



Neutral Citation Number: [2014] EWHC 110 (Ch)

Case No: HC12B04462

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 31 January 2014

Before :

THE HON MR JUSTICE ARNOLD

Between :

JACK WILLS LIMITED	<u>Claimant</u>
- and -	
HOUSE OF FRASER (STORES) LIMITED	<u>Defendant</u>

Roger Wyand QC and Andrew Norris (instructed by Mishcon de Reya) for the Claimant
Michael Bloch QC and Tom Cleaver (instructed by Lewis Silkin) for the Defendant

Hearing dates: 20-21 January 2014

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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THE HON MR JUSTICE ARNOLD

MR JUSTICE ARNOLD :

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Introduction

1. It has become commonplace for clothing companies to adopt logos as part of their branding which are used in various ways, but in particular embroidered or appliquéd on the left breast of shirts, sweaters and similar garments. Well-known examples include the Fred Perry laurel wreath, the Lacoste crocodile and the Polo Ralph Lauren polo player. It is common for such logos to be registered as trade marks. Does the proprietor of such a trade mark have a legal remedy if a competitor adopts a similar, but not identical, logo? That is the question raised by this case.
2. The Claimant (“Jack Wills”) is a clothing retailer. As explained in more detail below, it sells its own brand of mainly casual clothing through a chain of stores in the United

Kingdom (and elsewhere) and online. It uses a logo consisting of a silhouette of a pheasant with a top hat and cane, which it refers to anthropomorphically as “Mr Wills” (“the Mr Wills Logo”). As explained below, it uses three different versions of this logo. The simplest version is registered as both a UK and a Community trade mark (“the Trade Marks”).

3. The Defendant (“House of Fraser”) is a department store operator. As well as retailing well-known brands, it sells its own range of men’s clothing under the brand name Linea. From November 2011 to February 2013 it used a logo consisting of a silhouette of a pigeon with a top hat and bow-tie (“the Pigeon Logo”) on a selection of Linea garments. It used two slightly different versions of this logo.
4. Jack Wills claims that House of Fraser’s use of the Pigeon Logo constituted trade mark infringement and passing off. House of Fraser denies infringement or passing off. It is common ground that the claim for passing off stands or falls with the claim under Article 5(1)(b) of the Directive, and accordingly I shall say no more about it. Although House of Fraser counterclaims for a declaration of invalidity of the Trade Marks, this is only relied on by way of a squeeze. Since House of Fraser’s case as presented in counsel’s closing submissions was really one of non-infringement rather than invalidity, I shall say no more about this either. A counterclaim for partial revocation of the Trade Marks for non-use was abandoned during the trial.

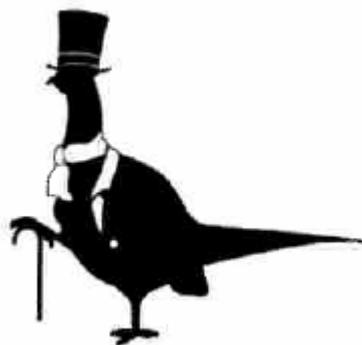
The Logos

5. The most elaborate version of the Mr Wills Logo is shown below:



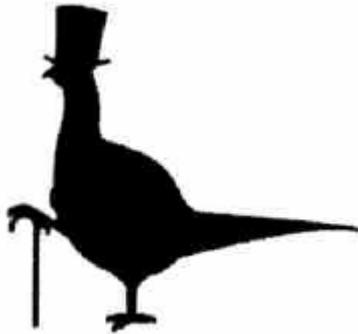
This version is mainly used on carrier bags. It is usually printed in white on a navy background.

6. A less elaborate version of the Mr Wills Logo is shown below:



This version is used on swing tickets on almost all Jack Wills products. The exceptions are denim products prior to the Autumn/Winter 2013 season, leggings and jewellery (as to which, see below). It is also used on the majority of Jack Wills' promotional materials, and in particular its handbooks (catalogues). It is also used on the reverse of care labels in clothing. It is most commonly printed in cream on a navy background, but sometimes it is printed in navy on a white background or in white on a coloured background.

7. The simplest version of the Mr Wills Logo, and the one which forms the subject-matter of the Trade Marks, is shown below:



This version is embroidered on the exterior of many items of clothing, in particular on the left breast of shirts, sweaters and similar garments. In some cases, it appears in a different position, such as on left front tail of rugby shirts and long-sleeved tee-shirts, on the left leg of boxer shorts and on the ankle of socks. It is also embroidered on the reverse of the size label in all Jack Wills clothing. This version is also used in a variety of other ways: it was used on the swing tickets for denim products until the Autumn/Winter 2013 season; it is used on a metal disc attached to jewellery; it is used on header cards or belly bands for leggings; it is used multiple times on the linings of some suits and jackets; it is used as the website identifier. When embroidered on clothing, the logo is used in a range of different colours. When used in other ways, it is usually printed in navy on cream, in black on white or in white on a coloured background.

8. The version of the Pigeon Logo which House of Fraser used (accompanied by the legends "No. 1" and "linea") on small cardboard tags attached to the exterior of garments is shown below:



This version was printed in dark grey on a cream background.

9. A slightly simplified version of the Pigeon Logo was embroidered onto the left breast of shirts, sweaters and similar garments. It was also embroidered in other positions such as on the left front tail on some shirts and tee-shirts and on the ankle of socks. As with the Mr Wills Logo, it was embroidered in a variety of colours.
10. A number of side-by-side comparisons of the two logos as they appear on Jack Wills and Linea shirts and sweaters are reproduced in the Annex to this judgment.

The Trade Marks

11. The simplest Mr Wills Logo is registered as UK Trade Mark No. 2449189 in respect of goods and services in Classes 9, 14, 18, 25 and 35 and as Community Trade Mark No. WE000000971102 in respect of a very similar specification of goods and services. Both Trade Marks are registered in respect of “clothing, footwear, headgear” in Class 25.

The witnesses

12. Philip Thomas has been Jack Wills’ Director of Merchandising since August 2012. He gave evidence about Jack Wills, its branding and its merchandise. He was a straightforward witness.
13. Emma Sheller has been Jack Wills’ Chief Marketing Officer since May 2013. She gave evidence about Jack Wills’ marketing and promotional activities. She was also a straightforward witness.
14. Jacqueline Hay has been House of Fraser’s Executive Director of Menswear and Childrenswear since 2012. Prior to that, she was its Director of Buying. She has worked for House of Fraser for nine years. I regret to say that she was not a satisfactory witness. She was more concerned to defend House of Fraser’s position than to give candid evidence. As a result, she was evasive in her answers, and repeatedly had to be pressed for a full and accurate response. On a number of occasions, this led to her conceding a point which she had initially avoided conceding. Even then, some of her evidence stretched credulity.

