TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2536103 BY CUT 4 CLOTH LIMITED TO REGISTER THE TRADE MARK

FRUGI

IN CLASS 25

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO 100535
BY
BRUGI S.P.A. CREAZIONI SPORTIVE

BACKGROUND

1) Cut 4 Cloth Limited ("the applicant") applied to register the trade mark 'FRUGI' on 13 January 2010 for the following goods in class 25:

Clothing, footwear and headgear; Organic clothing, footwear and headgear.

2) The applicant subsequently amended the class 25 specification to read as follows:

Organic clothing, footwear and headgear.

- 3) The application was published on 19 February 2010 in the *Trade Marks Journal*, and a notice of opposition was later filed by BRUGI S.p.A. Creazioni Sportive ("the opponent"). The opponent claims that the application offends under section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). Both grounds of opposition are directed against all of the applicant's goods.
- 4) In respect of Section 5(2)(b), two earlier marks are relied upon, details of which are as follows:

Mark details	Goods relied upon
UK trade mark : 1306111	Class 25:
V BRUGI	Articles of clothing included in Class 25; but not including footwear.
Date of application: 03 April 1987 Date of registration: 05 May 1989	

Mark details	Goods relied upon
Community Trade Mark (CTM): 000325639	Class 25:
PBRUGI	Clothing, footwear and headgear.
Date of application: 16 August 1996 Date of registration: 29 October 1998	

- 5) The opponent claims that the goods are identical and/or similar and the marks or signs are phonetically and visually similar to the extent that there exists a likelihood of confusion on the part of the public.
- 6) At the date of publication of the application (19 February 2012) the opponent's marks had been registered for more than five years and are therefore subject to the proof of use provision (Section 6A of the Act refers). The Opponent made a statement of use that the above marks had been used in relation to all of the goods for which they are registered. However, for reasons given below, the opponent is not required to provide proof of use.
- 7) In respect of Section 5(4)(a), the opponent relies upon a claimed goodwill as identified by the mark BRUGI which it claims to have used since 1985 in relation to 'clothing, footwear and headgear'. It submits that goodwill has been built up in its business to the extent that use of the applicant's similar mark or sign, FRUGI would, be likely to lead to confusion such as to give rise to passing-off under common law.
- 8) The applicant filed a counterstatement denying the grounds of opposition. The applicant did not put the opponent to proof of use of it's earlier marks relied upon under Section 5(2)(b). Accordingly, the opponent is not required to provide such proof. The opponent's marks can therefore be relied upon in respect of the full list of goods for which they are registered.
- 9) Both parties filed evidence. Neither party requested to be heard but instead filed written submissions in lieu of a hearing. I therefore make this decision after conducting a thorough review of all the papers and giving full consideration to all submissions and evidence submitted by the parties.

Opponent's evidence

10) The opponent's evidence consists of a witness statement, dated 17 October 2011, in the name of Kara Lynn Bearfield, a Trade Mark Attorney and Associate at Forresters, the representatives for the opponent. Paragraph 4 of the witness statement provides the following annual turnover figures, which Ms Bearfield states relate to UK sales of the goods shown in Exhibit KLB1:

Year	Total per year
2005	€759, 574.06
2006	€1,010,676.99
2007	€ 430, 085.50
2008	€ 259,422.76
2009	€18, 066.61
2010	€ 137, 410.72 (as of month of
	September)
Total	€ 2, 615, 236.64

- 11) Exhibit KLB1 consists of, what Ms Bearsfield describes as, 'product specifications' and labelled 'style technical sheets', showing goods which Ms Bearfield states were 'sold during the period 2005 to 2010'. The dates shown on these pages range from 2005-2008. The mark BRUGI is shown in various stylised forms, including the form relied upon, on designs for labels, hang tags and embroidery. The exhibit also contains pages showing, hats, body suits, shorts and jackets. The mark *BRUGI* is visible on the page showing jackets. The mark BRUGI (stylised) is shown on the page showing body suits. Further pages in the exhibit consist of printouts from the website http://www.brugi.com showing online catalogues dated 'Spring/Summer 2011' and 'Winter 2008'. All the website pages show the mark *BRUGI* in the top left hand corner of the screen and as part of the catalogue pages on the main body of the screen. The cover of the 2008 catalogue shows a photograph of a snow boarder wearing inner and outer jackets and trousers. One page appears to show items of clothing, namely t-shirts and shorts. Another page shows a lady wearing a vest.
- 12) Exhibit KLB2 consists of eight invoices ranging in dates from 22 August 2008 to 12 June 2009. None of these invoices show the name and address of the opponent. All invoices show the mark **BRUGI* in the top left hand corner, along with two other trade marks, ASTROLABIO (+ device) and Norden (+ device). Seven invoices are addressed to UK traders; one is addressed to 'various destinations'. The goods are listed in Italian on six of the invoices and it is not possible to ascertain what the goods are. Only two invoices list the goods in English; one of these being the invoice addressed to 'various destinations' (it is not clear whether these destinations are in the UK.) which lists sweaters, caps and gloves; the other is addressed to a company with an address in Watford, Hertfordshire and the goods listed are shorts and skirts.

