003, Playboy Deutsch for February 2004, WWD.com of 12 February 2004, Musica di Repubbuga of 12 February 2004 (showing sunglasses), L'Uomo Voque for February 2004, Maxim Fashion for spring/summer 2004, Homme Arena for spring/summer 2004, Zoo Deutsch for spring/summer 2004, The Face for March 2004, Elle for March 2004, Petra for

April 2004, Bolero Men for spring 2004, FHM Collections for spring/summer 2004, Arena for April 2004, Maxim Deutsch for summer 2004, Maxim Deutsch for March 2004. Sportswear International for January/February 2004 (a belt by JOHN RICHMOND is shown), Arena for January 2004 (a shirt and tie are shown), DNR of 30 June 2003, Amica of 6 July 2000, Dazed & Confused for March 2000, D di Repubblica of 11 January 2000, D di Repubblica of 22 February 2000, D di Repubblica of 14 March 2000, Donna for March 2000. For Him Magazine for May 2000, For Him Collection for spring/summer 2000, GQ for May 2000, I-D for March 2000, II Tempo of 30 June 2000, II Giornale of 1 July 2000, fashion of 3 July 2000, la Republica of 22 June 2000, Il Mattino of 27 June 2000. Mff of 22 June. 23 June and 28 June 2000. La Republica of 28 June 2000. D di Repubblica of 20 June 2000. Io Donna of 24 June 2000. L'Uomo Voque for July/August 2000, *Il Gazzettino* of 5 March 2001, *Corriere de Sera* of 5 March 2001, Il Giornale of 5 March 2001, La Republica of 5 March 2001, Moda online.it of 5 March 2001, Il Nuovo of 5 March 2001, ModItalia of 6 March 2001, Il Tempo of 5 March 2001, La Republica of 6 March 2001, Mff of 11 January 2002, il Nuovo of 15 January 2002, Textilmitteilungen for January/February 2002, Textil Wirtschaft for January 2002, Magazine for Fashion for February 2002, Men's Collections for autumn/winter 2002/2003, Pellicce Moda of 6 November 2002, Men's Health (German edition) for November 2002, L'Uomo Voque Sport for July/August 2002, MFF for July 2002, MFF of 19 and 23 July 2002, Wallpaper for September 2002, Io Donna of 21 and 28 September 2002, Mood no 39 from 2002, Gioia of 15 October, 3 December 2002 and 21 January 2003, Les Nouvelles Esthétiques for December 2002, Mood for October 2002, I-D for October 2002. Madame for September 2002. Lines Intima for September 2002. FHM Collections for autumn/winter 2002/2003 (RICHMOND X being advertised), *Maxim Fashion* for 2003, *FHM* for February 2003, *Textil Wirtschaft* of 21 January 2003, *Esquire* for January 2003, *Dazed & Confused* from 2003 (Destroy by John Richmond referred to), Arena Homme Plus for autumn/winter 2002/2003, Vogue Italia for February 2004, Visto of 13 February 2004, Soprattutto of 12 February 2004, Mood of 9 and 20 February 2004, Maxim (Italian edition) of 1 February 2004 (a bikini and a belt can be seen), Marie Claire (Italian edition) of 1 February 2004, MFF of 1 February 2004, Madame Figaro of 6 February 2004, MF Fashion of 13 and 23 February 2004, La Repubblica of 1,12 and 22 February 2004 (sunglasses are shown), L'Uomo Voque of 1 February 2004, L'Espresso of 19 February 2004, lo Donna of 21 February 2004, In Style of 1 February 2004, Il Venerdi of 6 February 2004, fashion of 13 and 20 February 2004, and *Elle* of 1 February 2004. (Titles in bold appear to be United Kingdom publications.)

27) Mr Yusuf states that outlets for JOHN RICHMOND clothing have included "high class boutiques, department stores and Akkurate's own JOHN RICHMOND shops". For several years prior to 2004 there have been JOHN RICHMOND shops in London and Milan through which JOHN RICHMOND clothing has been sold. JOHN RICHMOND has been sold at Selfridges from 2000 until after 2004. Mr Yusuf states that clothing and accessories are also sold under the "diffusion"

brands RICHMOND DENIM and RICHMOND X by Akkurate and/or its licensees. He states that the RICHMOND DENIM and RICHMOND X brands are sold at a "more affordable price" and through a wider range of outlets than JOHN RICHMOND clothing. Mr Yusuf states that the point of diffusion brands is that they trade off the reputation of and are known to be related to the primary brand. Mr Yusuf states that RICHMOND X and RICHMOND DENIM clothing have been sold in "significant quantities" in the United Kingdom and the European Union for several years prior to 2004.

