

**O-480-19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003274846 BY  
THE SAUDI JAWAHIR TRADING COMPANY  
TO REGISTER THE FOLLOWING MARK:**

The image shows a handwritten mark in cursive script. The word 'Laure' is written in a fluid, connected style. Above the 'a' and 'u' there is a large, sweeping flourish that loops back and ends in a small hook. The overall appearance is that of a signature or a stylized brand name.

**IN CLASSES 9, 14, 16, 18, 21, 25, 26 AND 35**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 412519 BY  
LAUREL GMBH**

## BACKGROUND AND PLEADINGS

1. On 4 December 2017, Saudi Jawahir Trading Company (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 16 February 2018. Registration is sought for the following goods and services:

- Class 9      Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.
- Class 14     Precious metals and their alloys; jewelry, precious stones; horological and chronometric instruments.
- Class 16     Printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers type; printing blocks.
- Class 18     Bags; luggage; wallets and purses; briefcases; cases; key fobs; animal skins, hides; trunks and travelling bags; umbrellas and parasols; walking sticks; whips, harness and saddlery.
- Class 21     Household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except

glass used in building); glassware, porcelain and earthenware not included in other classes.

Class 25 Clothing, footwear, headgear.

Class 26 Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers.

Class 35 Advertising; business management; business administration; office functions.

2. The application is partially opposed by Laurel GmbH (“the opponent”). The opposition is based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following marks for the purposes of both grounds of opposition:



EUTM registration no. 4744521

Filing date 16 November 2005; registration date 27 February 2007

Seniority dates 12 June 1980 and 11 April 2002

Class 18 Leather and imitations of leather, and goods made of these materials and not included in other classes; trunks and travelling bags, bags, wallets, key cases, purses; umbrellas, parasols and walking sticks.

Class 25 Clothing, footwear, headgear.

(“the First Earlier Mark”)

**Laurèl**

EUTM registration no. 8776338

Filing date 22 December 2009; registration date 21 May 2010

Class 14 Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.

Class 18 Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; Umbrellas, parasols and walking sticks; whips, harness and saddlery.

Class 25 Clothing, footwear, headgear.

("the Second Earlier Mark")

**Laurèl**

International Registration no. 858659

Date of designation of the EU 12 November 2004

Date of protection granted in EU 14 January 2008

Priority date 29 June 2004

Class 3 Perfumeries, essential oils, cosmetics; hair lotions.

Class 9 Spectacles and sunglasses.

Class 14 Precious metals and their alloys, as well as goods made thereof or coated therewith, included in this class; jewellery, fashion jewellery, clocks and watches.

Class 18 Goods made of leather and leather imitations, included in this class, namely bags and other cases not adapted to the products they are intended to contain, as well as small articles made of

leather, in particular purses, wallets, key cases; hides and furs; trunks and travelling bags; umbrellas, parasols and walking sticks.

Class 25 Clothing, footwear, headgear.

Class 35 Advertising; business management; business administration; office functions.

("the Third Earlier Mark")

(together "the Earlier Marks")

3. The opposition is directed against the following goods and services in the applicant's specification only:

Class 9 Optical apparatus and instruments.

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

Class 18 Bags; luggage; wallets and purses; briefcases; cases; key fobs; animal skins, hides; trunks and travelling bags; umbrellas and parasols; walking sticks; whips, harness and saddlery.

Class 25 Clothing, footwear, headgear.

Class 35 Advertising; business management; business administration; office functions.

4. Under section 5(2)(b) the opponent relies on all goods and services for which the Earlier Marks are registered and claims that there is a likelihood of confusion because the respective goods and services are identical or similar and the marks are similar.

5. Under section 5(3) the opponent claims a reputation in respect of all goods and services for which the Earlier Marks are registered. The opponent claims that use of the applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the Earlier Marks.

6. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use of the Earlier Marks.

