

O-314-19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3284035
FILED BY KELLY MARKEY
TO REGISTER THE TRADE MARK:**

House of Merino


AS A TRADE MARK IN CLASSES 24, 25 & 35

AND

**OPPOSITION THERETO (UNDER NO. 413017) BY
MERINOS HALI SANAYI VE TICARET ANONIM SIRKETI**

Background, pleadings and evidence

1. The subject proceedings relate to an opposition against the registration of the mark “House of Merino” under sections 5(2)(b) and 3(1) of the Trade Marks Act 1994 (“the Act”). In relation to section 5(2)(b), the opponent relies on one earlier mark: International registration 1176128, which has designated the UK for protection. Consequently, the question to be determined under that ground is whether there is a likelihood of confusion between the following marks:

The application	The earlier mark
<p>House of Merino</p>	 <p>The colours blue and black are claimed as an element of the mark, and following indication entered:</p> <p>“The mark consists of the colors blue and black; the elements of the mark are blue cyclical shape and the wording "Merinos".”</p>
<p>Class 24: Textile goods of wool, namely blankets, cushions, bedrunners, textiles and textile goods, all of the aforementioned made from merino wool or fleece.</p> <p>Class 25: Clothing, footwear and headgear, all being made from merino wool or fleece.</p> <p>Class 35: Textile goods of wool, namely blankets, cushions,</p>	<p>Class 20: Furniture, coat hangers, mattresses, pillows, air beds and pillows not for medical purposes, sleeping bags for camping, sea beds; mirrors; beehives, artificial honeycombs, honeycomb bar; baby slings, playpens for babies, cradles, infant walkers; picture frames, identity plates not of metal, identity cards not magnetic, identity disk; cases of wood or plastic, barrels not of metal, packaging containers of plastic, bins of</p>

bedrunners; retail services and wholesale services in connection with textiles and textile goods, namely blankets, cushions, bedrunners and headgear. All of the aforementioned being made from merino wool or fleece.

wood or plastic, containers not of metal [storage, transport], chests not of metal, handling pallets not of metal; fittings not of metal; works of art of wood, wax, plaster or plastic; baskets, not of metal, fishing baskets; kennels for household pets, nesting boxes for household pets, pet cushions; mobile boarding stairs, not of metal, for passengers; bamboo curtains, indoor window blinds [shades], bead curtains for decoration; curtain hooks, curtain rings, curtain rods.

Class 24: Textiles and textile goods, namely, threads and yarns for textile use, household linen, bed blankets, bed clothes, bed spreads, pillow cases, towels of textile; fabrics for textile use, knitted fabric, non-woven textile fabrics; bed covers, table linen, not of paper, tablecloths, not of paper, household linen, flags [not of paper], handkerchiefs of textile; bed blankets.

Class 27: Carpets, mats, rugs, mats, prayer rugs; linoleum, floor covering, wall hangings (non-textile), wallpaper.

Class 35: Advertising, organization of exhibitions for commercial or advertising purposes, organization of trade fairs for commercial or advertising purposes; office functions; business

	management; business administration; the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof) namely furniture made of wood or wood substitutes, furniture of metal, oriental single-panel standing partitions (tsuitate), carpets, threads and yarns for textile use, household linen, bed blankets, carpets, bed clothes, bed spreads, pillows, towels of textile, enabling customers to conveniently view and purchase those goods
Filed on 20 January 2018 Published for opposition purposes on 6 April 2018	Date of UK designation: 22 February 2013 Date on which protection conferred: 21 February 2014
Applicant: Kelly Markey	Opponent: Merinos Hali Sanayi Ve Ticaret Anonim Sirketi

2. Under section 3(1), the opponent relies on both sub-sections 3(1)(b) and (c) of the Act, with the following pleadings made:

3(1)(c) – the mark is “no more than a description of an undertaking supplying goods made into raw materials associated with a specific breed of sheep”.

3(1)(b) – the mark is not capable of distinguishing as “the consumer would not know whose HOUSE OF MERINO it was”. Reference is made in support to a decision of this Tribunal, *HOUSE OF COUTURE*, BL O-292-10.