Applicant's evidence

13) The applicant's evidence consists of a witness statement, dated 14 December 2011, in the name of Michael Stanley Brown, a Trade Mark Attorney at Alpha & Omega, the representatives for the applicant and exhibits MSB1-MSB2 thereto, containing copies of brochures which show use of a stylised version of the mark 'frugi' (+ device). For reasons which will become apparent, I do not intend to provide a detailed summary of the evidence.

DECISION

Section 5(2)(b)

- 14) This section of the Act states:
 - "5. (2) A trade mark shall not be registered if because –
 - (a)
 - (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

- 15) The opponent's strongest case under this ground lies with its CTM registration, 000325639. This mark is identical to the opponent's UK mark, 1306111, but is registered for a broader range of goods than its earlier UK mark. Consequently, I will limit my analysis under this ground to the likelihood of confusion between the applicant's mark and the opponent's community trade mark.
- 16) The leading authorities which guide me are from the Court of Justice of the European Union (CJEU): Sabel BV v Puma AG [1998] RPC 199, Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc [1999] RPC 117, Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. [2000] F.S.R. 77, Marca Mode CV v Adidas AG & Adidas Benelux BV [2000] E.T.M.R. 723, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH C-120/04 and Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P (LIMONCELLO). It is clear from these cases that:
 - (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; Sabel BV v Puma AG,
 - (b) the matter must be judged through the eyes of the average consumer for the goods/services in question; Sabel BV v Puma AG, 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; Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.,
 - (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; Sabel BV v Puma AG,
 - (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
 - e) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,
 - f) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; Shaker di L. Laudato & C. Sas v OHIM,
 - (g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

- (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; Sabel BV v Puma AG,
- (i) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,
- (j) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); Sabel BV v Puma AG,
- (k) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,
- (I) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.

Comparison of goods

- 17) In Gérard Meric v OHIM, Case T-133/05, the General Court (GC) held that:
 - "29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark"
- 18) The goods listed in the applicant's specification, 'organic clothing, footwear and headgear' fall within the scope of the broader terms 'clothing, footwear and headgear' in the opponent's specification. The goods of both parties are therefore identical.

Average consumer and the purchasing process

- 19) It is necessary to consider these matters from the perspective of the average consumer of the goods at issue (*Sabel BV v.Puma AG*).
- 20) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect, but his/her level of attention is likely to vary according to the category of goods. The average consumer for clothing, footwear and headgear, being organic or otherwise, is the general public. These goods vary greatly in price and the consumer may try on items to ensure that they are the correct fit and suitable for the intended purpose and occasion. A reasonable level of attention will therefore be paid to their purchase, but not the highest level. The purchasing act will be primarily visual as the goods in question are commonly bought based on their aesthetic appeal. However, I do not disregard aural considerations that may play a part.

Comparison of marks

21) For ease of reference, the respective marks are:

Opponent's mark	Applicant's mark
V BRUGI	FRUGI

22) In making a comparison between the marks, I must take account of the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components (Sabel BV v. Puma AG). However, I must not engage in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

Distinctive and dominant components

- 23) The opponent's mark is a composite one consisting of a device followed by the word 'BRUGI'. BRUGI does not designate a characteristic of the goods covered by its specification, neither is it suggestive or allusive in any way to those goods. It is not a word in the English Language and will be perceived as an invented word. It is thus possessed of a high degree of inherent distinctive character. The device element is also distinctive, clearly visible at the beginning of the mark and thereby, not negligible. However, I consider that upon viewing the mark as a whole, the word BRUGI comprises a significantly larger proportion of the mark than the device element and I therefore draw the conclusion that it is the element BRUGI which constitutes the dominant distinctive element of the mark.
- 24) The applicant's mark consists exclusively of the word **FRUGI** which, by virtue of being the sole element of the mark, is the dominant distinctive element.