7. The applicant is represented by Beck Greener and the opponent is represented by Norton Rose Fullbright LLP. The opponent filed evidence in chief in the form of the witness statement of Susanne Frick dated 7 January 2019. No evidence was filed by the applicant. Neither party requested a hearing and only the opponent filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

## **EVIDENCE**

8. As noted above, the opponent's evidence consists of the witness statement of Susanne Frick dated 7 January 2019, which is accompanied by 18 exhibits. Ms Frick is the Head of Customer Service at the opponent, a role she has held since November 2008. A confidentiality request was made by the opponent in respect of certain parts of Ms Frick's evidence. A Confidentiality Order was issued by the Registry on 11 February 2019 which states as follows:

"On 7 January 2019 the opponent in these proceedings filed evidence in the form of the witness statement of Susanne Frick and exhibits SF1-SF18.

The applicant requested confidentiality from the public in relation to paragraphs 5.2-5.4 and 6.2 of the witness statement of Susanne Frick, and corresponding exhibits SF6-SF9, as they contain commercially sensitive information that is not in the public domain. If known to the competitor this information would disadvantage the opponent and could provide competitors with an advantage.

On 25 January 2019 the registry issued a preliminary view that paragraphs 5.3 and 6.2 of the witness statement of Susanne Frick and exhibits SF6, SF8 and

SF9 should be treated as confidential between the parties, their representatives and the registry, but should not be made available for public inspection. Confidentiality was refused for paragraphs 5.2 and 5.4 of the witness statement of Susanne Frick and exhibit SF7.

Neither party raised any objection to the preliminary view.

Accordingly, I direct under Rule 59(1) of the Trade Mark Rules 2008, that the evidence should be admitted to the proceedings subject to the condition that paragraphs 5.3 and 6.2 of the witness statement of Susanne Frick and exhibits SF6, SF8 and SF9 should be treated as confidential between the parties, their representative and the registry, but should not be made available for public inspection.”

9. I will, therefore, make no detailed reference to the content of the confidential aspects of Ms Frick’s evidence in this decision. I have read Ms Frick’s evidence in its entirety and, in particular, I note as follows:

a) The opponent has used the mark Laurèl since 1978 in relation to clothing and accessories including clothing, footwear, headgear, jewellery, bags, wallets, belts, scarves, shawls and corporate merchandise<sup>1</sup>. The opponent also claims to use the mark in relation to a range of services to support the promotion and profile of the brand<sup>2</sup>;

b) The opponent operates a website, Facebook page and Instagram account which all display the mark Laurèl<sup>3</sup>.

c) The Earlier Marks appear in the opponent’s “Lookbook” for 2013 and 2016 which advertises clothing, sunglasses, shoes, handbags and belts<sup>4</sup>. The opponent also sells a range of clothing and scarves through third party websites

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<sup>1</sup> Witness statement of Susanne Frick, para. 4.2 to 4.3

<sup>2</sup> Witness statement of Susanne Frick, para. 4.4

<sup>3</sup> Witness statement of Susanne Frick, para. 4.5

<sup>4</sup> Exhibit SF4

(the print outs provided which are during the relevant period are dated between 25 March 2013 and 14 October 2017)<sup>5</sup>.

d) The opponent sells its goods across the UK including in London, Bournemouth, Newcastle, Doncaster, Windsor, Cheshire, Harrogate, Henley-on-Thames, Devon, Surrey, Shrewsbury, Leeds, Cardiff, Edinburgh, Glasgow and Belfast. The opponent had 18 points of sale in the UK in 2013, which rose to 25 in 2014 and reduced to 17 by 2018<sup>6</sup>.

e) The opponent has evidenced its sales by the provision of invoices dated within the relevant period and addressed to customers across the UK<sup>7</sup>;

f) The opponent provided various marketing materials such as carrier bags to wholesale customers for use in store which display the Earlier Marks<sup>8</sup>; and

g) The opponent participated in a leading fashion trade show<sup>9</sup> held in the Saatchi Gallery in London in 2013, 2014, 2015 and 2018, with marketing spend in relation to those shows alone amounting to over £50,000<sup>10</sup>.