3. The applicant filed a counterstatement denying the grounds of opposition. In relation to the section 3(1) grounds, she notes that no objection was raised at examination stage, that the objection is made only against her goods, and that whilst MERINO may be allusive of the material from which her goods are made, the mark is not descriptive as a whole and is not on a par with the HOUSE OF COUTURE decision which related to high end fashion items. A distinction is also drawn between goods in class 24 with goods in class 25 where HOUSE OF.. may be more relevant. Irrespective of this statement, no acceptance is made that the mark as a whole lacks distinctiveness or is otherwise descriptive of any of the goods of the application. In relation to section 5(2), whilst the applicant accepts that the class 24 goods are identical or similar to goods of the earlier mark, it denies a likelihood of confusion on the basis of the differences between the marks.

4. Only the opponent filed evidence. This consists of a witness statement from Mr Christian Rowland Buehrlen (the opponent's representative), which contains an entry from the Encyclopaedia Britannica, for MERINO, which shows that a Merino is a breed of sheep originating in Spain. Further references within the extract discuss the breed's history, size (etc) and that they have considerable wool growth; it is stated that: "...fine wool fibres of Merino fleeces are beautifully crimped".

5. Neither side requested a hearing. The opponent filed written submissions in lieu of a hearing, the applicant did not.

6. The opponent is represented by Beck Greener. The applicant is represented by Withers & Rogers LLP.

7. I begin my decision by considering the grounds pleaded under section 3(1) of the Act.

Decision

8. The opponent has made claims based on sections 3(1)(b) and (c) of the Act. In *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (POSTKANTOOR)*, Case C-363/99, the Court of Justice of the European Union ("CJEU") stated that:

“... it is clear from Article 3(1) of the Directive that each of the grounds for refusal listed in that provision is independent of the others and calls for a separate examination (see, inter alia, *Linde*, paragraph 67), That is true in particular of the grounds for refusal listed in paragraphs (b), (c) and (d) of Article 3(1), although there is a clear overlap between the scope of the respective provisions (see to that effect Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraphs 35 and 36).”¹

9. In assessing the claims, I keep in mind the comments of the CJEU in *Libertel Groep BV v Benelux-Merkenbureau*, Case C-104/01:

“It is settled case-law that the essential function of a trade mark is to guarantee the identity of the origin of the marked goods or service to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin (see *Canon*, paragraph 28, and Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 22). A trade mark must distinguish the goods or services concerned as originating from a particular undertaking. In that connection, regard must be had both to the ordinary use of trade marks as a badge of origin in the sectors concerned and to the perception of the relevant public.”²

Section 3(1)(c) of the Act

10. The case law under section 3(1)(c) (corresponding to Article 7(1)(c) of the Community Trade Mark Regulation, now the EU Trade Mark Regulation) was set out by Arnold J in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z.o.o. v Office for Harmonisation in the*

¹ Paragraph 67.

² Paragraph 62.

Internal Market (Trade Marks and Designs) (OHIM) (C-51/10 P) [2011]

E.T.M.R. 34 as follows:

'33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), see, by analogy, [2004] ECRI-1699, paragraph 19, as regards Article 7 of Regulation No 40/94, see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728, [2003] E.C.R. I-12447, [2004] E.T.M.R. 9; [2004] R.P.C. 18, paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 33, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of

Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No. 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No 40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a “characteristic” of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms “the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service”, the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word “characteristic” highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56).’

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned; see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99) [2004] E.C.R. I-1619, [2004] E.T.M.R. 57 at [97].”

11. In its statement of case, the opponent stated that the applied for mark was “no more than a description of an undertaking supplying goods made to raw materials associated with a specific breed of sheep”. Its evidence comprised an encyclopaedia extract showing that a merino is, as a matter of fact, a breed of sheep. In its submissions, it highlighted that the applicant had not contested the facts argued by the opponent and has presented no satisfactory counter-argument to change the approach of this tribunal from that held in the *HOUSE OF COUTURE* case, decided by a fellow hearing officer in August 2010 (BL-O-292-10). In the *HOUSE OF COUTURE* case, that mark was held to be descriptive and non-distinctive for clothing items.

12. Whilst I have due regard to the decision in *HOUSE OF COUTURE*, it is important to bear in mind that such a decision is neither binding, nor does it have a

significant degree of persuasive value. Further, each mark must be considered on its own merits and the determination based on the evidence filed in each case.