Visual Comparison

25) The opponent's mark contains a device element which precedes the word element. The device is the same height as the letters which form the word BRUGI and approximately the same width as one of those letters. The said device is absent from the applicant's mark and this is therefore a point of difference. The first letters of the respective marks are different consonants; the initial letter of the opponent's mark being 'B' and the applicant's being 'F'. Points of visual similarity are that the word element of both marks consists of five letters and the last four letters, 'RUGI', in each word, are identical. Both marks have also been presented in a similar font. Taking into account all of the aforementioned differences and similarities, and comparing the visual impact of both marks as a whole, it is my conclusion that the respective marks are visually similar to a reasonable degree.

Aural Comparison

- 26) From an aural perspective the opponent's mark consists of two syllables and is likely to be pronounced as BROO-GEE, where the letter 'g' may be of soft pronunciation as in 'gem' or hard as in 'grass'. The device element will not be vocalised.
- 27) The applicant's mark also consists of two syllables which are likely to be pronounced as FROO-GEE (again, the 'g' may be soft or hard as indicated above). I consider that, whether the 'g' is pronounced soft or hard is equally likely for both marks.
- 28) The initial consonants of each mark, being 'B' and 'F' respectively, will be pronounced differently, however the marks are aurally identical in respect of the ROO element of the first syllable, and the second syllable, GEE. The pronunciation will follow on immediately from the initial consonant. Taking all of these differences and similarities into account I find that the marks are phonetically similar to a moderately high degree.

Conceptual Comparison

29) The applicant's mark is comprised solely of the word FRUGI which appears to be of Latin origin meaning *frugal, temperate, honest; useful* (*Collins Latin Dictionary*)¹ however, I bear in mind the comments of Anna Carboni sitting as the Appointed Person in *ChorKee Trade Mark* BL-O/048/08, where she stated:

"37. I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a native American tribe. This is a matter that can easily be established from an encyclopaedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades.

38. I therefore agree with the Opponent that the Hearing Officer was wrong to find that the earlier trade marks would give rise to the concept of the native American tribe by the same name in the mind of the average consumer and that he should not have relied on his knowledge and experience to do so."

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¹ 'frugi' 1997, in *Collins Latin Dictionary*, Collins, London, United Kingdom, viewed 11 May 2012, <from http://www.credoreference.com/entry/hcdlat/frugi>

- 30) Applying the guidance set out above, I cannot conclude that the average consumer will be aware of the dictionary meaning I have identified. It is therefore likely that FRUGI will be perceived as an invented word by the average consumer of the goods at issue.
- 31) The opponent's mark BRUGI does not appear to have any meaning and therefore it will also be perceived as an invented word. Further, the device element in the opponent's mark is unlikely to evoke any immediate conceptual meaning in the mind of the average consumer and thus the opponent's mark as a whole can be concluded as having no conceptual meaning.
- 32) In light of the findings above, I find that the marks are neither, conceptually similar or dissimilar, that is to say that the position is neutral in this regard.
- 32) In summary, I have found that the respective marks share a reasonable degree of visual similarity, a moderately high degree of aural similarity and that the conceptual similarity is neutral as neither mark has a conceptual identity.

Distinctive character of the earlier mark

- 33) I must consider the distinctive character of the opponent's mark. The more distinctive it is, either by inherent nature or by use (nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* Case T-79/00 [2002] ETMR 91).
- 34) I have already concluded that the opponent's mark is possessed of a high degree of inherent distinctive character due to it comprising a distinctive device element and dominant and distinctive invented word BRUGI. Neither of these elements describes, alludes to, or is suggestive of the goods in any way.
- 35) Upon a review of the evidence submitted by the opponent I consider that it does not support a finding that the mark enjoys an enhanced degree of distinctive character; in particular, only one of the invoices clearly shows items of clothing listed in English, delivered to the UK. One other invoice also lists items of clothing in English however as the delivery address is stated as 'various destinations' it is not possible to determine whether these are UK destinations. In all of the other invoices, although the delivery addresses are in the UK, the goods are listed in Italian and it is not clear whether they refer to items of clothing. Furthermore, the turnover figures (in Euros) are low bearing in mind that they relate to mass market consumer goods where the size of the market is, self evidently, extremely large. Consequently, the evidence is not sufficient to show that the earlier mark has been used in the UK to the extent that it has acquired an enhanced level of distinctiveness. However, as the mark is inherently highly distinctive, my conclusions with regard to a lack of enhanced distinctiveness will not alter my findings in respect of a likelihood of confusion which follow.

