

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)
23 October 2002 *

In Case T-104/01,

Claudia Oberhauser, established in Munich (Germany), represented by M. Graf,
lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by G. Schneider, acting as Agent,

defendant,

the other party to the proceedings before the Board of Appeal of the Office for
Harmonisation in the Internal Market (Trade Marks and Designs) being

Petit Liberto, SA, established in Vidreres (Spain),

* Language of the case: German.

ACTION brought against the decision of the Second Chamber Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 28 February 2001 (Case R 757/1999-2),

THE COURT OF FIRST INSTANCE
OF THE EUROPEAN COMMUNITIES (Fourth Chamber),

composed of: M. Vilaras, President, V. Tiili and P. Mengozzi, Judges,

Registrar: D. Christensen, Administrator,

having regard to the application lodged at the Registry of the Court on 14 May 2001,

having regard to the response of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) lodged at the Registry of the Court on 1 October 2001,

having regard to the measures of organisation of procedure,

further to the hearing on 12 March 2002,

gives the following

Judgment

Background to the dispute

- 1 On 14 March 1997 the applicant filed an application for a Community trade mark under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM).
- 2 The trade mark in respect of which registration was sought was the word ‘Fifties’ (hereinafter ‘the mark claimed’).
- 3 The goods in respect of which registration of the trade mark was sought are in Class 25 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: ‘Denim clothing’.
- 4 The application was published in Community Trade Mark Bulletin No 38/98 on 25 May 1998.

5 On 24 July 1998 Petit Liberto, SA (hereinafter ‘the opponent’) filed a notice of opposition under Article 42 of Regulation No 40/94 against registration of the Community trade mark. The ground relied on in support of the opposition was the likelihood of confusion, within Article 8(1)(b) of Regulation No 40/94, of the mark claimed with an earlier mark owned by the opponent. That earlier mark (hereinafter ‘the earlier mark’) is Spanish registration no 1.723.310 of a composite word and figurative mark in colour for ‘clothing, footwear, headgear’ within Class 25 of the Nice Classification reproduced below:



6 By decision of 30 September 1999, OHIM’s Opposition Division upheld the opposition and refused registration of the mark claimed on the basis that it was similar to the earlier mark, and that the goods designated by the two marks were identical, which created a likelihood of confusion in the mind of the public in Spain, where the earlier mark is protected.

7 On 19 November 1999 the applicant filed an appeal against the Opposition Division’s decision at the Office under Article 59 of Regulation No 40/94.

- 8 The appeal was dismissed by a decision of the Second Board of Appeal of 28 February 2001 (hereinafter ‘the contested decision’), which was served on the applicant on 13 March 2001.
- 9 The Board of Appeal found that the decision of the Opposition Division was well founded. The Board held, essentially, that there was a likelihood of confusion in the mind of the relevant section of the public in Spain owing to the fact that the goods designated by the two marks are identical and the fact that the conflicting signs are, taken as a whole, similar.

Forms of order sought

- 10 The applicant claims that the Court should:
- annul the contested decision;

 - order OHIM to pay the costs and the intervener to pay the costs of the proceedings before OHIM.
- 11 The Office contends that the Court should:
- dismiss the application;

— order the applicant to pay the costs.

Law

- 12 The applicant puts forward a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94.

Arguments of the parties

- 13 The applicant claims that the contested decision is ill founded. In its submission the Board of Appeal was wrong in finding that there was a likelihood of confusion between the two marks.

- 14 First of all, both the examiner and the Second Board of Appeal at OHIM disregarded the fact that the earlier mark does not consist of the term ‘miss fifties’ alone but is a mixed composite sign containing a variety of figurative features in colour and more than one verbal component, including the Italian words ‘ECCELLENTE NELLA TRADIZIONE’. The words ‘miss fifties’ therefore pass unnoticed within the mark as a whole.

- 15 Second, although the Board of Appeal was right in finding that the average consumer perceives a trade mark as a complete entity, it failed to appreciate the fact that in this case the distinguishing feature of the opponent’s mark is not the word ‘fifties’ in isolation but the phrase ‘miss fifties’.