28) Mr Yusuf states that the document exhibited at APY8 gives turnover figures by territory for the JOHN RICHMOND range of clothing from 1993 to 1996. In fact the document is headed "JOHN RICHMOND SALES 1993", with no reference to later years. In relation to the European Union the following sales figures are shown (in pounds sterling):

Belgium	32,625
France	24,741
Germany	103,278
Netherlands	7,512
Ireland	1,994
Italy	31,869
Luxembourg	5,759
Spain	14,882
United Kingdom	275,948

- 29) Mr Yusuf gives the figures for estimated sales of clothing, in Euro equivalents, sold under the trade marks JOHN RICHMOND, RICHMOND DENIM and RICHMOND X in territories of the European Union for autumn/winter 1997.
- 30) Exhibited at APY9 is a list of orders placed by territory and by customer for JOHN RICHMOND clothing from customers in the United Kingdom and in other European countries (including Switzerland, which is not a member of the European Union) from collections for spring/summer 2000, autumn/winter 2000/2001, autumn/winter 2001/2002, spring/summer 2002, autumn/winter 2002/2003, spring/summer 2003, autumn/winter 2003/2004 and spring/summer 2004. Sales are shown for Spain, France, Greece, the Netherlands, Germany, Belgium and what is identified as England (sales are also included to a shop in Glasgow). For the above period total sales by territory of products were as follows:

Country	Male items	Female items
Spain	1,104	1,430
Belgium	178	362
France	1,254	2,641
Greece	1,479	1,556
The Netherlands	385	360

Germany	450	646
United Kingdom	1259	3287

31) Items sold by reference to period and outlet in United Kingdom:

Spring/summer 2000	1560 items	25 outlets
Autumn/winter 2000/2001	1456 items	25 outlets
Autumn/winter 2001/2002	75 items	2 outlets
Spring/summer 2002	81 items	4 outlets
Autumn/winter 2002/2003	226 items	5 outlets
Spring/summer 2003	157 items	3 outlets
Autumn/winter 2003/2004	485 items	4 outlets
Spring/summer 2004	506 items	3 outlets

For spring/summer 2004 the 3 outlets were World Inc, the Richmond Boutique and Selfridges.

32) Mr Yusuf states that exhibit APY10 consists of lists of orders by customer for clothing for the RICHMOND DENIM and RICHMOND X collections for autumn/winter 2002/2003 and spring/summer 2003. Mr Yusuf states:

"It should be appreciated that JOHN RICHMOND is an exclusive designer clothing brand and this is reflected in the price at which JOHN RICHMOND clothing is sold. Sales of relatively modest quantities of exclusive designer clothing generate significant revenue and moreover reflect a very substantial reputation."

- 33) Mr Yusuf states that exhibit APY11 consists of a selection of invoices for JOHN RICHMOND clothing supplied by Falber to clients in the United Kingdom between the years 2000 and 2004, as well as invoices to clients in other European countries. He states that in the United Kingdom during this period some products imported from Falber were distributed by World and invoiced to World Inc. The invoices appear to have some errors in the descriptions of the goods, the invoices at page 280 and 281 are headed as relating to the JOHN RICHMOND men's line of goods, however, they include skirts.
- 34) The invoices that show the sale of the following goods from 24 December 2000 to 23 December 2005 (inclusive) (the five year proof of use period) in the United Kingdom show sales of the following goods:

Male	Female
leather jacket jacket	waistcoat skirt
trousers	dress
t-shirt	t-shirt

shirt	leather trousers
caban	pullover
jersey	leather jacket
leather trousers	trousers
waistcoat	shirt
knitwear vest	leather skirt
vest	leather dress
singlet	leather coat
	jersey
	top
	coat
	jacket

35) The invoices between the above period show sales of the following goods in the European Union, excluding the United Kingdom:

Male	female
trousers	skirt
coat	dress
jacket	jacket
pullover	top
raincoat	leather top
shirt	t-shirt
t-shirt	trousers
jersey	leather trousers
leather jacket	shirt
caban	leather jacket
cardigan	waistcoat
leather belt	coat
leather trousers	cardigan
tie	leather skirt
	leather coat
	scarf

35) Mr Yusuf gives the worldwide turnover of Falber from the production and marketing of products created by Akkurate worldwide using the trade marks JOHN RICHMOND, RICHMOND DENIM, RICHMOND X and RICHMOND under licence from Akkurate for the years 2001 to 2007. He also gives figures for the worldwide promotion of goods bearing the above trade marks. As neither set of figures are specific to either the United Kingdom or the European Union and relate to trade marks upon which Akkurate does not rely in these proceedings, they are not reproduced here.

- 36) Mr Yusuf states that prior to 2004 JOHN RICHMOND clothing had regularly been promoted by means of exhibition of each season's collection at catwalk shows in the fashion centres of the world, including London. He states that clothing from "the various RICHMOND brands mentioned in this statement has been exhibited at several International trade fairs since prior to 2004". Again, as this evidence relates to trade marks other than those upon which Akkurate relies, the details are not reproduced here.
- 37) Mr Yusuf states that from 1999 to 2003 advertisements for JOHN RICHMOND clothing have regularly been placed in magazines for men and women. He refers to the examples which are included in exhibit APY7. Further examples are exhibited at APY13. APY13 shows 10 examples from February 2004; 8 from Italy, 1 from Germany and 1 from France.
- 38) Mr Yusuf states that exhibit APY14 consists of examples of point of sales materials. In fact the examples appear primarily to be labels, both sown in and swing tags. In all of the examples, JOHN is much smaller than RICHMOND.
- 39) Mr Yusuf states that exhibit APY15 contains copies of brochures featuring JOHN RICHMOND clothing "as sold" in the United Kingdom between 1999 and 2003.