Factual background

Jack Wills

15. Jack Wills was founded by Peter Williams and Robert Shaw in 1999. They knew each other through attending the same university. Not long after graduating, Mr Williams decided to start his own fashion company and approached Mr Shaw to join him. Mr Williams envisaged a brand that epitomised the fun, carefree days of university life, and specifically wanted to target more affluent university students. The pair opened their first Jack Wills store in Salcombe, Devon. A second store was opened in Aldeburgh, Suffolk in 2000. In June 2005 a third store was opened in Clapham, London. In 2006 stores were opened in Bristol and Bath. From 2007 onwards, growth speeded up, with five stores opening that year, including a second London store in Notting Hill. In 2008, 11 UK stores were opened, with 8 opening in 2009, 7 in 2010, 11 in 2011 and 8 in 2012. Jack Wills now has a total of 52 UK stores, including 10 in London. There is also a Jack Wills concession in Selfridges and a franchised store in

Jersey. In 2010 Jack Wills expanded into the USA. It now has stores in the USA and Hong Kong and franchised stores in Kuwait, Dubai and Beirut. In total there are currently 72 Jack Wills stores worldwide. In addition, Jack Wills sells products online. Worldwide turnover has grown from £22 million in the year ending 31 January 2008 to £133 million in the year ending 3 February 2013.

16. At the start of the business, Jack Wills mainly produced “gym-wear” i.e. tee-shirts, sweatshirts, hoodies, sweatpants and rugby shirts. Since then, the range of its clothing has substantially expanded, and such products now only account for 15-20% of the range. Since 2006, the focus of the brand has moved towards more traditional British heritage-influenced products such as blazers, tweed and tailored jackets, knitwear, gilets, corduroy trousers, chinos and shirts.
17. Jack Wills’ core target market is 16-24 year olds, and in particular the more affluent consumers in that age range; but it is clear that it also sells to consumers who are both younger and older than its core target market. In particular, there is evidence that Jack Wills clothes are frequently purchased by a parent or other relative of the wearer. Between 2008 and the end of 2012 Jack Wills operated a sister brand under the name Aubin & Wills which was targeted at an older demographic than Jack Wills, but this was closed because it was detracting from the Jack Wills brand.
18. To appeal to its core target market, Jack Wills seeks to convey a brand image that combines traditional British heritage with a more American-influenced, casual, irreverent spirit. As well as the name Jack Wills, a distinctive pink and navy striped livery and the Mr Wills Logo, Jack Wills uses a number of other elements of branding. These include the straplines “University Outfitters” and “Outfitters to the Gentry” and the slogan “Fabulously British”. In addition, its stores are fitted out in a distinctive manner which, in addition to the elements I have already mentioned, features reclaimed wood floors, antique furniture, chandeliers and collections of framed back-and-white photographs.
19. Jack Wills does not engage in above-the-line advertising (newspapers, magazines, radio and television). Instead, it promotes itself and its products in other ways. It makes extensive use of social media, direct communications and sponsorship. It has Jack Wills pages on a number of online platforms, with over 550,000 followers on Facebook, over 117,000 followers on Twitter and over 20,000 followers on Instagram. Jack Wills aims to reply to 90% of Tweets which directly ask it a question.
20. Jack Wills spends approximately £3 million per annum on the production and distribution of distinctive catalogues called handbooks. In the past, it published six to eight handbooks a year featuring the whole product line; more recently it has produced more frequent, smaller editions as well. Between 200,000 and 600,000 copies of each handbook are sent to people on the Jack Wills mailing list. In 2009 a total of 976,292 handbooks were sent out; in 2010, the figure was 1.67 million; in 2011, 2.25 million; and in 2013 3.96 million. There is evidence that some of Jack Wills’ customers regard the handbooks as collectors’ items: for example, old handbooks can be purchased online, including from an unofficial website called Jack Wills Handbook.
21. Jack Wills has sponsored the Oxford and Cambridge rugby, polo and cricket matches since 2010, 2011 and an unspecified date respectively. These matches feature Jack

Wills advertising, Jack Wills-branded apparel and so on. Jack Wills also sponsors other events on an *ad hoc* basis.

22. An unusual feature of Jack Wills' promotional efforts from the outset has been its Seasonnaires programme. Seasonnaires are young adults, usually university students, who are contracted by Jack Wills for either a year or a holiday season to wear and promote Jack Wills clothing. They are selected for, among other qualities, their looks and their ability to influence others. They are given weekly missions to promote Jack Wills. Typically, they are involved in producing content for social media (including their Facebook and Twitter pages) and in organising and participating in promotional events, such as late night parties at Jack Wills stores and events at university freshers' fairs and balls. The Seasonnaires programme has evidently been very successful at promoting Jack Wills to its core target market.
23. Although Jack Wills does not pay for celebrity endorsement, it has benefited from the fact that a number of celebrities have been photographed wearing or carrying Jack Wills products, such as the band One Direction.
24. Like many other brands, Jack Wills aims to project a brand image which conveys a particular lifestyle to which purchasers of its clothing aspire. As such, it has fostered a sense that its customers are members of an exclusive club; but, as can be seen from the figures above, the reality is that it is a mass market brand.

The Mr Wills Logo

25. Mr Wills was designed in 2007 by Jack Wills' then in-house graphic designer, Lindsay Scott. A pheasant was chosen because it is a proud-looking, strutting, bird, which has traditionally been hunted by the landed gentry in Britain. It therefore has strong connotations of shooting and hunting parties, and British outdoor, country pursuits. The top hat, cane and scarf emphasise Britishness and heritage by giving the pheasant the feel of an English gentleman. They also create the impression of an upmarket brand. At the same time, these accessories emphasise the quirky, fun and irreverent side of the brand. In this way, Mr Wills is intended to help the brand to appeal to the younger market, while also conveying a sense of style, heritage and quality.
26. Jack Wills has made extensive use of Mr Wills in relation to clothing, as can be seen from the figures for sales of clothing bearing the logo shown below (the 2012 figures do not include November and December):

<u>Year</u>	<u>Sales</u>	<u>Units Sold</u>
2009	£19,382,231	562,746
2010	£39,697,375	982,178
2011	£42,105,993	1,000,444
2012	£21,898,733	500,671

27. As described above, Jack Wills has also used Mr Wills in relation to other products and generally on carrier bags and other promotional materials, such as point-of-sale materials and the website.

House of Fraser

28. House of Fraser has over 60 stores across the UK and Ireland, selling a wide range of goods including menswear. Around 55% of House of Fraser's menswear sales are of well-known brands sold through concessions (i.e. an arrangement in which a third party operates a small shop-within-a-shop in a House of Fraser store). About 32-33% of House of Fraser's menswear sales are of external brands sold by House of Fraser itself (i.e. not through concessions). The remaining 12-13% of menswear sales are of House of Fraser's own brands including Linea.
29. In general, House of Fraser's menswear departments are divided into different zones selling the various brands by the use of different shop-fittings, signs, mirrors and spaces. Ms Hay stated in her witness statement that the only exception to this zonal approach was that different brands of accessories were grouped together. This turned out not to be entirely accurate, however. As she accepted, different brands are also grouped together in clearances at the end of sales. More importantly for the purposes of this case, there is photographic evidence of a rack of what Ms Hay accepted were Linea sweaters positioned in an aisle between a Lyle & Scott zone and a Hugo Boss zone, nowhere near the Linea zone. The rack did not have a Linea sign (although the sweaters bore Linea swing tickets). Ms Hay initially tried to claim that customers would recognise the style of the rack as being part of the Linea shop fit, but when it was pointed out to her that it was a very plain, anonymous rack, she accepted that this was unlikely. Ms Hay's explanation of the positioning of the rack was that it was to sell more sweaters at Christmas. She gave no reason for thinking that this was an unusual occurrence.