- 16 Third, the Board of Appeal failed to give reasons for its finding that there is a conceptual association between the earlier mark and the word ‘fifties’ that is liable to create a likelihood of confusion in the mind of the average consumer as to the commercial origin of the goods designated by the two conflicting marks. The applicant denies that the targeted public will think of a pair of jeans bearing the trade mark ‘Fifties’ as goods designated by a sub-brand of the earlier mark. But such a conceptual association could arise between, say, the word signs ‘misses fifties’ and ‘miss fifties’, or ‘Mr. Fifties’ and ‘miss fifties’. The conceptual association in question could also arise if the earlier mark comprised the word ‘fifties’. The earlier mark could then conceivably be viewed as one of a series of marks with the word ‘fifties’ as the common core element. But the situation in this case is the other way around, with the earlier mark incorporating a number of different components. Accordingly no single element of the earlier mark is in itself capable of constituting the basis for a series of marks and so creating a conceptual association between the two signs.
- 17 OHIM notes at the outset that, pursuant to Regulation No 40/94, the concept of similarity is to be construed by reference to the likelihood of confusion, the assessment of which depends on a number of factors, including the recognition of the mark on the market, and the degree of similarity between the mark and the sign and between the goods or services identified. Citing the case-law of the Court of Justice in this field, OHIM adds that the risk of confusion is to be assessed globally taking account of the fact that there is some interdependence between the relevant factors. Accordingly, a lesser degree of similarity between the goods or services designated may be offset by a greater degree of similarity between the marks and vice versa.
- 18 Next, OHIM contends that, for the purposes of comparing the relevant goods, there is identity between the goods covered by the earlier mark and those covered by the trade-mark application (denim clothing), and that the applicant has not denied this.

- 19 Finally, with regard to the similarity of the marks, OHIM contends that in carrying out its examination it must have regard to the public in the Member State where the earlier mark is protected, which in this case comprises average consumers in Spain. The Board of Appeal's finding that the targeted public will not immediately recognise the English word 'fifties' as referring to a decade characterised by a particular style of fashion is therefore not incorrect. In contrast, the targeted public will understand the word 'miss', not least because several 'Miss' contests have been held in Spain, in particular 'Miss Spain'. OHIM further contests the applicant's claim that the Board of Appeal failed to have regard to the verbal element, in Italian, 'ECCELLENTE NELLA TRADIZIONE', in the earlier mark. Paragraph 19 of the contested decision makes it clear that a Spanish consumer would understand those words as being a laudatory formula.
- 20 As regards, in particular, comparison of the visual and aural aspects of the signs in question, OHIM contends that the Opposition Division and the Board of Appeal were right in finding the word 'fifties' to be the dominant component of the earlier mark. In that context, OHIM contends that there is plainly a visual and aural identity between the distinguishing feature of the earlier mark and the mark claimed.
- 21 As regards comparison of the signs from a conceptual point of view, OHIM challenges the argument advanced by the applicant before the Board of Appeal to the effect that the targeted public could read the word 'fifties' as a reference to the decade, and contends that there is nothing to support that view.
- 22 On the basis of those arguments, OHIM contends that there is a likelihood of indirect confusion between the conflicting marks. According to OHIM, even if the targeted public detects the differences between the two marks and is not therefore confused directly, it will assume that the purpose of the basic element common to the two marks is to indicate origin, which is the essential function of a

trade mark. OHIM argues further that, in view of the importance that consumers attach to trade marks in the field of fashion, they will focus their attention directly on the dominant verbal element of the earlier mark, namely the word ‘fifties’.

- 23 OHIM concludes that the Board of Appeal was right in taking the view in the contested decision that there is a likelihood of confusion in the mind of the targeted public, owing to the identity of the goods and the similarity of the conflicting marks.

Findings of the Court

- 24 Article 8(1)(b) of Regulation No 40/94 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered ‘if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark’. Article 8(2)(a)(ii) of Regulation No 40/94 provides that an earlier trade mark is a trade mark registered in a Member State with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.
- 25 According to the case-law of the Court of Justice on Article 4(1)(b) 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), a provision which is in essence the same as Article 8(1)(b) of Regulation No 40/94, the risk that the public might believe that the goods or services in question come from the

same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 29 and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17).

26 According to the same case-law, the likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case (Case C-251/95 *SABEL v Puma* [1997] ECR I-6191, paragraph 22; *Canon*, paragraph 16; *Lloyd Schuhfabrik Meyer*, paragraph 18; and Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraph 40).

27 That global assessment of the likelihood of confusion implies some interdependence between the factors taken into account, and in particular similarity between the trade marks and between the goods or services. Accordingly, 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 (*Canon*, paragraph 17 and *Lloyd Schuhfabrik Meyer*, paragraph 19). The interdependence of these factors is expressly referred to in the seventh recital in the preamble to Regulation No 40/94, according to which the concept of similarity is to be interpreted in relation to the likelihood of confusion, the assessment of which depends, *inter alia*, 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.

28 In addition the perception of marks in the mind of the average consumer of the goods or services in question plays a decisive role in the global assessment of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*SABEL*, paragraph 23 and *Lloyd Schuhfabrik Meyer*, paragraph 25). For the purposes of that global assessment, the average consumer of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect. In addition, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but has to place

his trust in the imperfect image of them that he has retained in his mind. It should also 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*, paragraph 26).