## **PROOF OF USE**

10. The first issue is whether, or to what extent, the opponent has shown genuine use of the Earlier Marks. The relevant statutory provisions are as follows:

“Raising of relative grounds in opposition proceedings in case of non-use

6A-(1) This section applies where –

(a) an application for registration of a trade mark has been published,

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<sup>5</sup> Exhibit SF5

<sup>6</sup> Witness statement of Susanne Frick, para. 5.1

<sup>7</sup> Confidential Exhibit SF6

<sup>8</sup> Exhibit SF10

<sup>9</sup> Exhibit SF16

<sup>10</sup> Witness statement of Susanne Frick, para. 6.8



(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 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 of 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 or international trade mark (EC), 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.”

11. Section 100 of the Act is also relevant, which reads:

“100. 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.”

12. According to section 6(3)(a) of the Act, the relevant period in which genuine use must be established is the five-year period ending on the date of publication of the applied for mark. The relevant period is, therefore, 17 February 2013 to 16 February 2018.

13. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v*

*Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with

the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

14. As the Earlier Marks are EUTMs or IRs designating the EU, the comments of the Court of Justice of the European Union (“CJEU”) in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, are relevant. The court noted that:

“36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And:

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And:

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)”.

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the mark concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

15. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant’s challenge to

the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guilford, and thus a finding which still left open the possibility of conversion of the community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State." On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

16. The General Court ("GC") restated its interpretation of *Leno* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM or IR designating the EU in an area of the Union corresponding to the

territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

17. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM or IR designating the EU, in the course of trade, sufficient to create or maintain a market for the goods at issue in the Union during the relevant 5-year period. In making the assessment I am required to consider the relevant factors, including:

- a) The scale and frequency of the use shown;
- b) The nature of the use shown;
- c) The goods and/or services for which use has been shown;
- d) The nature of those goods and/or services and the market(s) for them; and
- e) The geographical extent of the use shown.

18. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “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” is, therefore, not genuine use.

19. The Earlier Marks have been used as registered throughout the opponent’s evidence and this will, clearly, be use upon which the opponent can rely. For the avoidance of doubt, in my view the stylisation in the First Earlier Mark is minimal and would be an acceptable variant of the Second Earlier Mark and the Third Earlier Mark. Therefore, where there is use of the Second and Third Earlier Marks, this would also be an acceptable variant use of the First Earlier Mark and vice versa.



20. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself<sup>11</sup>.

21. As indicated in the case law cited above, use does not need to be quantitatively significant in order to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded 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”.

22. The opponent confirms that it has used the mark Laurèl since 1978. The number of points of sales of the opponent’s goods in the UK have varied during the relevant period, with a high point of 25 in 2014. These points of sales are located across the country and sales have been achieved across the UK. The volume of sales is not insignificant, and the opponent has actively sought to market and advertise its brand. The opponent has printed the Earlier Marks in Lookbooks and on merchandise to assist it in this promotional activity. The opponent also took part in a leading fashion trade show over a number of years during the relevant period, which required a reasonable amount of investment in marketing expenditure. Taking the opponent’s evidence as a whole, I am satisfied that it is sufficient to constitute genuine use of the Earlier Marks in the UK. As noted above, use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use. I consider that to be the case here.

23. I must now consider whether, or the extent to which, the evidence shows use for all of the goods and services relied upon.

24. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

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<sup>11</sup> *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

“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.”

25. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria’s Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

26. I am satisfied that the First Earlier Mark has been used in relation to a range of clothing items, as well as footwear, handbags and belts. There are no other examples in the opponent’s evidence (other than a statement of use by Ms Frick) to demonstrate use in relation to the other goods for which the mark is registered. I therefore consider the following to be a fair specification:

Class 18 Belts; bags.

Class 25 Clothing, footwear.