Linea

30. Linea is one of House of Fraser's own brands. It was launched in 1997 and is used for a variety of different goods in addition to menswear and womenswear. It is not generally advertised or promoted outside House of Fraser's stores and website, although Ms Hay gave evidence that it had been advertised in GQ magazine some years ago. It was her opinion that the brand was well known to regular House of Fraser customers, but she was unable to point to any market research to support this. In any event, she gave no reason for thinking that the brand would be well known to occasional customers.
31. Ms Hay gave evidence about data derived from purchases of Linea products by holders of House of Fraser loyalty cards. This shows that the average age of Linea menswear customers in the period 2011 to November 2013 was 45 years old (male) and 50 years (female). As one would expect, however, these averages cover a broad range of ages. Thus 4.4% of male customers are under 25, and 19.5% are 25-34 years old. Ms Hay did not produce any data as to what percentage of overall Linea sales were represented by sales to loyalty card holders. She explained, however, that the age profile obtained from the account holder data was consistent with her experience of Linea customers based on store visits and discussions with House of Fraser staff.

The Pigeon Logo

32. Ms Hay stated in her witness statement that the Pigeon Logo “was created to embellish some items in the range” and “was not intended to represent LINEA”. Although she maintained this stance in cross-examination for some time, and specifically denied that the Pigeon Logo was intended to indicate origin in the manner that the Polo Ralph Lauren, Lacoste and Fred Perry logos do, she eventually conceded that it was part of what she described as a “portfolio of branding”. Indeed, it was her own evidence that the Pigeon Logo was designed as part of “some branding work”, which is confirmed by the documents referred to below. In any event, it is manifest from the nature of the Pigeon Logo and the way in which it was used that the logo was not intended merely to be decorative, but was intended to have brand significance. Furthermore, I have no doubt that this is how consumers would have perceived it.
33. Apart from the statements quoted above, Ms Hay said nothing in her witness statement about the creation of the Pigeon Logo, nor did House of Fraser call any other witness to address this question. Furthermore, rather few documents were disclosed by House of Fraser which shed light on it (although I was assured by counsel for House of Fraser that everything that could be found had been disclosed). Accordingly, the following account has been pieced together from the documentary material and Ms Hay’s oral evidence. It is necessarily incomplete.
34. The origins of the Pigeon Logo lie in two collections called Modern Gentry and Crafted Labour which were designed by House of Fraser for Linea menswear for the Spring/Summer 2012 season. As is common practice in the fashion industry, a set of “mood boards” was assembled from found images and fabric swatches for each collection to give the designers a feel for what was to be created. One of the Modern Gentry mood boards describes the collection as follows:
- “The collection forms the core identity of the Linea brand producing key items that become staples in any gentlemen’s wardrobe.
- The trend of Modern Gentry is formed by the middle class man embracing the true foundations of menswear, it’s a collaboration between classic silhouettes, quirky styling and hidden authentic detailing and trim.
- ...
- * Core garments include a causal blazer, fair isle knitwear, combined with traditional gingham and stripe shirtings.
- * Shirt styling is inspired by vintage dress detailing, trims and handmade branding.
- ...”
35. Another of the mood boards for the Modern Gentry collection is headed “Modern Gentry concept & colour” and has about 40 different found images pinned to it

(together with nearly 20 fabric swatches). These include: a Union Jack; a black and white photograph headed “CLASS”; a sign reading “HAND TAILORED CLOTHING – BARBER SHOP”; a photograph of what appears to be two signs for a public convenience both reading “GENTLEMEN”; a cover of a book entitled “CHILDREN RESPECT A WELL DRESSED FATHER”; and a photograph of a cup of tea. Most relevantly for present purposes, there is a drawing of a pigeon with a raised wing wearing a bowler hat and bow tie and carrying a traditional black gentleman’s umbrella on a red background above the words “I [splash] LONDON” (“the New York Image”). Ms Hay explained that her team had found this in a vintage market in New York.

36. A third board headed “Modern Gentry looks & branding” has two groups of found images pinned to it, one consisting of images of men and menswear and the other consisting of a selection of labels and tickets both for clothing and other things. Among the labels and tickets are ones for Levi’s Tuxedo, J. W Field Prescription Druggist and Horse Market Research.
37. On about 15 March 2011 House of Fraser commissioned an external designer called John McLean to do “some branding work”, and in particular to produce some designs of swing tickets and labels for the Modern Gentry and Crafted Labour collections. Mr McLean is currently Head of Graphic Design at Urban Outfitters Europe as well as working as a freelance. He previously worked at Pepe Jeans and Peter Werth and appears to have had considerable experience in the fashion and design industries. Mr McLean was briefed by Emma Freeman, a freelance designer who was working for House of Fraser at the time covering a maternity leave. Ms Hay was not present (and indeed said that she had never met Mr McLean). Nevertheless, she gave evidence that the briefing was an oral one by reference to the Modern Gentry and Crafted Labour mood boards and that there was no written record of it.
38. Ms Hay said that her team had wanted the collections to be “very London, particularly working class Lambeth Walk kind of London, and that was the brief he was given”. While I would accept that some of the images on the Modern Gentry mood boards fit that description, it does not appear to me to be an accurate statement of the overall flavour they convey, which as one would expect more closely matches the description of the Modern Gentry collection quoted in paragraph 34 above. Furthermore, it does not appear from the designs he created that Mr McLean understood his instructions in that way.
39. Notwithstanding Ms Hay’s evidence that the briefing was oral, a document disclosed by House of Fraser bearing the manuscript legend “Briefed to John McLean on 15/03/11” contains various found images accompanied by what appear to be skeletal written instructions for a series of labels and tickets. The first image is the New York Image which is accompanied by the following instructions:

“For int pocket bag prints –

1 colour print

Within 15(h)x10(w)cm

May be used for branding on shirts etc”

40. The final page of the document as it appears in the trial bundle appears not to be part of the original briefing, but rather a document created subsequently to show the genesis of the Pigeon Logo. It contains a number of different found images of pigeons (not including the New York Image) together with three copies of the Pigeon Logo in different sizes (and in one case accompanied by the legend “No. 1”). One of the found images is a drawing of a pigeon wearing a top hat, black shoes and an old-fashioned camera with a black briefcase alongside. Visually, the Pigeon Logo is much closer to this image than to the New York Image. Ms Hay gave evidence that this image was also on a mood board, but it does not appear on any of the mood boards in evidence. It appears from an email exchange between Mr McLean and Ms Freeman on 31 May 2011 that in fact Mr McLean found it himself, although he could not recall where.
41. On 21 March 2011 Mr McLean emailed Ms Freeman four pages of designs. The first page includes four variants of a swing ticket, one of which bears the Pigeon Logo. All four variants include the strapline “OUTFITTING THE KINGDOM” as well as the names “MODERN GENTRY” and “linea”. When Ms Hay was asked about the resemblance between these designs, in particular the variant bearing the Pigeon Logo, and the Jack Wills swing ticket with the Mr Wills Logo and the strapline “Outfitters to the Gentry”, she initially said that this was a coincidence, but later conceded that there was an obvious similarity which she could not explain. She was adamant, however, that there had been no intention on the part of House of Fraser to copy any of Jack Wills’ branding.
42. Notwithstanding the unsatisfactory aspects of Ms Hay’s evidence, I am prepared to accept that House of Fraser did not instruct Mr McLean to copy any of Jack Wills’ branding. It would not be fair to Mr McLean to conclude that he deliberately copied Jack Wills when he has not had the opportunity to defend himself. It does appear likely, however, that he was, perhaps subconsciously, influenced by some of Jack Wills’ branding, of which he would no doubt have been aware. I suspect that his thoughts were led in that direction by the nature of the briefing he received.
43. The second, third and fourth pages which Mr McLean sent Ms Freeman feature a number of designs which feature the Pigeon Logo as well as a number which do not. The third page includes the design of the cardboard tag referred to in paragraph 8 above (except that it includes the name “Modern Gentry” instead of “linea”). The fourth page includes a Pigeon Logo accompanied by the legend “No 1” which appears to be intended to be suitable for being embroidered on garments.
44. Also on 21 March 2011 Ms Freeman sent the designs to Ms Hay with a request that Ms Hay review them. The subject line of the email was “Linea seasonal branding”. It is not clear from the disclosure or Ms Hay’s evidence what happened after that. By 31 March 2011 Ms Freeman was working on some artwork for a denim bag featuring the Pigeon Logo and the legends “No. 1” and “Modern Gentry”. By 27 April 2011 Ms Freeman was working on some artwork for a Pigeon Logo emblem to be embroidered on an Oxford shirt. According to Ms Hay, it was Ross Wilson, a buyer in her team, who decided to embroider the Pigeon Logo on garments. That may be so, but it is clear from the documents that it was intended from the outset that shirts in the Modern Gentry collection would have “handmade branding” and the written instructions to Mr McLean covered this.