- 29 In this case, given the nature of the goods concerned (denim clothing), which are everyday consumer items, and the fact that the earlier mark on which the opposition is based is registered and protected in Spain, the targeted public by reference to which the likelihood of confusion must be assessed is composed of average consumers in Spain.
- 30 In the light of the foregoing considerations it is appropriate first of all to compare the goods and then the conflicting signs.
- 31 With regard first, to comparison of the goods, it should be recalled that, according to the case-law of the Court of Justice, when assessing the similarity of the goods or services concerned, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary (*Canon*, paragraph 23).
- 32 It must be observed in this case that the goods covered by the mark claimed, namely 'denim clothing' within Class 25, are in the category of goods covered by the earlier mark, namely 'clothing, footwear, headgear', also within Class 25. The latter group of goods encompasses all types of clothing, including clothing made of denim.

- 33 It must therefore be concluded, just as it was by the Board of Appeal (paragraph 12 of the contested decision), that the goods covered by the mark claimed and those covered by the earlier mark are identical. Furthermore, as OHIM rightly points out, the applicant did not, in its application, raise any plea or argument challenging that finding by the Board of Appeal.
- 34 Second, as regards comparison of the signs, according to case-law, the global assessment of the likelihood of confusion must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impression created by them, bearing in mind, in particular, their distinctive and dominant components (*SABEL*, paragraph 23 and *Lloyd Schuhfabrik Meyer*, paragraph 25). Furthermore, the Court of Justice has held that it is possible that mere aural similarity between trade marks may create a likelihood of confusion (*Lloyd Schuhfabrik Meyer*, paragraph 28). It is therefore necessary to compare the conflicting signs in this case at the visual, aural and conceptual levels.
- 35 As regards, first, visual comparison, it is to be noted that the earlier mark is composed of a classic jeans label in shades of blue, pink and gold. The upper part of the label shows a group of men apparently fighting over a pair of jeans. All the men are wearing jeans. The middle part of the label contains the terms ‘miss fifties’ in fanciful white lettering on a pink background. The expression ‘ECCELLENTE NELLA TRADIZIONE’ appears in small black capital letters underneath. This part of the label is surrounded in part by a gold leaf pattern. The lower part of the label contains a young blond woman wearing purple jeans and a brown shirt. She is on tiptoe and appears surprised. The background comprises a light blue coat of arms displaying the words ‘miss fifties’ in red. The coat of arms incorporates two gold coins. The mark claimed is composed of the word ‘Fifties’.

- 36 It is clear from that description that the predominant component of the earlier mark is the verbal element 'miss fifties', which is repeated in the lower part of the label. The other verbal component of the earlier mark, the Italian words 'ECCELLENTE NELLA TRADIZIONE', occupies a subsidiary position within the sign, appearing below the words 'miss fifties' in smaller lettering than those words. It is therefore secondary to the dominant verbal element 'miss fifties'.
- 37 That comparison of the dominant verbal component of the earlier mark with the word mark claimed reveals a certain visual similarity between them. The difference that the addition of the word 'miss' in the earlier mark makes is not significant enough to eliminate entirely the similarity created by the fact that the essential part, the word 'fifties', is identical.
- 38 However when assessing the visual aspects of the signs in question it is important to note the relative complexity of the earlier mark, which is a mixed sign, containing the verbal components already described, together with a number of figurative components in very varied colours. It must therefore be held, just as it was by the Board of Appeal (paragraph 18 of the contested decision), that the signs in question, assessed as a whole, are not visually similar.
- 39 As regards, next, aural comparison, the Board of Appeal, in paragraph 18 of the contested decision, found the conflicting marks to be dissimilar.
- 40 Notwithstanding this, it must be pointed out that, in the light of the considerations set out above concerning the similarity of the dominant component of the earlier mark to the mark claimed, the two signs are in fact

aurally similar. The fact that the entire sign in respect of which registration was applied for is incorporated in the dominant component of the sign comprising the earlier mark justifies the conclusion that there is significant aural similarity. Furthermore, the fact that the figurative components are left out of account when comparing the aural aspects of the signs makes the similarities between the signs stand out more clearly than in the visual comparison.

41 Finally, as regards conceptual comparison of the conflicting marks, the Board of Appeal found at paragraph 21 of the contested decision that there was clear conceptual similarity between the marks. According to the Board, ‘the conceptual relationship between the marks is so strong as to mislead the average consumer of clothing into thinking that the goods come from the same manufacturer — in other words that “Fifties” is a line of denim clothing marketed by the promoters of the earlier mark of clothing’ (paragraph 20 of the contested decision). The Board of Appeal also held that it is on the basis of its dominant verbal component that the average buyer of clothes in Spain understands and remembers the earlier mark. Having regard to the composite nature of the earlier mark, on the one hand, and the fact that the mark claimed is a word mark, on the other, the Board of Appeal held at paragraph 19 of the contested decision that average Spanish purchasers of clothing will not regard the English word ‘fifties’ as descriptive and therefore unremarkable.