13. In the case before me, I accept that the words HOUSE OF may be understood to denote something akin to a fashion house, house indicating an establishment or business enterprise. I also accept, as a matter of fact, that merino is the name of a particular breed of sheep. However, absent evidence, I do not accept that the relevant public will necessarily know that the word is the name of a sheep breed. There will be many things in encyclopaedias and other reference works which the relevant public will not know of. However, irrespective of this, I am prepared to accept, as a matter of judicial knowledge, that merino is a type of wool. It is in my view a commonly known and understood word in that context. Some people may assume (rightly) that the name of the wool comes from the name of the sheep breed, others will not think that deeply.

14. In view of the above findings, the highpoint of the opponent's case is that the mark describes that the goods (and the retail services connected with such goods) come from an establishment (HOUSE) which specialises in goods made from merino wool (OF MERINO). A technical point could be taken here in that the alleged descriptiveness is not in relation to a characteristic of the goods, but is instead in relation to the nature of the undertaking providing them. However, even setting that point to one side, my view is that the construction of the words in the subject mark is not of the type that would naturally be used as any form of description, whether it is of the goods or the undertaking. Whilst it may be the case that HOUSE OF is commonly understood as a reference to an undertaking, this will most often be in conjunction with the name of a designer or perhaps business founder (HOUSE OF FRASER for example). There is nothing to show that HOUSE OF would aptly be used in a descriptive manner along with the name of a core material used in the making of the goods that the enterprise sells. The combination the subject of the present mark is not one that would need to be kept free for the legitimate use of other traders. I agree with the applicant that it is allusive, but in my view it is not descriptive. The fact that HOUSE OF COUTURE was decided differently does not alter my view, not only for the reasons I have already expressed, but also because

COUTURE is, in any event, a type of fashion which more naturally elides with HOUSE OF. The ground under section 3(1)(c) fails.

Section 3(1)(b) of the Act

15. The principles to be applied under this section were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG*, Case C-265/09 P:³

“29. ... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5809, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which the registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*,

³ The court refers to Article 7(1)(b) of the Community Trade Mark Regulation. This is identical to Article 3(1)(b) of the Trade Marks Directive and section 3(1)(b) of the Act.

paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)."

16. The opponent states that the average consumer will wonder whose "house of merino" this is. I note that in the HOUSE OF COUTURE decision the hearing officer expressed the same sentiment when upholding the opposition under section 3(1)(b). However, whilst I acknowledge that the ground under section 3(1)(b) is not dependent upon any finding of descriptiveness, I come to the same conclusion under this ground as I did under section 3(1)(c). The mark, whilst sending an allusive message, does not do so in any way which prevents it from performing the essential distinguishing function. The section 3(1)(b) ground also fails.

Section 5(2)(b) of the Act

17. Section 5(2)(b) of the Act states that:

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

...

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

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

18. An “earlier trade mark” is defined in section 6 of the Act:

“6(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

19. The International registration upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As the earlier mark gained protection in the UK within the five years before the date on which the applicant’s mark was published, it is not subject to proof of use. The opponent is therefore entitled to rely upon its mark for all the goods/services for which it is registered.

20. The following principles are gleaned from the decisions of the courts of the European Union 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;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question. The average consumer 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 great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks 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/services

21. All relevant factors relating to the goods/services should be taken into account when making the comparison. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, Case C-39/97, the CJEU stated at paragraph 23 of its judgment:

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

22. Guidance on this issue has also come from Jacob J where, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, the following factors were highlighted as being relevant:

- (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.

23. In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06, it was stated:

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

24. The applicant accepts identity/similarity in relation to its goods in class 24. It seeks registration in relation to:

Textile goods of wool, namely blankets, cushions, bedrunners, textiles and textile goods, all of the aforementioned made from merino wool or fleece.

25. The use of the word “namely” means that it is only the named goods that are subject to the application: blankets, cushions, bedrunners, textiles and textile goods, albeit all are made of merino wool or fleece. The opponent’s class 24 specification, which is also for named goods, includes: bed blankets, pillow cases and household linen. Blankets falls within the ambit of bed blankets, and, as such, are considered

identical on an inclusion basis⁴. All of the other class 24 goods applied for could fall within the ambit of household linen, and would also be identical. However, even if not strictly identical, the goods must nevertheless be highly similar on account of nature, purpose, channels of trade etc.