45. Ms Hay gave evidence that, prior to the present dispute, she had been aware that Jack Wills had a logo of some kind, but not that it consisted of a pheasant with a top hat and cane. She gave no evidence as to whether or not Ms Freeman or Mr Wilson (or anyone else on her team) was aware of this at the time that House of Fraser decided to embroider the Pigeon Logo on Linea menswear. I find it difficult to believe that no one on the team would have been aware of it.

Use of the Pigeon Logo

46. The Pigeon Logo was not used by House of Fraser on all Linea menswear garments, but only on a selection of shirts (including tee-shirts and polo-shirts), sweaters and socks. Ms Hay gave evidence that these products represented only 8% of Linea menswear sales over the relevant period.
47. There is evidence that Linea products were displayed in House of Fraser stores with the Pigeon Logo visible. Examples of this include sweaters displayed on tables and shelves folded so that the Pigeon Logo was visible.

The genesis of the dispute

48. As noted above, House of Fraser started selling garments adorned with the Pigeon Mark in November 2011. This only came to Jack Wills' attention in October 2012 when a member of Jack Wills' staff saw garments bearing the Pigeon Logo in a House of Fraser store. Jack Wills' solicitors wrote a letter before action on 24 October 2012. Proceedings were commenced on 12 November 2012. House of Fraser stopped using the Pigeon Logo in February 2013. I was given no explanation as to why, in those circumstances, the parties were unable to resolve the dispute out of court.

Other bird logos

49. It is common ground that a number of other clothing brands have used bird logos in the UK, in particular the following:
- i) Lyle & Scott - an eagle with outstretched wings;
 - ii) American Eagle - another eagle with outstretched wings;
 - iii) Emporio Armani - an eagle looking to the right;
 - iv) Hollister - a flying seagull; and
 - v) Original Penguin - a standing penguin.
50. Leaving aside the fact that none of these are a pheasant (or a pigeon), there are a number of clear differences between these logos and the Mr Wills Logo. All of the birds are depicted face-on as opposed to side-on, as with Mr Wills. All of the birds, save for Original Penguin, are in flight as opposed to standing, as Mr Wills does. Most importantly, none of the birds is adorned with human accessories like the top hat, scarf and cane of Mr Wills.
51. In addition to the logos mentioned in paragraph 48 above, counsel for House of Fraser produced a number of examples of some garments bearing logos which are somewhat

closer to those in issue. The closest is a silhouette of a bird used by Modern Amusement. Leaving aside the fact that this is not a well known brand, there is no evidence as to when it was adopted or the scale on which it has been used. In any event, it has no human accessories.

The law

The key provisions of the Directive and the Regulation

52. Article 5(1)(b) and (2) of European Parliament and Council Directive 2008/95/EC of 22 October 2008 to approximate the laws of the Member States relating to trade marks (codified version) (“the Directive”) provide as follows:

“Article 5

Rights conferred by a trade mark

1. The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

...

- (b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark.

2. Any Member State may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.”

53. These provisions are implemented in the United Kingdom by section 10(2) and (3) of the Trade Marks Act 1994. Parallel provisions are contained in Article 9(1)(b) and (c) of Council Regulation 207/2009/EC of 26 February 2009 on the Community trade mark (“the Regulation”).

Article 5(1)(b) of the Directive/Article 9(1)(b) of the Regulation

54. In order to establish infringement under Article 5(1)(b) of the Directive and Article 9(1)(b) of the Regulation, six conditions must be satisfied: (i) there must be use of a sign by a third party within the relevant territory; (ii) the use must be in the course of

trade; (iii) it must be without the consent of the proprietor of the trade mark; (iv) it must be of a sign which is similar to the trade mark; (v) it must be in relation to goods or services which are similar to those for which the trade mark is registered; and (vi) it must give rise to a likelihood of confusion on the part of the public. In the present case there is no issue as to conditions (i)-(v).

55. The manner in which the requirement of a likelihood of confusion in Article 5(1)(b) of the Directive and Article 9(1)(b) of the Regulation, and the corresponding provisions concerning relative grounds of objection to registration in both the Directive and the Regulation, should be interpreted and applied has been considered by the Court of Justice of the European Union in a considerable number of decisions, and in particular the leading cases of Case C-251/95 *SABEL BV v Puma AG* [1997] ECR I-6191, Case C-39/97 *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc* [1998] ECR I-5507, Case C-342/97 *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [1999] ECR I-3819, Case C-425/98 *Marca Mode CV v Adidas AG* [2000] ECR I-4861, Case C-3/03 *Matrazen Concord GmbH v Office for Harmonisation in the Internal Market* [2004] ECR I-3657, Case C-120/04 *Medion AG v Thomson Sales Germany & Austria GmbH* [2005] ECR I-8551 and Case C-334/05 *Office for Harmonisation in the Internal Market v Shaker de L. Laudato & C SAS* [2007] ECR I-4529.
56. The Trade Marks Registry has adopted a standard summary of the principles established by these authorities. There are a number of slightly different versions of the summary. The most accurate version, and the one which was cited with approval by Kitchin LJ in *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2012] EWCA Civ 24, [2012] FSR 19 at [52], is as follows:
- “(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, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
 - (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
 - (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;
- (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings 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; and
- (k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

57. In determining whether there is a likelihood of confusion under Article 5(1)(b) of the Directive or Article 9(1)(b) of the Regulation, the court is required to make a contextual assessment of the use of the sign: see Case C-533/06 *O2 Holdings Ltd v Hutchison 3G UK Ltd* [2008] ECR I-4231 and *Specsavers* at [87]. The assessment must be made as at the date that the use of the sign was commenced: see Case C-145/05 *Levi Strauss & Co v Casucci SpA* [2006] ECR I-3703. (There is no dispute that the same principles must apply when determining whether the use falls within Article 5(2) of the Directive and Article 9(1)(c) of the Regulation.)
58. I have previously held that both initial interest confusion (*Och-Ziff Management Europe Ltd v OCH Capital LLP* [2010] EWHC 2599 (Ch), [2011] FSR 11) and post-sale confusion (*DataCard Corp v Eagle Technologies Ltd* [2011] EWHC 244 (Pat), [2011] RPC 17) can be relied upon to support a claim under Article 5(1)(b) of the Directive or Article 9(1)(b) of the Regulation. Counsel for House of Fraser did not dispute the correctness of either of these propositions of law.
59. I discussed the concept of the “average consumer” at some length in *Interflora Inc v Marks and Spencer plc* [2013] EWHC 1291 (Ch), [2013] ETMR 35 (“*Interflora (Trial)*”) at [194]-[224]. Neither side took issue with any of what I said there. Nevertheless the arguments in this case require me to return to the matter once again.

