

O-468-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 3045601
BY TANVIR NAWAWI AHMED TO REGISTER THE TRADE MARK**

TOAST IT NOTE

IN CLASS 16

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 402446
BY 3M COMPANY**

Background and pleadings



1) On 6 March 2014, Tanvir Nawawi Ahmed (“the applicant”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the mark TOAST IT NOTE in respect of the following list of goods:


Class 16: *Adhesive labels; Adhesive note pads; Adhesive note paper; Adhesive pads [stationery]; Adhesive paper; Block notepads; Bulk paper; Coloring books; Drawing pads; Erasers; Memo blocks; Memo pads; Notebooks; Notepads; Pads [stationery]; Pads (Writing -); Rubber erasers; Rulers; Sketch books; Sketch pads; Sketchbooks.*

2) The application was subsequently published in the Trade Marks Journal and on 4 July 2014, 3M Company (“the opponent”) filed notice of opposition to the application. The grounds of opposition are in summary:

- a) the application offends under Section 5(2)(b) of the Act because it is similar to six earlier marks in the name of the opponent and in respect of identical or similar goods and that because of these similarities, a likelihood of confusion exists. In addition, it claims that the application offends under Section 5(3) of the Act because the earlier marks relied upon all enjoy a reputation in the UK and because the applicant would benefit from the attractive force of the earlier marks in view of the similarity between the respective marks and goods and this is likely to stimulate the applicant’s sales. It would, therefore, take unfair advantage and result in detriment to the distinctive character of the earlier marks. The relevant details of the earlier marks relied upon are:

Relevant details	Goods relied upon
<p>1123039</p> <p>POST-IT</p> <p>Filing date: 26 October 1979</p> <p>Date of entry in register: 26 October 1979</p>	<p>Class 16: <i>Adhesive coated material in sheet or tape form for use as stationery.</i></p>
<p>1478175</p> <p>POST-IT</p> <p>Filing date: 30 September 1991</p> <p>Date of entry in register: 8 July 1994</p>	<p>Class 16: <i>.... Adhesive tapes for use as stationery; dispensers for adhesive tapes for use as stationery; sheet material having an adhesive strip or coating for use as stationery; pads of the aforesaid sheet material; dispensers for the aforesaid sheet material or pads; noticeboards having an adhesive surface; all included in Class 16.</i></p>

<p>2022193</p>  <p>Filing date: 30 May 1995</p> <p>Date of entry in register: 10 January 1997</p>	<p>Class 16: ..., adhesive tape, tape, ..., label and adhesive stickers, ..., instructional and teaching materials, adhesive notepads, bulletin boards, correction and cover-up tape, ..., tape dispensers ... stationery pads, writing pads, paper sheets, ..., paper notelets, ..., signboards and placards of paper or cardboard, ..., note dispensers, memo boards and meeting charts.</p>
<p>CTM* 1944891</p>  <p>Filing date: 8 November 2000</p> <p>Date of entry in register: 21 November 2001</p>	<p>Class 16: Stationery notes and note pads containing adhesive on one side of the sheets for attachment to surfaces; adhesive tape for stationery or office use; cover-up tape for paper; tape flags; ...; adhesive-backed easel paper and easel pads; bulletin boards; ... paper and cardboard sheet material having adhesive coatings on both sides for attachment to walls or other vertical surfaces to hold displays or other messages in place.</p>
<p>CTM 5916804</p> <p>POST-IT</p> <p>Filing date 18 May 2007</p> <p>Date of entry in register 21 February 2008</p>	<p>Class 9: ...</p> <p>Class 16: Stationery; adhesive coated material in sheet or tape form for use as stationery; stationery notes, note pads and notelets containing adhesive on one side of the sheets for attachment to surfaces; strips and shapes containing adhesive on one side of the sheet for attachment to surfaces; ...; label and adhesive stickers; adhesive tape for stationery or office use; tape flags; correction tape; cover-up tape; labeling tape; stationery notes, notepads and notelets; dispensers and holders for any of the aforesaid goods; ...; easel paper, easel pads, ..., page markers, ...; bulletin boards; memo boards; ...; display boards; message boards; paper and cardboard sheet material having adhesive coatings on both sides for</p>