26. The applicant also seeks registration in class 25 in relation to: clothing, footwear and headgear (again, made from merino wool or fleece). The opponent's mark does not cover class 25 goods. It does, though, cover textile products in class 24 which could potentially be made into clothing. For example, knitted fabric and non-woven textile fabrics. Thus, the goods could be made from the same material. The trade channels do not, though, ordinarily overlap. Whilst there may be an aspect of similarity in purpose at a high level of generality (both could end up being worn, if the textile is turned into clothing), the more specific purposes differ. There could be a degree of competition, purchasing ready-made clothing or buying material to make your own, although, in this day and age, such a choice is not made often. In terms of complementarity, whilst there is clearly a link, there is no evidence which shows whether consumers would ordinarily assume that both material and finished articles come routinely from the same undertaking. Overall, any similarity is very low.

27. The applicant also seeks registration in relation to services in class 35, which read:

Textile goods of wool, namely blankets, cushions, bedrunners; retail services and wholesale services in connection with textiles and textile goods, namely blankets, cushions, bedrunners and headgear. All of the aforementioned being made from merino wool or fleece.

28. Clearly, the first items have been misclassified because they are goods not services. I need say no more about them because they replicate some of the goods I have already considered in class 24. In relation to the applied for retail services, they are in respect of, essentially: blankets, cushions, bedrunners and headgear, all finished articles. Other than in respect of the retail of headwear, I find the terms

⁴ See, for example, Case T- 133/05 of the General Court

highly similar⁵ to the opponent's retail services connected with the sale of household linen, bed blankets, bed clothes, bed spreads and pillows. However, I find no similarity with the applied for retail services connected with the sale of headgear with any of the opponent's class 35 services or, indeed, any of its goods either.

Average consumer and the nature of the purchasing act

29. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. 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.”

30. The goods at issue are in the clothing field and the field of household articles such as blankets, cushions etc. For these goods, the average consumer will be a member of the general public. Such items are not, generally speaking, greatly expensive. Some care will be taken in respect of style, colour, fitness for purpose etc. I consider that this equates to a reasonable, no higher or lower than the norm, level of care and consideration. The goods will be perused in traditional bricks and mortar retail establishments and their online equivalents. The goods and the marks

⁵ Bearing in mind the guidance from cases such as *Oakley, Inc v OHIM*, Case T-116/06 and *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14

used in relation to them may be seen in advertisements and on websites. This means that the visual impression of the marks may take on more significance, but the aural impact of the marks should not be ignored from the assessment completely. Much the same applies to textiles in class 24, however, given that such goods could be used for making up into finished articles, the average consumer could also be a business person. That said, the level of care and the manner of selection will not be materially different to the goods already assessed.

31. There are also services to consider, which cover retail services in class 35. The choice of a service provider for a retail service connected with the goods specified in the class 35 specification do not strike me as either a causal or highly considered selection. A normal level of care will be adopted. Marks in this field will be encountered on signage for the retail establishment, either physically or online, together with brochures, catalogues and advertisements. This, again, suggests that the visual impression of the marks takes on more significance, but, again, the aural impact of the marks should not be ignored completely.

Comparison of marks

32. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the 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.”

33. 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. The marks to be compared are:

House of Merino

v



34. The overall impression of House of Merino is not dominated by any of the words that make up that mark. Despite what I come on to say about the distinctiveness of the word MERINO, the words in the mark combine to form a unit and it is the totality of that unit in which the overall impression lies. In relation to the earlier mark, the mark comprises a graphic element together with the word MERINOS. Neither element materially stands out compared to the other, with both playing a roughly equal (and independent) role in the overall impression of that mark.

35. Visually, both marks contain a word with the letters, or letter string, MERINO/Merino. There are, though, a number of differences, including the addition/absence of House Of, the graphic element, and the letter S at the end of MERINO in the earlier mark. Overall, there is only a low degree of visual similarity.

36. Aurally, I consider the average consumer will most likely articulate the earlier mark as MA-REE-NOS or MA-REE-NOES. The applied for mark will be articulated as HOUSE-OF-MA-REE-NO. I consider there to be a low to medium degree of aural similarity.