The question which arises is this: who is the average consumer when the parties are targeting different markets? Before proceeding further, I should emphasise that I am not considering a case where the parties are selling different goods or services. On the contrary, this is a case where the parties were selling identical goods.

60. The starting point, as both counsel recognised, is to assume that the trade mark in issue has not been used. As is common ground, in those circumstances, the question whether there is a likelihood of confusion must be assessed on the basis of such inherent distinctiveness as the mark may have. Normally, the inherent distinctiveness of the mark will be the same in relation to all the goods and services for which it is registered and hence for all the average consumers of those goods and services.
61. What if the trade mark has acquired a greater degree of distinctive character through use, but use has only been made of the mark in relation to some of the goods for which it is registered? If the trade mark proprietor wishes to rely upon such acquired distinctive character as increasing the likelihood of confusion, then, as a matter of logic, the relevant average consumer for the purposes of assessing likelihood of confusion must be the average consumer to whom the mark has become more distinctive. Unless the mark has acquired distinctive character in relation to one category of goods through its use in relation to another category of goods, then the relevant average consumer must be the average consumer of the goods in relation to which the trade mark has actually been used. Thus if the mark is registered for both clothing and footwear, but it has only been used in relation to clothing and it is not shown that the mark has acquired distinctive character in relation to footwear as a result of its use in relation to clothing, the relevant average consumer is a consumer of clothing. This analysis receives support from what the Court of Justice said in Case C-252/12 *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2013] ETMR 46:
 - “36. Furthermore, according to the case-law of the Court, the more distinctive the trade mark, the greater the likelihood of confusion. Therefore, trade marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than trade marks with a less distinctive character (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 18).
 37. At the very least where there is a trade mark which is registered not in a particular colour or characteristic, but in black and white, the colour or combination of colours in which the trade mark is later used affects how the average consumer of the goods at issue perceives that trade mark, and it is, therefore, liable to increase the likelihood of confusion or association between the earlier trade mark and the sign alleged to infringe it.
 38. In those circumstances, it would not be logical to consider that the fact that a third party, for the representation of a sign which is alleged to infringe an earlier Community trade mark, uses a colour or combination of colours which has become associated, in the mind of a significant portion of the public, with that earlier trade mark by the use which has been made of it by its

proprietor in that colour or combination of colours, cannot be taken into consideration in the global assessment for the sole reason that that earlier trade mark was registered in black and white.”

62. What if the trade mark has acquired a distinctive character through use, but only amongst a significant proportion of the relevant class of persons and not the remainder of that class? As I said in *Interflora (Trial)* at [215], in those circumstances, one must consider the likelihood of confusion from the perspective of those to whom the mark is distinctive. Again, this receives support from the passage I have just cited.
63. When one moves away from the paradigm cases I have just considered, some caution is required. At this point, it is important to remember that the average consumer is, as Lewison LJ explained in *Interflora Inc v Marks and Spencer plc* [2012] EWCA Civ 1501, [2013] ETMR 11 at [44] and [73], a legal construct. As I endeavoured to explain in *Interflora (Trial)* at [209] and [224], the average consumer provides a normative benchmark with regard to the standard of perspicacity to be applied, but this does not require the court to assume that all the persons of whom the average consumer is representative perceive either the trade mark or the allegedly infringing sign in the same way.
64. So far as acquired distinctiveness is concerned, it will rarely be the case that a trade mark has precisely the same degree of distinctive character to all the persons of whom the average consumer is representative. On the contrary, there is likely to be a spectrum of persons ranging from those who are wholly ignorant of the mark to those who know it well and perceive it without the slightest doubt or hesitation as signifying the source of the goods or services in question.
65. So far as the demographic profile of consumers is concerned, the average consumer again represents a distribution of consumers. In general, and depending on the nature of the goods or services and any other relevant circumstances, the persons represented by the average consumer may vary widely in age and socio-economic class.
66. Where there is evidence that the mark is more likely to have acquired distinctive character amongst one demographic segment of the relevant class of persons than another, that is a factor which is properly to be taken into account as increasing the likelihood of confusion amongst the first segment compared to the second segment; but it will rarely be appropriate to treat the average consumer as representative solely of the first segment.
67. Equally, where there is evidence that the use of the allegedly infringing sign is more likely to have been encountered by one demographic segment of the relevant class of persons than another, that is a factor which is properly to be taken into account in assessing the likelihood of confusion; but it will rarely be appropriate to concentrate on the first segment to the exclusion of the second.
68. A separate point is that, in general and depending on the nature of the goods or services in issue and any other relevant circumstances, the court must bear in mind that the persons represented by the average consumer may purchase goods or services for their own use or for the use of others or do both at different times. It does not

follow that there are two different average consumers, those who purchase for themselves and those who purchase for others.

Article 5(2) of the Directive/Article 9(1)(c) of the Regulation

69. In Case C-292/00 *Davidoff & Cie SA v Gofkid Ltd* [2003] ECR I-389 and Case C-408/01 *Adidas-Salomon AG v Fitnessworld Trading Ltd* [2003] ECR I-12537 the CJEU held that, although the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation refer to goods or services which are not similar to those for which the mark is registered, this form of protection also extends to cases where a sign which is identical with or similar to the trade mark is used in relation to goods or services identical with or similar to those covered by the trade mark. The Court of Justice also held in *Adidas-Salomon* that it is not necessary for the trade mark proprietor to establish a likelihood of confusion in order to succeed in such a claim.
70. In order for the use of a sign to infringe under Article 9(1)(c), five requirements must be satisfied. The first is that the trade mark has a reputation in the relevant territory. This is not a particularly onerous requirement. As the Court of Justice explained in Case C-375/97 *General Motors Corp v Yplon SA* [1999] ECR I-5421:
 - “24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.
 25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”
71. Although in the case of a Community trade mark the mark must be known by a significant part of the relevant public in a substantial part of the territory of the European Union, in an appropriate case the territory of a single Member State may suffice for this purpose: see Case C-301/07 *PAGO International GmbH* [2009] ECR I-9429.
72. The second requirement is that the sign is similar to the trade mark. This is not in issue in the present case.