27. I am satisfied that the Second Earlier Mark has been used in relation to a range of clothing items, as well as footwear, handbags, belts and jewellery. There are no other examples in the opponent’s evidence to demonstrate use in relation to the other goods for which the mark is registered. I therefore consider the following to be a fair specification:

Class 14 Jewellery.

Class 18 Belts; bags.

Class 25 Clothing, footwear.

28. I am satisfied that the Third Earlier Mark has been used in relation to a range of clothing items, as well as footwear, handbags, belts, sunglasses and jewellery. I note that the opponent states that it has undertaken advertising and business administration in relation to its own goods and has printed the Earlier Marks on goods used for advertising and merchandise. However, use on goods given away for free does not amount to genuine use in relation to those goods and carrying out advertising or business administration in relation to your own goods does not amount to genuine use in relation to the provision of advertising or business administration services<sup>12</sup>. I therefore consider the following to be a fair specification:

Class 9       Sunglasses.

Class 14      Jewellery.

Class 18      Belts; bags.

Class 25      Clothing, footwear.

## **DECISION**

### **Section 5(2)(b)**

29. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

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

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<sup>12</sup> *Silberquelle GmbH v Maselli-Strickmode GmbH*, Case C-495/07

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### Comparison of goods and services

30. In light of my findings above, the competing goods and services are as follows:

Opponent's goods	Applicant's goods and services
<p><b>The First Earlier Mark</b></p> <p><u>Class 18</u> Belts; bags.</p> <p><u>Class 25</u> Clothing, footwear.</p> <p><b>The Second Earlier Mark</b></p> <p><u>Class 14</u> Jewellery.</p> <p><u>Class 18</u> Belts; bags.</p> <p><u>Class 25</u> Clothing, footwear.</p> <p><b>The Third Earlier Mark</b></p> <p><u>Class 9</u> Sunglasses.</p>	<p><u>Class 9</u> Optical apparatus and instruments.</p> <p><u>Class 14</u> Precious metals and their alloys; jewellery, precious stones; horological and chronometric instruments.</p> <p><u>Class 18</u> Bags; luggage; wallets and purses; briefcases; cases; key fobs; animal skins, hides; trunks and travelling bags; umbrellas and parasols; walking sticks; whips, harness and saddlery.</p> <p><u>Class 25</u> Clothing, footwear, headgear.</p> <p><u>Class 35</u></p>

<u>Class 14</u> Jewellery.	Advertising; business management; business administration; office functions.
<u>Class 18</u> Belts; bags.	
<u>Class 25</u> Clothing, footwear.	

31. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

32. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance, whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

33. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

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

34. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”



35. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the GC stated that:

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

36. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

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

37. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted, as the Appointed Person, in *Sandra Amelia Mary Elliot v LRC Holdings Limited*, BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense – but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

#### Class 9

38. “Sunglasses” in the opponent’s specification falls within the broader category of “optical apparatus and instruments” in the applicant’s specification. These goods can, therefore, be considered identical on the principle outlined in *Merix*.

#### Class 14

39. “Jewelry” in the applicant’s specification is self-evidently identical to “jewellery” in the opponent’s specification.

40. “Precious metals and their alloys” and “precious stones” in the applicant’s specification are commonly sold through the same trade channels as “jewellery” in the opponent’s specification. It is not unusual for jewellery shops to also deal in precious metals and stones, and consumers can also take the raw materials to a jeweler for them to be incorporated into an item of jewellery. There is, therefore, overlap in trade channels and user. There is also a degree of complementarity between the goods. I consider them to be similar to a medium degree.

41. “Horological and chronometric instruments” in the applicant’s specification will include watches. These are different in nature to “jewellery” in the opponent’s specification but will overlap in user due to both goods being worn (at least partly) for decorative purposes. There will also be overlap in user and trade channels. I consider the goods to be similar to a medium degree.

#### Class 18

42. “Bags” appears identically in both the opponent’s specifications and the applicant’s specification.