#### The brochures are as follows:

- Menswear for spring/summer 1999. This shows models wearing trousers, jackets, shirts, t-shirts, singlets and pullovers. The final page of the brochure shows JOHN RICHMOND, with JOHN being much smaller than RICHMOND.
- Womenswear for spring/summer 1999. This shows models wearing tops, trousers, skirts, dresses, coats and jackets.
- Womenswear for autumn/winter 1999/2000. This shows models wearing tops, trousers, skirts, dresses, coats, bodies, ponchos and jackets.
- Menswear for autumn/winter 2000/2001. This shows models wearing trousers, jackets, coats, waistcoats, hats, pullovers, ties, t-shirts, shirts, cardigans, scarves.
- Menswear for spring/summer 2001. This shows models wearing shirts, trousers, jackets, waistcoats, t-shirts, hats and footwear.
- Womenswear for spring/summer 2001. This shows models wearing shorts, trousers, jackets, dresses, shirts, bras, tops, t-shirts, blouses and coats.
- Menswear for spring/summer 2002. The first page of the brochure shows JOHN RICHMOND, with JOHN being much smaller than RICHMOND. This shows models wearing cardigans, shirts, jackets, trousers, waistcoats, t-shirts and pullovers.
- Menswear for spring/summer 2004. This shows models wearing jackets, shirts, trousers, cardigans, hoodies, scarves, t-shirts, hats, sarongs,

singlets and shorts. The final page identifies contacts in Italy, France, Germany and the United States of America.

The brochures consist of models on catwalks. There are no descriptions of the clothes; outside of the front and the back of the brochures there is no writing, other than page numbers.

- 40) Mr Yusuf states that since 1995 Akkurate has had a showroom in London at which JOHN RICHMOND clothing has been shown to potential customers, to members of the press "and others". He states that in 2003 this showroom was located at Trueman Brewery, Brick Lane.
- 41) Mr Yusuf states that JOHN RICHMOND footwear has been sold under licence from Akkurate since 2005 (which is after the date of the application for registration). Mr Yusuf states that JOHN RICHMOND was used prior to 2004 for bags, sunglasses and jewellery.
- 42) Mr Yusuf exhibits at APY16 an article downloaded from venturerepublic.com. This article relates to the brand and brand strategy of Giorgio Armani. Mr Yusuf states that in the article the author explains how most of the famous fashion houses including Christian Dior, Yves Saint-Laurent, Gucci, Versace and Giorgio Armani are built on the personality of the founders and "the brand takes on the identity of the founder through the designs created". Mr Yusuf states that this illustrates why personal names are likely to be seen as significant in denoting the origin of fashion products.
- 43) Mr Yusuf states that prior to 2004 Akkurate and its licensees regularly used RICH as an additional element of branding for a portion of clothing sold under the trade mark JOHN RICHMOND. Exhibited at APY17 are pictures of clothing which bear the word RICH: the rear of a pair of jeans, the front of a t-shirt, the front of a women's top, the front of a zip up jacket and a hat. The letters RICH are large. Also included in the exhibit is a page from a German magazine from June 2005 showing RICH on a bag, an Italian catalogue for children's collection for spring/summer 2005 showing RICH in large and highly stylised format, an Italian magazine for November 2006 showing a shoe with RICH in large letters written upon it, a further Italian magazine from April 2005 showing a bag with RICH upon it in large letters.
- 44) Mr Yusuf states that World has registered the trade mark below:



Mr Yusuf states that "[t]his type of double branding with JOHN RICHMOND as the primary brand and RICH or JOHN as a secondary brand is analogous to the double branding that can be seen in the figurative mark WOOLRICH JOHN RICH & BROS".

45) Mr Yusuf states that the article on Giorgio Armani (see above) explains that Giorgio Armani has one corporate brand and five sub-brands and that it suggests that sub-brands can be used to distinguish different product lines, price points, market segments and/or customers. Exhibited at APY19 is an article from drapersonline.com dated 18 December 2007. It is entitled "Bring on the subbrands". It refers to a number of undertakings using sub-brands. These include for Marks & Spencer: Autograph, Autograph Exclusive, Autograph Weekend, Per Una and Limited Collection for womenswear and Autograph, Collezione and Blue Harbour for menswear. New Look has the sub-brands Inspire and 915. Oasis has the Little Black Dress collection and Belle. Oasis is also to introduce Little Black Shoes, Escape and Ballerina. Also in the exhibit is an article from Telegraph.co.uk, published on 3 April 2006. The article deals with diffusion brands, which are cheaper versions of parent brands. It lists the brands Cheap & Chic by Moschino, Miu Miu by Prada, Paul & Joe Sister from Paul & Joe, D&G by Dolce & Gabbana, Paul Smith 'Pink' and CK by Calvin Klein. In the exhibit is an article originally from *The Wall Street Journal*, published on 25 September 2006. It is also about diffusion brands, in particular it deals with Dolce & Gabbana launching the D&G line. It refers to Giorgio Armani, Donna Karan, Versace and Prada have the cheaper brands Emporio Armani, DKNY, Versus and Miu Miu.