<u>Likelihood of confusion</u>

- 36) In determining the likelihood of confusion, I must take the global approach advocated by case law (*Sabel BV v. Puma AG*).
- 37) In his witness statement, Mr. Brown states:

"I have been informed by the directors of Cut4Cloth Limited that they have never had a situation in which there has been any confusion whatsoever between "FRUGI" and "BRUGI"".

38) In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, 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."

- 39) Taking account of this guidance, I find that the fact that the applicant's directors are not aware of any confusion is not decisive. Neither party has provided evidence of extensive use and consequently a lack of actual confusion may merely result from the consumer not being exposed to both marks. Therefore, it is my conclusion that this argument does not assist the applicant.
- 40) I have found that the respective marks share a reasonable degree of visual similarity, bearing in mind the shared identical letters 'RUGI', the presence of the device element in the opponent's mark and lack of the same in the applicant's and to the difference in the initial consonant of the word elements. With regard to the latter, I have considered the comments of the court with regard to differences between relatively short words where, even if two marks differ by no more than a single consonant, it cannot be found that there is a high degree of visual similarity between them (Inter-Ikea Systems BV v OHIM -T-112/06, (GC)). This effect will no doubt be particularly pronounced in word elements that consist of two letters but will become increasingly less so the longer the word is. The two marks at issue in the instant case contain words of five letters, the latter four of which are identical and, as such, the effect of the difference in the initial consonant on the overall visual impressions of the words, and the marks as a whole, is not as pronounced as it would be if the words had consisted of fewer letters.
- 41) Further, with regard to the difference in the first part of the respective marks, I bear in mind the comments of the court that the consumer normally attaches more importance to the first part of words/marks (*El Corte Inglés, SA v OHIM* T-183/02 and T-184/02 (GC)). However, whilst this may be a general rule of thumb, it is not in itself determinative and is a factor which may be offset by other considerations occurring in the overall global assessment. I am particularly mindful that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V*).

- 42) In addition to finding that the marks are visually similar to a reasonable degree, I have found that the marks share a moderately high level of aural similarity. I have also found that neither mark is possessed of conceptual meaning and therefore the marks are neither similar nor dissimilar in this regard. There is, therefore, no conceptual dissonance to counteract the similarities identified. I have concluded that the applicant's goods are identical to the opponent's goods and that the opponent's mark has a high degree of inherent distinctive character. The average consumer will be the general public, regardless of whether the goods are organic in nature or not. The purchasing act will be primarily visual but aural considerations have not been discounted and a reasonable level of attention, but not the highest level, will be paid during the purchase.
- 43) Having taken into account all of the above factors it is my conclusion that the similarities between the marks are such that they outweigh the differences. I find that there is likelihood that the average consumer will confuse the marks when used in respect of identical goods, particularly where the consumer has not had the benefit of a side by side comparison, but rather, has to rely upon the imperfect picture that he has kept in his mind. The average consumer is likely to believe that the goods provided under the respective marks originate from the same, or linked, undertaking.
- 44) The ground of opposition based upon Section 5(2)(b) of the Act is, therefore, successful in its entirety.

Section 5(4)(a)

45) In light of the opponent having been successful in it's opposition under Section 5(2)(b) grounds it is not necessary for me to go on to consider the grounds under Section 5(4)(a).

COSTS

46) The opposition having been successful, Brugi S.p.A. Creazioni Sportive is entitled to a contribution towards its costs. I take account that no hearing has taken place but that the opponent filed evidence and written submissions in lieu. I award costs on the following basis:

Preparing notice of opposition (including the official opposition fee) and considering other side's counterstatement	£500
Preparing and filing evidence	£500
Written Submissions	£300
TOTAL	£1300

47) I order Cut 4 Cloth Ltd to pay Brugi S.p.A. Creazioni Sportive the sum of £1300. This sum 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 16th day of May 2012

Beverley Jones For the Registrar, the Comptroller-General