43. “Luggage”, “wallets and purses”, “briefcases”, “cases” and “trunks and travelling bags” in the applicant’s specification will overlap in nature, user, use, method of use and trade channels with “bags” in the opponent’s specification. There may be a degree of competition between them. I consider the goods to be highly similar.

44. “Key fobs”, “Umbrellas and parasols” and “walking sticks” in the applicant’s specification do not overlap in nature, use or method of use with the opponent’s goods. I also do not consider there to be an overlap in terms of trade channels. I consider the goods to be dissimilar, however, if I am wrong in this finding then they will be similar to only a low degree.

45. I recognise that “animal skins, hides” in the applicant’s specification may be used in the production of secondary goods that would fall within the opponent’s specification. However, this is not sufficient for a finding of similarity<sup>13</sup>. There will be no overlap in nature, use, method of use or trade channels. The goods are neither in competition nor complementary. I consider the goods to be dissimilar.

46. “Whips, harness and saddlery” in the applicant’s specification do not overlap in nature, use, method of use or trade channels with any of the opponent’s goods. The goods are neither in competition nor complementary. I consider the goods to be dissimilar.

## Class 25

47. “Clothing” and “footwear” appear identically in the opponent’s specification and the applicant’s specification.

48. “Headgear” in the applicant’s specification will overlap in trade channels with “clothing” in the opponent’s specification. They will also overlap in use as the goods are all intended to cover, protect and adorn the body. There will be an overlap in user, and nature. I consider the goods to be similar to at least a medium degree.

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<sup>13</sup> *Led Editions Albert Rene v OHIM*, Case T-336/03

## Class 35

49. The applicant's class 35 services are services that would be sold by businesses specialising in those fields. They are likely to be provided to business users. The trade channels and user of the goods and services will, therefore, differ. The nature, method of use and purpose of the goods and services also clearly differ. The goods and services are neither in competition nor complementary. I consider the goods and services to be dissimilar.

50. As some degree of similarity between the goods is necessary to engage the test for likelihood of confusion<sup>14</sup>, my findings above mean that the opposition must fail in respect of those goods and services which I have found to be dissimilar.

### **The average consumer and the nature of the purchasing act**

51. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

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<sup>14</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

52. I consider that the average consumer for the goods in issue will be a member of the general public. The goods are likely to vary in cost and frequency of purchase (from clothes which may be purchased more frequently and might be of relatively low cost to jewellery which may be purchased infrequently and be of significant cost). However, even in respect of those goods which are relatively inexpensive and purchased fairly frequently, a number of factors will be taken into account during the purchasing process such as material, cut and aesthetic appearance. I, therefore, consider that at least a medium degree of attention will be paid during the purchasing process.

53. The goods are more likely to be obtained by self-selection from a retail outlet or online or catalogue equivalent. Visual considerations are likely to dominate the selection process. However, I do not discount that there will also be an aural component to the purchase of the goods, bearing in mind that verbal advice may be sought from a sales assistant or representative.



### **Comparison of trade marks**

54. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

56. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
 <p data-bbox="323 891 663 927">("the First Earlier Mark")</p> <p data-bbox="445 1003 544 1034"><b>Laurèl</b></p> <p data-bbox="228 1059 762 1095">("the Second and Third Earlier Mark")</p>	

Overall Impression

57. The applicant's trade mark consists of the word LAURE presented in a cursive font, with a device above. It is not clear what the device is intended to be, but it mirrors the cursive nature of the text. The word LAURE itself will play the greatest role in the overall impression of the applicant's mark with the font and device playing a lesser role.

58. The Second and Third Earlier Mark consist of the word Laurèl. There are no other elements to contribute to the overall impression of the mark which lies in the word itself. The First Earlier Mark consists of the same word but presented in a slightly stylised font. The word itself plays a greater role in the overall impression of the mark, with the stylisation playing a lesser role.