#### Evidence of Holding

- 46) This consists of a witness statement made by Ross Timothy Manaton. Mr Manaton is a registered trade mark attorney who is representing Holding.
- 47) Mr Manaton exhibits at RTM1 a commemorative book published by Holding in 2005 on the occasion of the 175<sup>th</sup> anniversary of the founding of Holding's business. The book is entitled *Woolrich 175 Years of Excellence*. The business was founded by John Rich and Daniel McCormick, the former eventually buying the latter out. The business was founded in a place that, in 1888, became Woolrich, Pennsylvania. In the book the business is referred to as Woolrich. The labels, advertisements and catalogues show for the very greatest part WOOLRICH on its own, or dominating any reference to John Rich & Bros. The exceptions to this are an advertisement from 1925 and a catalogue from 1927. The book states:

"Woolrich's entry into the world market started some two decades ago with a licensing agreement with WP Lavori, an Italian company. Lavori set up Woolrich products in stores throughout Italy......five years ago they were given the rights to distribute Woolrich products throughout Europe and Russia."

A picture of a Woolrich store in Paris is shown, this bears the name WOOLRICH on its own. Mr Manaton refers to use of a trade mark substantially similar to that of the application. On page 18 there is a picture of a railway waistcoat from the mid nineteenth century. The explanation of the illustration advises that this product is still being produced. It is not indicated if the garment shown is from the mid nineteenth century or a more recent garment. The label bears the name WOOLRICH predominately with John Rich and Bros above it, it also carries a picture of a sheep and various other matter. A similar label can be seen on the Buffalo check shirt on page 21. The shirt was first produced in 1850 and is still being produced. There is no indication of from what era the shirt shown emanates. Similar labels can be seen on a chamois shirt and a parka, shown on pages 72 and 73. The former product was introduced in 1969 and the latter in 1972.

- 48) Mr Manaton states that Holding has used trade marks comprising WOOLRICH and JOHN RICH & SONS in respect of items of clothing in the United Kingdom since October 2002. Exhibited at RTM2 is a copy of an advertisement from *Junior* for October 2002 which shows the head of a model wearing what appears to be a parka. A label on the outside of the neck appears, the image is blurred and so it is not possible to discern what is upon it. Exhibited at RTM3 is an advertisement from *FHM* for December 2003. This advertisement shows use of the trade mark the subject of the application, with the addition of ®.
- 49) Mr Manaton states that Holding exhibited its clothing products with reference to the trade mark the subject of the application at the TBC trade show in London on 8 and 9 February 2004. Exhibited at RTM3 is a picture of Holdings stand, which consists of three rails of clothing.

#### Material dates

- 50) In relation to the grounds of opposition under sections 5(2)(b) and 5(3) of the Act, the material dates is the date of application, So, Akkurate has to have earlier trade marks and, in respect of section 5(3) of the Act, an appropriate reputation as of this date. (The trade mark registrations upon which Akkurate relies are earlier trade marks.)
- 51) Akkurate must show genuine use of its earlier trade marks during the period 24 December 2000 to 23 December 2005 (inclusive).
- 52) A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark. This was the subject of consideration by the General Court (GC) in Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Joined Cases T-114/07 and T-115/07. In that judgment the GC stated:

"50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (Cadbury Schweppes v Pub Squash (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000."

The reasoning of the GC, *mutatis mutandis*, is applied in relation to the Act, consequently, Akkurate must establish that at the date of Holding's application it had a protectable goodwill in relation to the sign JOHN RICHMOND.

53) It is also necessary for the purposes of the law of passing-off to consider the date(s) of the behaviour complained of which may be prior to the date of application.

#### Findings of fact

Proof of use

54) The United Kingdom registration is in respect of:

articles of outerclothing; T-shirts; footwear; headgear; all included in Class 25.

The Community trade mark registration is in respect of:

clothing, footwear and headgear; articles of outerclothing; shirts, T-shirts, sweatshirts, sweaters, trousers, jeans, skirts, jackets, dresses, suits, shorts, articles of underclothing; nightwear; shoes and boots; hats and caps; belts; socks; gloves.

- 55) In *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01 the Court of Justice of the European Union (CJEU) considered what constitutes genuine use:
  - "36. "Genuine use" must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

- 37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.
- 38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.
- 39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market."

In MFE Marienfelde GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-334/01 the GC held:

- "34 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (*Ansul*, paragraph 43).
- 35 Concerning the extent of the use made of the earlier mark, account must be taken, in particular, of the commercial volume of all the acts of use on the one hand and the duration of the period in which those acts of use occurred, and the frequency of those acts, on the other.

36 In order to examine, in a given case, whether use of the earlier mark is genuine, an overall assessment must be made taking account of all the relevant factors in the particular case. That assessment implies a certain interdependence between the factors taken into account. Thus, a low volume of goods marketed under that trade mark may be compensated for by a high intensity or a certain constancy in time of the use of that trade mark or vice versa. Moreover, the turnover achieved and quantity of product sales under the earlier mark cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking exploiting the mark, and the characteristics of the products or services on the market in question. For that reason, the Court has held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39).

