

**DECISION**  
**of the Fourth Board of Appeal**  
**of 17 July 2017**

In Case R 2444/2016-4

**SERENDIPITY SRL**  
Via Dell'Annunciata, 22  
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Italy

**Giuseppe Morgese**  
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Italy

Applicants / Appellants

represented by DIMITRI RUSSO S.R.L., Via G. Bozzi, 47A, 70121 Bari, Italy

v

**CKL Holdings N.V.**  
Amersfoortsestraatweg 33b  
1401 CV Bussum  
The Netherlands

Opponent / Respondent

APPEAL relating to Opposition Proceedings No B 2 594 573 (European Union trade mark application No 14 346 795)

**THE FOURTH BOARD OF APPEAL**

composed of D. Schennen (Chairperson), L. Marijnissen (Rapporteur) and C. Bartos (Member)

Registrar: H. Dijkema

gives the following

## Decision

### Summary of the facts

- 1 By an application filed on 9 July 2015 and with priority date 16 June 2015, the applicants sought to register the figurative as amended claiming the colours ‘black’ and ‘sky blue’



CHIARA FERRAGNI

for goods in Classes 3, 9, 14, 18, 24 and 25, including the following:

Class 18 – Bags; haversacks; leather purses; keycases;

Class 25 – Clothing; shirts; sweaters; trousers; skirts; denim jeans; bathing suits; undershirts; Tee-shirts; trousers shorts; sportswear; lingerie; hats; footwear.

- 2 On 16 October 2015, CKL Holdings N.V. (‘the opponent’) filed a notice of opposition against the application based on Benelux trade mark registration No 975 272 for the word

### Chiara

filed on 15 May 2015 and registered on 29 July 2015 for the following goods and services:

Class 25 – Clothing; footwear and headgear; swimwear; sportswear and leisurewear;

Class 38 – Internet protocol television (IPTV) transmission services; simulcasting broadcast television over global communication networks and the Internet; television broadcasting; provision of non- downloadable films and television programmes via a video-on-demand service;

Class 41 - Production of television shows and movies; production of television programs.

- 3 The grounds of opposition were those laid down in Article 8(1)(b) EUTMR. The opposition was directed against all the goods of the application and based on all the goods and services of the earlier mark.
- 4 By decision of 31 October 2016 (‘the contested decision’), the Opposition Division upheld the opposition in part, namely for the goods in Classes 18 and 25 as specified in paragraph 1 above, rejected the application for these goods and ordered each party to bear its own costs.
- 5 It reasoned that the goods in Class 18 were similar and the goods in Class 25 were identical to the earlier goods in Class 25. The other contested goods were dissimilar. The relevant public for the identical and similar goods concerned the public at large with an average degree of attention. Visually the signs were similar to a low degree, aurally to an average degree. The signs were

conceptually similar to the extent that they shared the identical female first name. For those who would not recognise the word 'CHIARA' as a female name, the marks were not conceptually similar. The inherent distinctiveness of the earlier mark was normal. It concluded that there was a likelihood of confusion for identical and similar goods. The applicants' claim that the contested mark had a reputation was irrelevant as the right to a EUTM begins on the date when it was filed and not before.