37. Conceptually, the applied for mark makes reference to merino. Consistent with my earlier findings, I consider that the average consumer will know that this is a type of wool. Some average consumers may assume that the wool comes from a breed of sheep with that name, others will not. As a whole, the underpinning (allusive) concept is that the undertaking responsible for the goods specialises in products made from merino wool. The opponent's graphic element has no specific concept. In terms of the inclusion of MERINOS, this word has the look of an invented word. Whilst it contains the word MERINO, the additional letter S has a notable impact. I do not even consider that the average consumer will see an evocative reference to merino wool. Consequently, the marks are conceptually different. That being said, I will keep open the possibility that a small part of the average consumer group may recognise the word MERINO within MERINOS and may see some form of suggestive nod towards merino wool, in which case, measured from that perspective, there is clearly some conceptual similarity.

Distinctive character of the earlier trade mark

38. It is necessary to determine the distinctive character of the earlier mark, in order to make an assessment of the likelihood of confusion. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, the CJEU stated that:

“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-0000, paragraph 49).

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).”⁶

39. No evidence of use having been filed, I have only the inherent characteristics of the earlier mark to consider. I have held that the average consumer is likely to see MERINOS within the earlier mark as an invented word. As such, I consider that the mark has a high degree of inherent distinctiveness. I have, though, kept open the possibility that the word MERINOS may evoke MERINO in which case the inherent distinctiveness is at the lower end of the spectrum, particularly for goods that could be made from wool. The fact that the graphic element is itself distinctiveness would not assist the opponent in this context because it is the distinctiveness of the common element which matters most⁷.

Conclusions on likelihood of confusion

40. I have so far considered the factors that need to be taken into account when assessing the likelihood of confusion and now come to a global assessment. As the CJEU stated:

“A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital

⁶ C-342/97, paras. 22-23

⁷ As per the decision of Mr Iain Purvis QC, sitting as the Appointed Person, in *Kurt Geiger* (BL O-075-13)

of the preamble to the Directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.”⁸

41. There are two types of confusion that must be considered:

- direct confusion, where one mark is mistaken for another; and
- indirect confusion, where the similarities lead the consumer to believe that the goods or services come from the same, or a related, undertaking.

42. On account of what I have held to be the low, and low to medium, degrees of visual and aural similarity between the marks, I do not consider that direct confusion is likely. Put simply, and whilst bearing in mind the principle of imperfect recollection, and that some of the goods are identical, and that the earlier mark is likely to be regarded as highly distinctive, the differences between the marks puts paid to direct confusion as the average consumer will easily recall the differences that exist.

43. In relation to indirect confusion, I will consider firstly the matter from the primary finding that the average consumer will see MERINOS in the earlier mark as an invented word. In this scenario, there is in my view no likelihood of the average consumer believing that the goods/services (even where identity is in play) comes from the same or economically linked undertaking. This is largely because the average consumer will appreciate that one mark is making reference to merino wool (I note that all of the applied for goods/services relate to products made from merino wool) whereas the other does not. The overall constructions (one with HOUSE OF, the other with a graphic element) do nothing to overcome this assumption.

⁸ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, C-39/97, para. 17

44. Even from the perspective of an average consumer who may see an evocative meaning behind MERINOS, then such commonality will be put down to both marks making reference to a type of wool, in very different ways, as opposed to indicating a same stable product.

45. Either way, the opposition under section 5(2)(b) fails.

Outcome

46. All grounds having failed, the opposition is rejected. Subject to appeal, the application may proceed to registration.

Costs

47. The applicant has been successful and is entitled to a contribution towards costs. Awards of costs in proceedings commenced on or after 1 July 2016 are governed by Tribunal Practice Notice (TPN) 2/2016. The applicant has played a limited part, submitting only a counterstatement. I consider that costs of £200 in relation to this is applicable. I have not awarded anything for considering the opponent's evidence, as it was of such limited nature.

48. I therefore order Merinos Hali Sanayi Ve Ticaret Anonim Sirketi to pay Kelly Markey the sum of £200. The above 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 3 June 2019

Oliver Morris

For the Registrar,

The Comptroller-General