37 However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness."

56) One of the trade marks upon which Akkurate relies is a Community trade mark and so the issue of genuine use must be considered within the context of use in the European Union. The decision of the Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

"11 The relevant period is October 1998 to October 2003. Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No.B.10, OH OHIM 1996, 607, 613), provided that is it [ sic. ] genuine."

(Decisions of the boards of appeal are neither persuasive nor binding.)

In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

"30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main

proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community."

It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in one or member states could not satisfy the use requirement. In considering whether genuine use is established it is necessary to consider, within the context of the European Union as a whole, the sector of the industry in which Akkurate operates and the nature of the goods, whether the use is warranted in the market place and if the use creates and preserves an outlet for the goods in the marketplace.

- 57) The evidence shows use of the trade mark JOHN RICHMOND during the material period in relation to a variety of outer clothing, footwear and headgear in the United Kingdom and other parts of the European Union. There is evidence of sales, there is evidence of publicity. There is a very limited indication of use in relation to bras and bodies on the catwalk. These articles of clothing are being worn as items of external clothing. The evidence does not support the claim that the trade mark has been used to create or maintain a market in underwear.
- 58) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over pernickety<sup>iii</sup>. It is necessary to consider how the relevant public, which for these goods would be the public at large, describe the goods<sup>iv</sup>. The GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:
  - "42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde* v *OHIM Vétoquinol* (*HIPOVITON*) [2004] ECR II-0000, paragraph 32, and Case T-203/02 *Sunrider* v *OHIM Espadafor Caba* (*VITAFRUIT*) [2004] ECR II-0000, paragraph 38).
  - 43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier

trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories......

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

In Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

"However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

59) There are shops and websites that specialise in selling underwear. In general clothing shops underwear is sold in discrete areas. It is a clearly recognisable and recognised type of product, a type of product for which there is no evidence that Akkurate are maintaining or creating a market. Underwear is often linked to nightwear, again a clearly recognised and recognisable category of products. The specification for the United Kingdom requires no limitation for the purposes of this decision. The specification of the Community trade mark requires amendment, for the purposes of this decision, so that it does not encompass underwear and nightwear. There is also no evidence of use of the trade mark in relation to gloves or socks, which are identified in the Community trade mark specification. Consequently, it would be perverse to maintain their presence in the specification. The specification for these proceedings is, therefore, to be limited as follows:

footwear and headgear; articles of outerclothing; shirts, T-shirts, sweatshirts, sweaters, trousers, jeans, skirts, jackets, dresses, suits, shorts, shoes and boots; hats and caps; belts.

#### Goodwill

60) How goodwill is to be established has been dealt with in several judgments<sup>v</sup>. *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* [2007] RPC 5 establishes that one cannot just follow a formula or demand certain predetermined requirements to be met. In this case there is clear use of JOHN RICHMOND as a trade mark in relation to a business relating to clothing. This use has been over a lengthy

period of time. The evidence supports the claim to goodwill as of the date of application for registration in a business by reference to the sign JOHN RICHMOND in respect of: *outerclothing, footwear, headgear and fashion accessories*.

#### Reputation for section 5(3) of the Act

- 61) The CJEU in *General Motors Corporation v Yplon SA* Case C-375/97 stated, in relation to a reputation that will satisfy section 5(3) of the Act, that the trade mark must be known by a significant part of the public concerned by the goods and services covered and that this will be established in the following manner:
  - "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."
- 62) The evidence of Akkurate lacks specificity and particularisation in relation to the use of the trade mark JOHN RICHMOND within either the European Union or the United Kingdom. There is conflation with use of the trade marks DESTROY, DESTROY DENIM, RICHMOND, RICHMOND DENIM and RICHMOND X. There is conflation with Mr Richmond's work as a designer with the use of JOHN RICHMOND as a trade mark identifying particular goods. His work as a designer includes designing goods for his own different labels and for other fashion houses. The clearest evidence of sales in relation to clothing sold under the trade mark JOHN RICHMOND can be found at paragraphs 30, 31, 34 and 35. Taking into account the size of the clothing market in the European Union and the United Kingdom, these cannot be described as representing a large amount of sales or anything approach a large market share. Mr Yusuf states:

"It should be appreciated that JOHN RICHMOND is an exclusive designer clothing brand and this is reflected in the price at which JOHN RICHMOND clothing is sold. Sales of relatively modest quantities of exclusive designer clothing generate significant revenue and moreover reflect a very substantial reputation."

The question is whether JOHN RICHMOND as a trade mark at the date of the application for registration was known by a significant part of the public concerned. The goods at question being clothing, the public concerned is the public at large.

63) The last entry in relation to Mr Richmond in *Fashion Now i-D selects the world's 150 most important designers* is from 1995, some 9 years prior to the material date. There is reference to his work in relation to other trade marks. There is no indication as to how representative this publication is. 150 is a large

number, it is difficult to envisage that the public at large will be aware of the names of anything approaching 150 designers. The highest profile for Mr Richmond, as a designer, appears to be in the 1990s. The figures of items sold seem to be tailoring off as the material date approaches.