73. The third requirement is that the use of the sign complained of gives rise to a “link” between the sign and the trade mark in the mind of the average consumer, even if the average consumer does not confuse them. The existence of such a link must be appreciated globally: see *Adidas-Salomon v Fitnessworld* at [29]-[30]. The fact that the sign would call the trade mark to mind for the average consumer, who is reasonably well informed and reasonably observant and circumspect, is tantamount to the existence of such a link: see Case C-252/07 *Intel Corp Inc v CPM United Kingdom Ltd* [2008] ECR I-8823 at [60].
74. The fourth requirement is that the trade mark proprietor must establish the existence of one of three kinds of injury: detriment to the distinctive character of the trade mark; detriment to the repute of the mark; or the taking of unfair advantage of the distinctive character or the repute of the trade mark. Only the last of these is relied on by Jack Wills in the present case.
75. The Court of Justice described taking unfair advantage of the distinctive character or repute of a trade mark in Case C-487/07 *L’Oréal SA v Bellure NV* [2009] ECR I-5185 at [41] as follows:

“As regards the concept of ‘taking unfair advantage of the distinctive character or the repute of the trade mark’, also referred to as ‘parasitism’ or ‘free-riding’, that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation.”

76. The Court of Justice explained the correct approach to determining whether unfair advantage has been taken of the distinctive character or repute of the trade mark in that case as follows:

“44. In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark’s reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court has already held that, the stronger that mark’s distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark or is, or will be, detrimental

to them (see, to that effect, *Intel Corporation*, paragraphs 67 to 69).

45. In addition, it must be stated that any such global assessment may also take into account, where necessary, the fact that there is a likelihood of dilution or tarnishment of the mark.
46. In the present case, it is a matter of agreement that Malaika and Starion use packaging and bottles similar to the marks with a reputation registered by L'Oréal and Others in order to market perfumes which constitute 'downmarket' imitations of the luxury fragrances for which those marks are registered and used.
47. In that regard, the referring court has held that there is a link between certain packaging used by Malaika and Starion, on the one hand, and certain marks relating to packaging and bottles belonging to L'Oréal and Others, on the other. In addition, it is apparent from the order for reference that that link confers a commercial advantage on the defendants in the main proceedings. It is also apparent from the order for reference that the similarity between those marks and the products marketed by Malaika and Starion was created intentionally in order to create an association in the mind of the public between fine fragrances and their imitations, with the aim of facilitating the marketing of those imitations.
48. In the general assessment which the referring court will have to undertake in order to determine whether, in those circumstances, it can be held that unfair advantage is being taken of the distinctive character or the repute of the mark, that court will, in particular, have to take account of the fact that the use of packaging and bottles similar to those of the fragrances that are being imitated is intended to take advantage, for promotional purposes, of the distinctive character and the repute of the marks under which those fragrances are marketed.
49. In that regard, where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.
50. In the light of the above, the answer to the fifth question is that Article 5(2) of Directive 89/104 must be interpreted as

meaning that the taking of unfair advantage of the distinctive character or the repute of a mark, within the meaning of that provision, does not require that there be a likelihood of confusion or a likelihood of detriment to the distinctive character or the repute of the mark or, more generally, to its proprietor. The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of the mark where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image.”

77. This passage has been considered by the Court of Appeal on three occasions. In *Whirlpool Corp v Kenwood Ltd* [2009] EWCA Civ 753, [2010] RPC 2 Lloyd LJ, with whom Wilson and Rix LJ agreed, emphasised the importance of intention:

“112. Thus, the issue raised by Jacob L.J. at para.91 of his judgment in *L'Oréal v Bellure*, which led him to pose the fifth of the referred questions, has been answered, in essence, to the effect that an advantage obtained by the third party from the use of a similar sign, which is neither confusing nor otherwise damaging, is unfair if the advantage is obtained intentionally in order to benefit from the power of attraction, the reputation and the prestige of the mark and to exploit the marketing effort expended by the proprietor of the mark without making any such efforts of his own, and without compensation for any loss caused to the proprietor, or for the benefit gained by the third party.

....

136. ... It is not sufficient to show (even if Whirlpool could) that Kenwood has obtained an advantage. There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in *L'Oréal v Bellure*. No additional factor has been identified in this case other than intention.

137. The question of unfair advantage has to be considered in the round, using a global assessment as indicated in *Intel* in para.79 of the Court's judgment. As Advocate General Sharpston said at para.65 of her Opinion in *Intel*, unfair advantage is the more likely to be found if the mark is more distinctive and if the goods or services are more similar. ... The Court in *L'Oréal v Bellure* also referred to the importance

of the strength of the reputation of the mark, and the strength of the reminder, reiterating what had been said in *Intel. ...*”

78. The importance of intention was again emphasised by Jacob LJ, with whom Wall and Rimer LJ agreed, when *L'Oréal v Bellure* returned to the Court of Appeal after the judgment of the CJEU [2010] EWCA Civ 535, [2010] RPC 23 at [49]:

“So far as I can see this is saying if there is ‘clear exploitation on the coat-tails’ that is ipso facto not only an advantage but an unfair one at that. In short, the provision should be read as though the word ‘unfair’ was simply not there. No line between ‘permissible free riding’ and ‘impermissible free riding’ is to be drawn. All freeriding is ‘unfair.’ It is a conclusion high in moral content (the thought is clearly that copyists, even of lawful products should be condemned) rather than on economic content.”

79. In *Specsavers* Kitchin LJ, with whom Sir John Thomas PQBD and Black LJ agreed, said:

“127. The Court may reasonably be thought to have declared, in substance, that an advantage gained by a trader from the use of a sign which is similar to a mark with a reputation will be unfair where the sign has been adopted in an attempt to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, and without making efforts of his own, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image....

128. But plainly there are limits to this broad principle....”

80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.
81. The second question is whether there is a requirement for evidence of a change in the economic behaviour of consumers or a serious likelihood of such a change. As counsel for House of Fraser pointed out, the CJEU has held that proof that the use of the sign is or would be detrimental to the distinctive character of the trade mark requires evidence of a change in the economic behaviour of the average consumer of

the goods or services for which the trade mark is registered or a serious likelihood that such change will occur in the future: see *Intel* at [77], [81] and Case C-383/12 *Environmental Manufacturing LLP v Office for Harmonisation in the Internal Market* (unreported, 14 November 2013) at [34]-[43]. As counsel for House of Fraser accepted, there is no requirement for evidence of a change in the economic behaviour of consumers of the *trade mark proprietor's* goods or services in order to establish the taking of unfair advantage of the distinctive character or repute of the trade mark. He submitted, however, that it was necessary that there should be evidence of a change in the economic behaviour of the consumers of the *defendant's* goods or services.

82. Counsel for Jack Wills did not dispute that, in order for advantage to be taken of the trade mark's distinctive character or repute, it was necessary for there to be some change in the behaviour of the defendant's consumers as a result of the use of the allegedly infringing sign, or a serious likelihood of such a change. Nor did he dispute that what was required was a change in the behaviour of the consumers as consumers of the relevant goods and services, and in that sense in their economic behaviour. He submitted, however, that the trade mark proprietor could not be expected to adduce positive evidence that consumers had changed their behaviour as a result of the use of the sign.
83. In my judgment the correct way to approach this question is to proceed by analogy with the approach laid down by the Court of Justice in *Environmental Manufacturing* in the following passage:
- “42. Admittedly, Regulation No 207/2009 and the Court's case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.
43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on ‘an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case’.”
84. The fifth requirement is that the use of the sign must be “without due cause”. It is not necessary to consider this requirement in the present case, since House of Fraser does not suggest that, if it has taken unfair advantage of the Trade Marks, there is any reason not to regard that as being without due cause.