- 6 On 28 December 2016, the applicants filed a notice of appeal followed by its statement of grounds on 24 February 2017. They request that the Board annul the contested decision to the extent that the application was rejected for the goods in Classes 18 and 25 and order the opponent to bear the costs of the proceedings.
- 7 It argues that there is no likelihood of confusion as the contested mark consists of two words and is much longer than the earlier mark which consists of only one word and as the figurative element of the contested mark is eye catching. Also, the name 'CHIARA' would be perceived as a first name and the name 'FERRAGNI' as a surname; family names have in principle a higher intrinsic value as indicators of the origin of goods than first names. Also for this reason, a conceptual similarity cannot result from the mere fact that both marks contain the same name. Another reason why there would be no likelihood of confusion is that the name 'CHIARA FERRAGNI' belongs to an Italian fashion blogger who became very famous all over Europe and the world including in the Benelux. Documents to support this reputation were submitted at first instance and are submitted again. As the earlier mark has no reputation at all, there can be no confusion between the marks. Furthermore, the marks are visually only similar to a low degree. The visual perception of the marks plays a greater role in the global assessment taking into account the goods concerned and therefore the considerable visual differences between the signs are particularly relevant.
- 8 In its observations in reply the opponent requests that the Board uphold the partial refusal of the contested mark and order the applicant to bear the costs of the proceedings.
- 9 It argues that the marks are visually and aurally similar. The contested mark is not highly stylised and both marks begin with the identical element 'Chiara'. Conceptually, in the Benelux the word 'Chiara' will not be perceived as a first name or, in the unlikely event it will, as an unusual one. The conflicting goods concern the fashion sector in which sub-brands are used to distinguish different product lines. As correctly reasoned in the contested decision, the reputation of the mark applied for is irrelevant for the purpose of determining a likelihood of confusion. In any case, the evidence submitted by the applicants is insufficient to show enhanced distinctiveness of the contested mark in the Benelux. The goods subject of the appeal in Classes 18 and 25 are identical and highly similar. A likelihood of confusion exists.

## **Reasons**

- 10 The appeal is not well founded. A likelihood of confusion within the meaning of Article 8(1)(b) EUTMR exists for all the contested goods which are the subject of this appeal.
- 11 Pursuant to Article 8(1)(b) EUTMR, upon opposition of the proprietor of an earlier trade mark, the trade mark applied for shall not be registered if, because of its identity with or similarity to the earlier trade mark and, cumulatively, 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.
- 12 The opposition is based on an earlier Benelux mark. The relevant territory for analysing the likelihood of confusion consists of the three Benelux countries. The relevant public consists of the public at large.

*Comparison of the signs*

- 13 The comparison of the conflicting marks shall assess the visual, aural or conceptual similarity of the signs in question, based on the overall impression given by the marks and bearing in mind, in particular, their distinctive and dominant elements (06/10/2005, C-120/04, Thomson Life, EU:C:2005:594, § 28).
- 14 The marks to be compared are:

<i>Contested mark</i>	<i>Earlier mark</i>
	<p style="text-align: center;"><b>Chiara</b></p>

- 15 The contested figurative mark consists of the word element ‘CHIARA FERRAGNI’ written in black capital letters, the letters ‘I’ in both words being a bit bolder than the others. Within the word element both words, in the absence of any meaning for the goods concerned, are distinctive for the relevant Benelux consumer who may perceive them as ‘exotic’ names or words without any specific meaning. The word element forms a dominant and distinctive part of the contested mark. Above it appears a figurative element which may be perceived as a stylised representation of an eye with long eyelashes. When a mark is composed of figurative and word elements, consumers tend to focus on the latter.
- 16 The earlier word mark consists of the word ‘Chiara’ for which it is irrelevant whether it is written in capital or lower-case letters.
- 17 The earlier mark ‘Chiara’ is identically reproduced by the first part, on which consumers tend to focus, of the dominant and distinctive word element of the

contested mark 'CHIARA FERRAGNI'. The marks differ in the contested mark's additional part 'FERRAGNI' and figurative element, both without a counterpart in the earlier mark. The marks are visually similar to an average degree.

- 18 Aurally, the figurative element will not be pronounced. The first three syllables of the contested mark pronounced as 'CHI/A/RA/FE/RRA/GNI' are identical to the earlier three-syllable mark 'Chi/a/ra'. The consumer will focus on this identical beginning. From an aural point of view the marks are similar to an above average degree.
- 19 Conceptually, as neither of the marks has a meaning, the comparison remains neutral. This is irrespective of whether or not the marks will be perceived as names, as a name is not a concept.