- 64) There is little doubt that at the material date the fashion cognoscenti would know of Mr Richmond as a designer and also know of the JOHN RICHMOND brand. It is possible for limited sales to give a wide reputation, as with eg Rolls Royce. The evidence does not establish that at the material date the trade mark JOHN RICHMOND has crossed over from the fashion cognoscenti into the consciousness of the clothes buying public at large, or at least a significant part of that public.
- 65) Akkurate has not established that at the material date that the trade mark JOHN RICHMOND had the requisite reputation in any member state of the European Union<sup>vi</sup> (including the United Kingdom).

#### Likelihood of confusion – section 5(2)(b) of the Act

Average consumer, nature of purchasing decision and standard for likelihood of confusion

66) The goods of the application and the earlier registrations are bought by the public at large. They can be of low cost and high cost. In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* Joined cases T-117/03 to T-119/03 and T-171/03 the GC stated:

"43 It should be noted in this regard that the average consumer's level of attention may vary according to the category of goods or services in question (see, by analogy, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected."

It is necessary to take into all aspects of the market and all types of goods. Consequently, it is necessary to take into account such articles of clothing and footwear that could be of very low cost and bought without a good deal of attention. The result of this is that the effects of imperfect recollection are increased. However, it is necessary to bear in mind that the average consumer

"is deemed to be reasonably well informed and reasonably circumspect and observant" In relation to clothing it is the visual impression of the trade mark that is most important The goods are likely to be primarily purchased by reference to labels rather than by oral communication.

Comparison of goods

#### 67) The goods of the application are:

clothing, headgear; sportswear and outerwear for men, women and children; hats and hosiery; all consisting of wool or made principally from wool; swimwear, T-shirts, sweatshirts, belts, shoes, trainers, boots.

The goods of the earlier registrations, following the application of proof of use are:

articles of outerclothing; T-shirts; footwear; headgear; all included in Class 25

and

footwear and headgear; articles of outerclothing; shirts, T-shirts, sweatshirts, sweaters, trousers, jeans, skirts, jackets, dresses, suits, shorts, shoes and boots; hats and caps; belts.

The goods of the application are either encompassed by the goods of the earlier registrations, and so are identical, or consist of terms that include the goods of the earlier registration and so are deemed to be identical. **Consequently, the respective goods are identical.** 

68) The trade marks to be compared are:

# WOOLRICH & BROS.

#### **JOHN RICHMOND**

- 69) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details<sup>x</sup>. 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<sup>xi</sup>. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant<sup>xii</sup>. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public<sup>xiii</sup>.
- 70) The trade mark of Akkurate, owing to the presence of the forename, will be seen as a full name. In identifying a person or undertaking there is generally greater importance in the surname than in the forename. Consequently, the RICHMOND element is more distinctive and dominant than the JOHN component. In the trade mark of Holding, WOOLRICH is in larger script than the other components and is above the other components. The eye naturally goes to this upper, larger component. In relation to goods "consisting of wool or made principally from wool" WOOLRICH is allusive of goods that have a large proportion of wool; although it is not a natural use of language. The JOHN RICH & BROS identifies an undertaking, rather than simply an individual, owing to the presence of & BROS. The RICH element will be seen as a surname and so will be of greater importance than the forename element and the & BROS, which identifies the nature of the undertaking. Taking into account the size of the WOOLRICH component, that consumers do not undertake a philological analysis of trade marks and that in relation to clothing that the visual effect is of greater importance, the WOOLRICH component is the most dominant component, whilst the JOHN RICH & BROS component, owing to the allusive nature of WOOLRICH, is the more distinctive component, with the RICH element being the most distinctive element of this component.
- 71) Visually and phonetically the respective trade marks coincide in relation to JOHN RICH. It is necessary to consider the trade marks in their entireties and in their entireties, large elements of Holding's trade mark are completely alien

visually, phonetically and conceptually to the trade mark of Akkurate. In all areas of life people are used to distinguishing between persons or undertakings owing to differences in their names, in particular by reference to surnames. In this case the common element is significantly changed owing to RICHMOND being a different surname. So the relevant consumer will identify goods sold under the respective trade marks as emanating from different undertakings. In the context of the trade marks the RICH and RICHMOND elements will be seen as surnames. However, they will be readily remembered as they are commonly used words. RICH is a commonly used adjective and RICHMOND is a place in Surrey, Yorkshire and Virginia. In the evidence Mr Yusuf appears to argue that RICH could be a shortened form of RICHMOND. There is no evidence of this and it is difficult to envisage this happening. The fact that Akkurate, after the material date and outside the jurisdiction, has used RICH on the front of a few articles is certainly not indicative that this is a natural abbreviation of RICHMOND.