Assessment

Article 5(1)(b) of the Directive/Article 9(1)(b) of the Regulation

85. *The average consumer.* The average consumer in the present case is a consumer of men's clothing, and in particular casual clothing. The nature of the goods is such that he or she would exercise a moderate degree of attention. As has frequently been recognised in trade mark cases involving clothing, clothing is primarily purchased on the basis of visual inspection.

86. Counsel for the House of Fraser submitted that the average consumer was a 16-24 year old devotee of Jack Wills. I do not accept this. Jack Wills relies both on the inherent distinctiveness of the Trade Marks and on distinctiveness acquired through use. As explained below, I agree with Jack Wills that the Trade Marks are inherently distinctive. Accordingly, consideration cannot be limited to consumers who are familiar with the Trade Marks. Furthermore, Jack Wills' customers are not restricted to 16-24 year olds, nor to devotees. Counsel for Jack Wills suggested that there were two average consumers to consider, namely those who purchase clothes for their own use and those purchase clothes for others. For the reasons given above, I do not accept this either.
87. *Distinctiveness of the Trade Marks.* Counsel for Jack Wills submitted that the Trade Marks were inherently very distinctive. Counsel for House of Fraser did not suggest that the Trade Marks were devoid of distinctive character. His primary submission was that the Trade Marks and the Pigeon Logo were distinctively different from each other. I shall consider that question below. In the alternative, he submitted that, if the differences between the Trade Marks and the Pigeon Logo did not suffice to enable the average consumer to distinguish between them, then it followed that the Trade Marks were insufficiently different from other bird logos to possess distinctive character. I do not accept this argument. Leaving aside the fact that it ignores the difference between the dates at which the validity of the Trade Marks and the issue of infringement fall to be assessed, the Pigeon Logo is closer to the Trade Marks than the Trade Marks are to any other bird logo of which there is evidence of use in the UK. Taking account of the other bird logos of which there is evidence of use, I consider that the Trade Marks have a substantial degree of inherent distinctive character. An important factor in the distinctive character of the Trade Marks is their anthropomorphic aspect, and in particular the fact that the bird is equipped with accessories associated with an English gentleman.
88. Counsel for Jack Wills submitted that the Trade Marks had acquired additional distinctive character through use by November 2011. In support of this, he relied on the evidence as to the nature and scale of use of the Mr Wills Logo in all its forms, and contended that the differences between the first two versions and the third did not alter the distinctive character of the Trade Marks. He also relied on the general evidence that Jack Wills has become a well known brand. He accepted, however, that there was little direct evidence that the Mr Wills Logo specifically had become well known. The most he could point to was a couple of newspaper articles.
89. Counsel for House of Fraser submitted that it had not been shown that the Trade Marks had acquired additional distinctive character through use. He pointed out that Jack Wills used a number of other elements of branding, and submitted that the most distinctive and best known elements were the name Jack Wills and the pink and blue livery. He also pointed out that the Mr Wills Logo was not used on all of Jack Wills' clothing and that it was not always used in the form of the Trade Marks, although he accepted that the second version did not differ from the Trade Marks in a manner which altered their distinctive character. He also pointed out that Jack Wills did not advertise. Most importantly, he pointed to the absence of any market research, survey evidence or trade evidence.
90. I acknowledge the force of the points made by counsel for House of Fraser. Nevertheless, I consider that the sheer scale of Jack Wills' use of the Mr Wills Logo,

combined with the nature of that use (in particular, embroidered on the left breast of shirts, sweaters and similar garments), supports the inference that the Trade Marks had acquired additional distinctive character in the UK by November 2011. In my judgment many purchasers and wearers of Jack Wills clothing would recognise the Trade Marks as signifying the origin of the clothes.

91. *Comparison between the Trade Marks and the Pigeon Logo.* Given the nature of the Trade Marks and the Pigeon Logo, it is common ground that the relevant comparisons are visual and conceptual. So far as the visual comparison is concerned, counsel for Jack Wills emphasised the similarities and counsel for House of Fraser emphasised the differences between the respective logos. Furthermore, counsel for Jack Wills concentrated on the embroidered forms of the logos while counsel for House of Fraser concentrated on the printed forms.
92. Counsel for House of Fraser made the point that, as can be seen from the Annex to this judgment, both logos are quite small when embroidered on garments. It follows that they are hard to see from a distance. One needs to be reasonably close to see them properly. I accept this point, but in my judgment it is of little relevance. Potential purchasers, purchasers and wearers of the garments will see the logos from a reasonably close distance. So too will friends, relatives and acquaintances of the wearers.
93. If the respective logos are compared side by side, particularly in printed form, it can be seen that there are both similarities and differences. The key differences are as follows: one is a pheasant, while the other is a pigeon; one has a cane, while the other has a bow tie; and one faces left, while the other faces right. As counsel for Jack Wills rightly emphasised, however, the side-by-side comparison is not what matters. What matters is what the average consumer would remember of the Trade Marks when confronted with the Pigeon Logo, particularly in embroidered form.
94. This takes me to the conceptual comparison. The concept of the Trade Marks is a silhouette of a pheasant with top hat and cane. The concept of the Pigeon Logo is a silhouette of a pigeon with top hat and bow tie. In both cases the concept is not merely a silhouette of an anthropomorphised bird, but more specifically a silhouette of a bird with accoutrements suggestive of an English gentleman, in particular a top hat. While there is a conceptual difference between a pheasant and a pigeon, I consider that this is far less significant than the conceptual similarity.
95. Accordingly, I conclude that there is a reasonable degree of visual similarity and a high degree of conceptual similarity.
96. *Comparison between the respective goods.* There is no dispute that the goods in relation to which the Pigeon Logo was used are identical to goods in respect of which the Trade Marks are registered. Not only that, but in addition the specific types of garments on which the Pigeon Logo was used (shirts, sweaters, socks and so on) correspond closely to types of garments on which the Trade Marks have been used.
97. *Context of use.* Counsel for House of Fraser relied on the context of House of Fraser's use of the Pigeon Logo as tending to negate any likelihood of confusion. In this regard, he relied particularly on the facts that consumers are accustomed to distinguishing between different bird logos on clothing; that Linea is an established

House of Fraser brand; that Linea menswear is sold in a distinct zone; that all of the goods in question bore Linea labels and/or swing tickets; that House of Fraser does not sell Jack Wills clothing; and the age profile of the Linea customers compared to the age profile of the Jack Wills core target market.