*Comparison of the goods*

- 20 As correctly reasoned by the Opposition Division, the contested goods in Class 25 are identical and those in Class 18 similar, to an average degree, to the earlier goods in Class 25. No arguments were raised by the parties to the contrary.

*Overall assessment of the likelihood of confusion*

- 21 According to the case law of the Court of Justice, 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. It follows from the very wording of Article 8(1)(b) EUTMR that the concept of a likelihood of association is not an alternative to that of a likelihood of confusion, but serves to define its scope (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 29; 22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 17).
- 22 A likelihood of confusion on the part of the public must be assessed globally. That global assessment implies some interdependence between the factors taken into account and in particular similarity between the trade marks and between the goods or services covered. 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 (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 17; 22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 19). The more distinctive the earlier mark, the greater the risk of confusion, and marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 18).
- 23 For the purpose of that global appreciation, the average consumer of the category of goods concerned is deemed to be reasonably well informed and reasonably observant and circumspect. The level of attention of the relevant consumer is likely to vary according to the category of goods or services in

question and 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 (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 26; 30/06/2004, T-186/02, Dieselit, EU:T:2004:197, § 38).

- 24 The level of attention of the relevant public for the goods concerned is average.
- 25 In the absence of any meaning of the earlier mark for the goods concerned, its inherent distinctive character is normal. Enhanced distinctiveness due to intensive and long-term use of the earlier mark was not claimed or proven.
- 26 Taking into account the identity and similarity of the conflicting goods, the average level of visual and above average level of aural similarity of the conflicting signs, the average level of attention of the relevant public and the normal level of inherent distinctiveness of the earlier mark, there exists a likelihood of confusion within the meaning of Article 8(1)(b) EUTMR on the part of the relevant public.
- 27 The applicants argue that there is no likelihood of confusion as the contested mark has a reputation while the earlier mark has no reputation at all. This argument fails. Irrespective of whether or not the claimed reputation had been proven, the Board notes that it is settled case law that only the reputation or high distinctiveness of the earlier mark will be taken into account in the assessment of the likelihood of confusion, but the applicants cannot rely on the reputation of their younger mark (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 20; 16/09/2009, T-400/06, zerorh+, EU:T:2009:331, § 83; 19/04/2013, T-537/11, Snickers, EU:T:2013:207, § 55).
- 28 As regards the applicants' argument that the marks are only visually similar to a low degree and that taking into account the goods concerned the visual perception of the marks plays a greater role in the global assessment of the likelihood of confusion, the Board notes in the first place that the visual similarity between the marks is not low but average. Moreover, even if there were a low level of visual similarity between the marks (*quod non*) there would still exist a likelihood of confusion. Granting preferential consideration to the visual perception does not mean that for goods which are normally purchased visually, the phonetic impression can be overlooked.
- 29 To conclude, the appeal shall be dismissed.

### **Costs**

- 30 Since the applicants (appellants) are the losing party within the meaning of Article 85(1) EUTMR in this appeal, it must bear the costs incurred by the opponent (respondent) in the appeal proceedings. The Opposition Division correctly decided that for the opposition proceedings each party shall bear its own costs.

**Fixing of costs**

- 31 In accordance with Article 85(6) EUTMR and Rules 94(3), (6) and (7) CTMIR, the Board fixes the costs. Under Rule 94(7)(d) CTMIR, representation costs are only to be fixed in favour of a party who was represented by a professional representative within the meaning of Article 93 EUTMR. This is not the case for the successful respondent. There are no costs to be paid by the appellants to the respondent.

**Order**

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the appellants to bear the costs of the appeal proceedings;**
- 3. Fixes the amount of costs to be paid by the appellants to the respondent for the opposition and appeal proceedings at EUR 0.**

Signed

D. Schennen

Signed

L. Marijnissen

Signed

C. Bartos

Registrar:

Signed

H. Dijkema