42 In that regard, it should be pointed out that, as OHIM rightly observed (see paragraph 19 above), the targeted public is capable of comprehending the meaning of the English word ‘miss’. As for the word ‘fifties’, it is not inconceivable that the targeted public may also be capable of understanding the meaning of that word since, although the average Spanish consumer may not be very familiar with English, young people in Spain, who are the usual buyers of denim clothing, have a better knowledge of English than previous generations.

43 It is irrelevant, however, for the purposes of comparing the marks in question from a conceptual point of view, whether or not the targeted public can understand the English word ‘fifties’ as being a reference to a decade. If it does

understand the word ‘fifties’ as referring to the 1950s, it will by association understand the term ‘miss fifties’ as a reference to women of that decade. In contrast, if it does not understand the meaning of ‘fifties’, it will simply regard the term ‘miss fifties’ as a feminine variant of an English word, the meaning of which is unknown to it. There can therefore be no question, so far as this component is concerned, of any conceptual difference between the marks.

- 44 As for the other verbal component of the earlier mark, the Italian expression ‘ECCELLENTE NELLA TRADIZIONE’, the Board of Appeal was right in holding at paragraph 19 of the contested decision that the average Spanish consumer will understand this simply as a laudatory formula that is not, or not very, striking. By reasons of its laudatory character, that verbal component is of secondary conceptual importance compared to the dominant verbal component of the mark, ‘miss fifties’.
- 45 The marks in question are therefore conceptually similar, owing to the dominant verbal element, ‘fifties’, in each sign.
- 46 Having regard to the foregoing considerations, and in particular the aural and conceptual similarities between the signs in question and the identity of the goods designated by the conflicting marks, the visual differences between the signs referred to above are not such as to dispel a likelihood of confusion in the mind of the targeted public.
- 47 It should be pointed out, in the context of the global assessment of the likelihood of confusion, that, because the average consumer retains only an imperfect image of the mark, the predominant component of the mark in question is of major importance. Thus the dominant verbal component of the earlier mark, ‘miss fifties’, is of major importance when analysing the sign as a whole, because the

average consumer looking at a jeans label takes in and remembers the predominant word element of the sign, which enables him to make the same choice on the occasion of a subsequent purchase. It must be observed in that connection that consumers do not take in the various figurative aspects of the earlier mark, because they see them as decorative features of a label that is commonplace for jeans in its form and components, and not as the most important element indicating the origin of the product.

48 Since the average consumer will, amongst other things, retain in his mind the predominant word element of the earlier mark, namely the expression ‘miss fifties’, when he finds clothing of the same kind designated by the mark claimed he might think the goods have the same commercial origin. Consequently, even if the average consumer is capable of detecting certain differences between the two signs, the risk that he might associate the two marks with each other is very real.

49 It must further be observed, with regard to the conditions in which the products in question are marketed, that it is common in the clothing sector for the same mark to be configured in various different ways according to the type of product which it designates. It is also common for the same clothing manufacturer to use sub-brands, that is to say signs that derive from a principal mark and which share with it a common dominant element, in order to distinguish his various lines from one another (women’s, men’s, youth). In such circumstances it is conceivable that the targeted public may regard the clothing designated by the conflicting marks as belonging, admittedly, to two distinct ranges of products but as coming, none the less, from the same manufacturer.

50 Application of the principle of the interdependence of the various factors to be taken into account, which is necessarily involved in the global assessment of the likelihood of confusion, confirms that conclusion. There may be a likelihood of confusion, notwithstanding a lesser degree of similarity between the trade marks, where the goods or services covered by them are very similar (see *Lloyd*

Schuhfabrik Meyer, paragraph 21). In this case, as has already been found, the goods designated by the mark claimed and the goods covered by the earlier mark are identical. As a consequence of that identity, which, moreover, is not contested by the applicant, any differences between the signs in question are attenuated.

- 51 Finally the applicant's argument that, because the earlier mark predates the mark claimed, marks with the common core word 'fifties' could not possibly be viewed as forming part of a 'sequence' must be rejected. On that point, it need merely be observed that the average consumer has no knowledge of the chronological order in which various marks appear on the market.
- 52 It follows from the foregoing that the Board of Appeal was right in concluding that there is a likelihood of confusion between the mark claimed and the earlier mark for the purposes of Article 8(1)(b) of Regulation No 40/94. The application must therefore be dismissed.

Costs

- 53 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been asked for in the successful party's pleadings. Since the applicant has been unsuccessful and OHIM has asked for costs, the applicant must be ordered to pay OHIM's costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

1. Dismisses the application;
2. Orders the applicant to pay the costs.

Vilaras

Tiili

Mengozzi

Delivered in open court in Luxembourg on 23 October 2002.

H. Jung

Registrar

V. Tiili

President