98. I accept that these are all relevant factors to take into account, but neither individually nor cumulatively are they determinative. Although I accept that consumers will have become accustomed to distinguishing between different bird logos on clothing, they are not accustomed to distinguishing between logos consisting of silhouettes of anthropomorphic birds wearing top hats and other accessories of an English gentleman. While Linea is an established brand, it is not one that would be well known to occasional menswear customers. While Linea menswear is generally sold in a distinct zone, this is not always the case. The fact that the goods bore Linea labels would not necessarily have prevented confusion. It is likely that some customers will have seen folded shirts or sweaters with the Pigeon Logo visible and have picked them up, only to notice the Linea label or swing ticket later. Thus there is the potential for initial interest confusion. People who saw a friend, relative or acquaintance wearing a shirt or sweater with the Pigeon Logo would not see a Linea label or swing ticket. Thus there is the potential for post-sale confusion. The fact that House of Fraser does not in fact sell Jack Wills clothing would not prevent consumers from believing that Jack Wills had opened a concession in House of Fraser (as it has in Selfridges), still less would it prevent confusion occurring in more subtle ways. As for the comparative age profile of the customers, there is a clear overlap between the respective distributions. Furthermore, as counsel for Jack Wills submitted, one has to take into account the fact that many consumers purchase clothes for another person to wear. It is clear that many Linea menswear customers do this, since Ms Hay gave evidence that about 40% of them are female.
99. *No evidence of actual confusion.* Counsel for House of Fraser relied strongly on the absence of any evidence of actual confusion. As I have said in a number of judgments, absence of evidence of actual confusion is not necessarily fatal to a claim under Article 5(1)(b). The longer the use complained of has gone on in parallel with use of the trade mark without such evidence emerging, however, the more significant it is. Other relevant factors are the scale of the use complained of and the likelihood of actual confusion being detected.
100. In the present case, House of Fraser sold garments bearing the Pigeon Logo for about 15 months. The scale of the use was not negligible, but nor was it extensive. I was supplied with the total quantity of garments sold by value, a figure which House of Fraser regards as confidential. I was not given the total quantity of garments sold by volume. I estimate that it was somewhere between about 15,000 and about 20,000 garments. If it was 15,000, that would represent about 1,000 garments a month from all of House of Fraser's stores and online sales.
101. What is the likelihood of confusion being detected? Confusion would only be likely to be detected if customers complained. It is more likely that confused customers would complain to House of Fraser than to Jack Wills. The House of Fraser garments were being sold at similar prices to equivalent Jack Wills ones. There is no suggestion that the House of Fraser garments were of inferior quality or style. Someone who purchased a House of Fraser garment for themselves thinking it was a Jack Wills garment, but later discovered that it was not, might well do nothing because they liked

the garment. If the garment was purchased for another person to wear, the consequences would depend on whether the recipient had requested a Jack Wills garment; whether, if so and the recipient realised that it was not a Jack Wills garment, the recipient chose to complain to the purchaser; and, if so, what the purchaser then did e.g. whether the purchaser simply returned the garment to House of Fraser without explaining why. In these circumstances, it is conceivable that some confusion might have gone undetected for some time.

102. Furthermore, it does not appear from the evidence that either Jack Wills or House of Fraser has made any serious attempt to find evidence of confusion. Indeed, Ms Hay gave no evidence that House of Fraser had made any attempt to investigate whether there had been confusion at all. In the absence of such an investigation, it is conceivable that customers could have reported confusion to shop-floor staff without that fact becoming known to House of Fraser's management.
103. *Conclusion.* Taking all of the factors considered above into account, I have come to the conclusion that there is a likelihood of confusion on the part of the average consumer. The degree of attention paid by the average consumer, the identity of the goods, the distinctive character of the Trade Marks and the similarity between the Pigeon Logo and the Trade Marks, and in particular the conceptual similarity, all point towards that conclusion. So does the fact that Jack Wills uses three different versions of the Mr Wills Logo. The context of the use of the Pigeon Logo and the absence of evidence of actual confusion both point away from a likelihood of confusion, but I do not regard these factors as sufficiently strong to displace the other factors. As counsel for Jack Wills pointed out, the human eye has a tendency to see what it expects to see. Furthermore, details such as which direction the pheasant in the Mr Wills Logo faces are easily misremembered (particularly when looking in a mirror). I consider that imperfect recollection of the Trade Marks is likely to cause a significant proportion of consumers to believe that the Pigeon Logo is the same as the Mr Wills Logo, or another variant of it, and hence to believe that garments bearing the Pigeon Logo emanate from the same source, or an economically-linked one, as those bearing the Trade Marks.

Article 5(2) of the Directive/Article 9(1)(c) of the Regulation

104. For the purposes of considering Jack Wills' claim under Article 5(2)/Article 9(1)(c), I shall assume (contrary to the conclusion I have just reached) that the use of the Pigeon Logo did not give rise to a likelihood of confusion. In considering this claim, it is important to take into account the procedural context. In its Particulars of Claim, Jack Wills pleaded its claim under Article 5(2)/Article 9(1)(c) in general terms. It did not particularise the allegation of taking unfair advantage. On 31 October 2013 Jack Wills applied to amend the Particulars of Claim to plead a specific allegation that "through the Defendant's development, selection and choice of the Defendant's logo complained of, the Defendant intended to 'piggy-back' and/or free ride on the Claimant's reputation in the Pheasant Mark". On 6 November 2013 Master Bragge refused Jack Wills permission to make that amendment. There was no appeal from that order.
105. In those circumstances, counsel for House of Fraser submitted that it was not open to Jack Wills to contend that House of Fraser had intended to free-ride on the reputation of the Trade Marks. He nevertheless did not object to counsel for Jack Wills cross-

examining Ms Hay on the development of the Pigeon Logo, and accordingly I have made the factual findings set out above. Counsel for Jack Wills did not directly contest the point that it was not open to Jack Wills to contend that House of Fraser had intended to free ride on the Claimant's reputation, but nevertheless advanced precisely that contention.

106. In my judgment counsel for House of Fraser is correct that it is not open to Jack Wills to advance precisely the case which it was refused permission to plead, not having appealed that order. As counsel for House of Fraser rightly accepted, however, it remains open to Jack Wills to seek to establish its claim upon some other basis.
107. *Did the Trade Marks have a reputation in November 2011?* In my judgment the Trade Marks did have a reputation for the reasons given in paragraphs 88-90 above.
108. *Was there a link?* In my judgment the use of the Pigeon Mark would call the Trade Marks to the mind of the average consumer. Even assuming that the consumer appreciates that the two logos are different, there is an obvious resemblance between them, in particular the conceptual similarity identified above.
109. *Did use of the Pigeon Logo take unfair advantage of the reputation of the Trade Marks?* Although it is not open to Jack Wills to contend that House of Fraser adopted and used the Pigeon Mark with the intention of free-riding on the reputation of the Trade Marks, it does not follow that House of Fraser's intentions in adopting and using the Pigeon Logo are irrelevant. I have already found that House of Fraser intended the Pigeon Logo to have brand significance, and that that is how consumers will have perceived it. Furthermore, it is clear that House of Fraser's intention in using the Pigeon Logo was to make the garments more attractive to consumers. I consider that it was a classic case of a retailer seeking to enhance the attraction of its own brand goods by adopting an aspect of the get-up of prestigious branded goods, in this case an embroidered logo of the kind used by Fred Perry, Lacoste, Polo Ralph Lauren and others. Thus House of Fraser was seeking to influence the economic behaviour of consumers of Linea menswear. I see no reason to think it will not have succeeded in that endeavour.
110. Furthermore, I consider that it is a legitimate inference from the nature of the particular market, the nature of the logos and the circumstances of the case, that, due to its resemblance to the Trade Marks, the effect of House of Fraser's use of the Pigeon Logo will have been to cause a subtle but insidious transfer of image from the Trade Marks to the Pigeon Logo (and hence from Jack Wills' goods to House of Fraser's goods) in the minds of some consumers, whether that was House of Fraser's intention or not. This will have assisted House of Fraser to increase the attraction of its goods in circumstances where House of Fraser did not undertake any advertising or promotion of those goods. Furthermore, House of Fraser had no justification for such conduct. Thus I conclude that House of Fraser did take unfair advantage of the reputation of the Trade Marks.

Conclusion

111. For the reasons given above, I conclude that House of Fraser has infringed the Trade Marks.

Annex