## Visual Comparison

### *The Second and Third Earlier Mark and the Applicant's Mark*

59. Visually, the marks coincide in the presence of the first five letters LAURE. The marks differ in the presence of the final letter L and the accent above the letter E in the opponent's mark which have no counterpart in the applicant's mark, as well as the stylisation and device in the applicant's mark which have no counterpart in the opponent's marks. However, I note that a word mark can be used in any standard typeface and so the opponent's marks would cover use in a font which may bring them closer together. As a general rule, the beginnings of marks tend to make more impact than the ends<sup>15</sup>. I consider the marks to be visually highly similar.

### *The First Earlier Mark and the Applicant's Mark*

60. The same points apply as identified above, with the exception that the First Earlier Mark is stylised and not a word only mark, albeit the stylisation is minimal. It would not, therefore, cover use of the mark in a font which may bring the marks closer together. The stylisation of the marks is, therefore, a clear point of difference between them. I therefore consider the marks to be visually similar to a medium to high degree.

## Aural Comparison

61. The stylisation in the First Earlier Mark does not, of course, affect its pronunciation. The opponent's marks will all, therefore, be pronounced identically. In my view, they will be pronounced as LAW-REL. The applicant's mark will be pronounced as LAW. I consider the marks to be aurally similar to a medium to high degree.

## Conceptual Comparison

62. I have no submissions from either party on the conceptual meaning of the marks. In my view, they could be viewed as made-up words or, most likely, foreign language

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<sup>15</sup> *El Corte Ingles, SA v OHIM*, Cases T-183/02 and T-184/02

words (or names). The device in the applicant's mark will not convey any meaning. If they are both viewed as foreign language words or made-up words they will convey no particular meaning and will be conceptually neutral. If they are both recognised as names, then they will be conceptually similar to this extent.

### **Distinctive character of the earlier trade mark**

63. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

64. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as



invented words which have no allusive qualities. A mark's distinctive character may be enhanced by virtue of the use made of it.

65. The opponent has filed evidence to show both the use of the Earlier Marks and the reputation that it claims they have acquired. However, whilst I recognise that there has clearly been use of the marks and that this use is not insignificant, I am not satisfied that the evidence is sufficient to demonstrate enhanced distinctiveness. The opponent has provided no market share figures and no examples of media coverage or recognition of its mark by consumers in the UK. Consequently, I do not consider that the opponent has demonstrated that the distinctiveness of the Earlier Marks has been enhanced through use.

66. I now turn to the inherent distinctiveness of the opponent's marks. They all consist of the word Laurèl (presented in a stylised font in the case of the First Earlier Mark). If this is identified as a foreign language or invented word then it will have no identifiable meaning for the UK average consumer. Consequently, I consider that it will have a high degree of inherent distinctive character. If the word Laurèl is identified as a name, then I bear in mind the comments of the CJEU in *Becker v Harman International Industries*, Case C-51/09 P, in which it was stated that:

“Although it is possible that, in part of the European Union, surnames have, as a general rule, a more distinctive character than forenames, it is appropriate to take account of factors specific to the case and, in particular, to the fact that the surname concerned is unusual or, on the contrary, very common, which is likely to have an effect on that distinctive character.”

67. Even if the Earlier Marks are identified as a name, it will be a highly unusual name for the UK consumer. Consequently, it will still have a medium to high degree of inherent distinctive character. I recognise that there is further stylisation in the First Earlier Mark (although this is minimal) but, as it is only the distinctiveness of the common elements which is relevant, and the stylisation differs to that used in the applicant's mark, I do not consider that this adds anything to the opponent's case<sup>16</sup>.

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<sup>16</sup> *Kurt Geiger v A-List Corporate Limited*, BL O-075-13

## Likelihood of confusion

68. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the Earlier Marks, the average consumer for the goods in issue and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

69. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 direct and indirect confusion were described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person:

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

70. I have found the Second and Third Earlier Marks to be visually highly similar to the applicant's mark. I have found the First Earlier Mark to be visually similar to the applicant's mark to a medium to high degree. I have found all of the marks to be aurally similar to a medium to high degree. I have found the marks to be conceptually neutral, or conceptually similar to the extent that they are all recognised as names (if this is indeed the case). I consider the Earlier Marks to have at least a medium to high degree of inherent distinctive character. I have found the average consumer to be a member of the general public who will select the goods primarily through visual means (although I do not discount an aural component). I have concluded that at least a medium degree of attention will be paid during the purchasing process for the goods. I have found the goods to vary from being identical to similar to a low degree (except where I have found them to be dissimilar).