### 72) Taking the respective trade marks in their entireties, the respective trade marks are dissimilar.

#### Conclusion

73) As the respective trade marks are not similar, indeed are dissimilar, there cannot be a likelihood of confusion. For likelihood of confusion the trade marks must be similar. Akkurate claims a reputation in relation to its trade mark, a claim which has been rejected under section 5(3) of the Act. If Akkurate did enjoy a reputation for its trade mark, for the purposes of section 5(2)(b) of the Act, this would not affect the issue of similarity. This was a matter considered by the GC in See Ravensburger AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-243/08:

"27 It is appropriate at the outset to reject that complaint as unfounded. The reputation of an earlier mark or its particular distinctive character must be taken into consideration for the purposes of assessing the likelihood of confusion, and not for the purposes of assessing the similarity of the marks in question, which is an assessment made prior to that of the likelihood of confusion (see, to that effect, judgment of 27 November 2007 in Case T-434/05 Gateway v OHIM — Fujitsu Siemens Computers (ACTIVY Media Gateway), not published in the ECR, paragraphs 50 and 51)."

(The same position was adopted by the GC in Accenture Global Services GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-244/09 and Ferrero SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-140/08.)

- 74) Mr Manaton referred to the preliminary indication given in this case. No cognisance has been taken of this as per the judgment of Lindsay J in *esure Insurance Limited v Direct Line Insurance plc* [2007] EWHC 1557 (Ch):
  - "17. As a subsidiary argument, esure argues before me that the Hearing Officer was wrong to reject the Registrar's preliminary view in the way that he did. Mr Hobbs, drawing attention to the Rules to which I have referred and also to Article 6 ECHR, argues that the Hearing Officer was right in doing as he did. I have no doubt but that the Hearing Officer was right to do as he did. The Registrar's view was arrived at before there was any evidence on either side, before there was any argument on either side and in a context in which it could not be regarded as a decision against the interests of either side without the prospective loser being given an opportunity to be heard, an opportunity which was not given. So far from it being an error of principle to fail to take the Registrar's preliminary view into account, it would, in my judgment, have been a serious error of principle for it to have been taken into account."
- 75) He also submitted that Holding had used its trade mark in the United Kingdom and there had been no reported instances of confusion. The evidence of use in the United Kingdom is sparse. Putting that to one side, there is a tranche of case law to the effect that lack of confusion in the market place is indicative of very little: The European Limited v The Economist Newspaper Ltd [1998] FSR 283, Rousselon Freres et Cie v Horwood Homewares Limited [2008] EWHC 881 (Ch), Compass Publishing BV v Compass Logistics Ltd [2004] RPC 41 and Aceites del Sur-Coosur SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-498/07 P. In The European Limited v The Economist Newspaper Ltd Millet LJ stated:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

Consequently, no weight has been given to the claim that there have been no instances of confusion.

76) The grounds of opposition under section 5(2)(b) of the Act are dismissed.

#### Section 5(3) of the Act

77) It has been decided that Akkurate does not have the requisite reputation to substantiated a claim under section 5(3) of the Act, consequently, this ground of opposition must be dismissed.

78) In *Intel Corporation Inc v CPM United Kingdom Ltd* Case C-252/07 the CJEU considered Article 4(4)(a) of Directive 2008/95/EC of the European Parliament and the Council of 22 October 2008 (the Directive), which is the basis of section 5(3) of the Act. The CJEU held:

"30 The types of injury referred to in Article 4(4)(a) of the Directive, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them (see, in relation to Article 5(2) of the Directive, *General Motors*, paragraph 23; *Adidas-Salomon and Adidas Benelux*, paragraph 29, and *adidas and adidas Benelux*, paragraph 41).

31 In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark."

Owing to the dissimilarity in the trade marks there is no link and so the grounds of opposition would also fall on this basis.

#### 79) Akkurate claims:

"Use on all goods in the application would take unfair advantage of or be detrimental to the distinctive character or reputation of the earlier mark."

#### It goes on to claim:

"The name JOHN RICH in the mark applied for will create an association with the name JOHN RICHMOND leading to a loss of advertising power and a diminution of the attractiveness, image and prestige associated with the earlier mark, as well as a transfer of the attractiveness, image and prestige of the earlier mark to the mark applied for. For example, the earlier mark conveys an image connected with the internationally recognised fashion designer John Richmond and with qualities such as exclusiveness, individualism and style."

80) It is necessary to establish not just that advantage would be taken but that it would be unfair. The question of the unfair aspect was considered by Lloyd LJ in Whirlpool Corporations and others v Kenwood Limited [2009] EWCA Civ 753:

"136. I do not consider that Kenwood's design involves anything like a transfer of the image of the KitchenAid mark, or of the characteristics which it projects, to the goods identified by Kenwood's sign (see *L'Oréal v Bellure* paragraph 41). Of course, as a newcomer in a specialist market of which KitchenAid had a monopoly, and being (necessarily) in the basic C-

shape of a stand mixer, the kMix would remind relevant average consumers, who are design-aware, of the KitchenAid Artisan. That, however, is a very different phenomenon, in very different commercial circumstances, from the situation considered in L'Oréal v Bellure. I find the Court's judgment instructive, but it does not seem to me to lead to the conclusion in favour of Whirlpool for which Mr Mellor contends. On the contrary, having rejected his radical submission that the word "unfair" could just as well have been left out of the article, it seems to me that the decision points away from, rather than towards, liability under the article on the facts of the present case. It is not sufficient to show (even if Whirlpool could) that Kenwood has obtained an advantage. There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in L'Oréal v Bellure. No additional factor has been identified in this case other than intention."