71. Taking all of these factors into account, I consider that the Earlier Marks will be mistakenly recalled or misremembered as the applicant's mark (or vice versa). This is particularly the case given the visual similarities between the marks, this being the predominant factor in the purchasing process, and the fact that the Earlier Marks are inherently distinctive to at least a medium to high degree. In my view, the average consumer is likely to recall that the marks are made-up or foreign language words (or possibly names) but are unlikely to remember the exact words, with there being no conceptual hook to assist in this. I consider this to be the case notwithstanding the fact that at least a medium degree of attention will be paid during the purchasing process for the goods. Consequently, I am satisfied that there is a likelihood of direct confusion in respect of those goods that I have found to be similar to at least a medium degree.

72. Even if the difference in the stylisation between the First Earlier Mark and the applicant's mark is identified by the average consumer, in my view, the similarity between the words themselves will lead the consumer to consider that they are alternative marks used by the same or economically linked undertakings. I therefore consider there to be a likelihood of indirect confusion in respect of those goods that I have found to be similar to at least a medium degree.

### **Section 5(3)**

73. I now turn to the opposition based upon section 5(3) of the Act. I bear in mind the relevant case law which can be found in the judgments of the CJEU in Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the Earlier Marks have achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of the three types of damage claimed by the opponent will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between them.

### **Reputation**

74. In *General Motors*, Case C-375/97, the CJEU stated:

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

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

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

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

75. In determining whether the opponent has demonstrated a reputation for the goods and services in issue, it is necessary for me to consider whether the Earlier Marks will be known by a significant part of the public concerned with the goods and services. In reaching this decision, I must take all of the evidence into account including "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."

76. As noted above, whilst the Earlier Marks have clearly been used, and that use is not insignificant, I am not satisfied that the evidence is sufficient to demonstrate a reputation. The opponent has provided no market share figures and no examples of media coverage or recognition of the Earlier Marks by consumers. Consequently, I do not consider that the opponent has demonstrated a reputation.

77. The opposition under section 5(3) of the Act fails.

## **CONCLUSION**

78. The opposition succeeds in respect of the following goods:

Class 9      Optical apparatus and instruments.

Class 14     Precious metals and their alloys; jewelry, precious stones; horological and chronometric instruments.

Class 18     Bags; luggage; wallets and purses; briefcases; cases; trunks and travelling bags.

Class 25     Clothing, footwear, headgear.

79. The application is, therefore, refused in respect of these goods.

80. The application can proceed to registration in respect of the following goods and services only:

Class 9 Scientific, nautical, surveying, photographic, cinematographic, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.

Class 16 Printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers type; printing blocks.

Class 18 Key fobs; umbrellas and parasols; walking sticks; animal skins, hides; whips, harness and saddlery.

Class 21 Household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.

Class 26 Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers.

Class 35 Advertising; business management; business administration; office functions.

## **COSTS**

81. As the opponent has enjoyed a greater degree of success in respect of those goods against which the opposition was directed, it is entitled to a contribution towards its costs. I will, therefore, award costs based upon the scale published in Tribunal Practice Notice 2/2016, with a reduction to reflect the applicant's partial success. In the circumstances, I award the opponent the sum of **£1,120** calculated as follows:

Preparing a statement and considering the applicant's statement	£200
Preparing evidence	£480
Preparing written submissions in lieu	£240
Official fee	£200
<b>Total</b>	<b>£1,120</b>

82. I therefore order Saudi Jawahir Trading Company to pay Laurel GmbH the sum of £1,120. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

**Dated this 16th day of August 2019**

**S WILSON**

**For the Registrar**