This matter was also considered by Mann J in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch):

"160. Thus something more than mere advantage is required. It must be an <u>unfair</u> advantage. Lloyd LJ seems to state that an advantage is rendered unfair if it is intended. He also leaves open the possibility than unintended advantage may have a sufficient quality of unfairness about it to qualify."

Akkurate has not explained how the alleged advantage would be unfair, let alone put in any evidence in relation to this. Consequently, its claim under section 5(3) of the Act fails to clear this hurdle. (As Holding has been using its trade mark in the United States of America for over a century, the task of showing that its use in the United Kingdom would take <u>unfair</u> advantage of Akkurate's trade mark would be particularly burdensome.)

81) In Intel Corporation Inc v CPM United Kingdom Ltd the CJEU stated:

"37 In order to benefit from the protection introduced by Article 4(4)(a) of the Directive, the proprietor of the earlier mark must adduce proof that the use of the later mark 'would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'.

38 The proprietor of the earlier trade mark is not required, for that purpose, to demonstrate actual and present injury to its mark for the purposes of Article 4(4)(a) of the Directive. When it is foreseeable that such injury will ensue from the use which the proprietor of the later mark may be led to make of its mark, the proprietor of the earlier mark cannot be required to wait for it actually to occur in order to be able to prohibit that

The GC in Mäurer + Wirtz GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-63/07 stated:

"40 It is possible, particularly in the case of an opposition based on a mark with an exceptionally high reputation, that the probability of a future, non-hypothetical risk of detriment to the earlier mark or of unfair advantage being taken of it by the mark applied for is so obvious that the opposing party does not need to put forward and prove any other fact to that end. However, it is also possible that the mark applied for does not, at first sight, appear capable of giving rise to one of the risks covered by Article 8(5) of Regulation No 40/94 with respect to the earlier mark with a reputation, even though it is identical with or similar to the earlier mark, in which case the non-hypothetical, future risk of detriment or unfair advantage must be established by other evidence, which it is for the opposing party to put forward and prove (Case T-215/03 Sigla v OHIM – Elleni Holding (VIPS) [2007] ECR II-711, paragraph 48)."

If it had been considered that the evidence substantiated the claim to the requisite reputation, the strength of the reputation would have not been such that Akkurate would not have needed to adduce evidence of the harm that it claims would be caused by the use of Holding's trade mark. Consequently, Akkurate's claim under section 5(3) of the Act also fails to clear this hurdle.

#### Passing-off section 5(4)(a) of the Act

82) Owing to the dissimilarity in trade mark of Holding and the sign upon which Akkurate relies, there will be no misrepresentation and so this ground of opposition is dismissed.

#### Costs

83) Holding having been successful is entitled to a contribution towards its costs. A considerable amount of evidence was filed by Akkurate and this has been taken into account in relation to the costs awarded for considering the evidence. Costs (which are governed by the previous costs regime) are awarded on the following basis:

Considering notice of opposition:	£200
State of case in reply:	£300
Preparing and filing evidence:	£50
Considering evidence of Akkurate:	£750
Preparation and attendance at hearing:	£250

Total: £1,550

Akkurate Limited is ordered to pay John Rich & Sons Investment Holding Company the sum of £1,550. 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 18 day of November 2010

#### David Landau For the Registrar the Comptroller-General

Section 6A of the Act reads:

"(1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

- (3) The use conditions are met if -
- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes -
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects -
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or
- (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration)."

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

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

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or

<sup>&</sup>lt;sup>ii</sup> See *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9.

iii Animal Trade Mark [2004] FSR 19:

just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

<sup>iv</sup> Thomson Holidays Ltd v Norwegian Cruise Lines Ltd [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question ishow deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in Decon suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

South Cone Inc v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership) [2002] RPC 19, Loaded BL O/191/02, Phones 4u Ltd v Phone4u.co.uk. Internet Ltd [2007] RPC 5 and Minimax GmbH & Co KG v Chubb Fire Limited [2008] EWHC 1960 (Pat).

 $<sup>^{\</sup>rm vi}$  As per *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 reputation in one member state can be enough to establish the requisite reputation for the purposes of section 5(3) of the Act.

vii Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV [2000] FSR 77.

"In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme* v *OHIM* – *Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser* v *OHIM* – *Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial* v *OHIM* – *France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi* v *OHIM* – *Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42)."

Also: Farmeco AE Dermokallyntika v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-131/09 and Galileo International Technology LLC v Galileo Brand Architecture Limited BL 0/269/04.

See Société provençale d'achat and de gestion (SPAG) SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-57/03 and React Trade Mark [2000] RPC 285.

ix See Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-133/05 paragraph 29:

<sup>&</sup>lt;sup>x</sup> Sabel BV v Puma AG [1998] RPC 199.

xi Sabel BV v Puma AG [1998] RPC 199.

xii Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV [2000] FSR 77.

xiii Succession Picasso v OHIM - DaimlerChrysler (PICARO) Case T-185/02.