	<p><i>attachment to walls or other vertical surfaces to hold displays or other messages in place; ...; writing pads; paper sheets; easel paper; easel pads; ...; page markers; ...; dry erase writing boards and writing surfaces;</i></p>
<p>CTM 7226392</p>  <p>Filing date: 1 September 2008</p> <p>Date of entry in register: 2 April 2009</p>	<p>Class 9: ...</p> <p>Class 16: ...; stationery; adhesive for stationery or household purposes; stationery notes and note pads containing adhesive on one side of the sheets for attachment to surfaces, adhesive tape for stationery or office use; labelling tape; cover-up tape for paper, correcting tape for type; tape flags; printed note forms; printed notes featuring messages, pictures or ornamental designs, easels; adhesive-backed easel paper and easel pads; business forms, index cards, index tabs, sketch pads, art pads, easel pads, banners of paper, page markers, bookmarks and recipe cards, in each case containing adhesive on one side of the sheets for attachment to surfaces; bulletin boards, display and message boards, strips and shapes, in each case containing adhesive on one side of the sheet for attachment to surfaces; paper and cardboard sheet material having adhesive coatings on both sides for attachment to walls or other vertical surfaces to hold displays or other messages in place; ...</p>

*Community Trade Mark

b) the application offends under Section 5(4)(a) of the Act because the opponent is the owner of extensive and valuable goodwill arising from the continuous use of the mark POST IT for stationery since 1981 in the UK. It claims that unauthorised use of the mark TOAST IT NOTE would amount to misrepresentation and is likely to deceive the consumer that there is a connection between the goods of the opponent and the goods of the applicant with consequential damage to the opponent.

3) The applicant subsequently filed a counterstatement denying the opponent's claims. Whilst a number of the opponent's earlier marks are potentially subject to the proof of use provisions (Section 6A of the Act), the applicant has not chosen to put it

to proof of use, The consequence of this is that the opponent may rely upon the full range of goods itemised in the table above.

4) Only the opponent filed evidence and written submissions. I will not summarise the submissions, but I will refer to them as appropriate in my decision. Both sides ask for an award of costs. A hearing was held before me on 16 July 2015 where the opponent was represented by Mr Simon Malynicz, of Counsel, instructed by Simmons & Simmons LLP and the applicant represented himself.

Opponent's Evidence

5) This takes the form of a witness statement by Cheryl Marsh, General Sales and Marketing Manager with 3M United Kingdom Plc, a subsidiary of the opponent. Ms Marsh states that the POST-IT range of products is sold both through stores and online. Stores are located throughout the UK and include *Asda, Office Depot, Ryman, Sainsbury's, Staples, Waitrose* and *W H Smith*. She states that goods can also be purchased online from the web site *3mdirect.co.uk* and other online retailers such as *Amazon UK, Lyreco, Spicers* and *Viking Direct*. Ms Marsh states that sales in the rest of the EU are through similar types of retail outlets and online.

6) Extracts from printed and online catalogues of distributors for the opponent are provided at Exhibit CM03. This shows use of the word and device mark represented by earlier marks CTM1944891 and CTM7226392 ("the word and device mark") and also the word mark "Post-it" appearing in catalogues that Ms Marsh states are for the UK. These are from the retailers *www.viking-direct.co.uk*, *www.staplesadvantage.co.uk*. These are used in respect of note pads, refillable dispensers for the same, meeting note pads (larger than ordinary pads),

7) There is also a catalogue from *www.lanstane.co.uk* that has pages entitled "Post-it® Notes" showing various adhesive pads and holders and dispensers. Pages from the catalogue from *www.lyreco.com* also show various adhesive note pads bearing both the device and word mark and the word mark under the banner "POST-IT® COLOUR NOTES". The web site *www.officestream.co.uk* also promotes the same goods under the banner "POST-IT® NOTES & SUPER STICKY POST-IT® NOTES"

8) All of the above are in English and, in the main, are from .co.uk websites, but there are also exhibits from elsewhere around Europe that, in light of the applicant's concession regarding genuine use, I do not need to detail.

9) Exhibit CM04 consists of extracts from the website *www.3m.co.uk*. They were printed on 2 January 2015, but Ms Marsh states that all the products features were available for sale on the website at the time the contested application was made. A banner down the left side of the first page lists the available "Post-it® Products" by reference to the categories: Notes; Full Adhesive Notes; Dispensers; Meeting charts, and; Memo boards. The products are identified by reference to either the word and device mark, the word mark or both.

10) Ms Marsh provides annual sales and marketing expenditure figures relating to sales of goods under the "Post-it®" mark in various EU territories. The approximation of these figures in respect of the UK and Ireland are shown below:

Year	Sales	Marketing spend
2009	\$18.5 million	
2010	\$16.9 million	\$0.87 million
2011	\$16.1 million	\$1.00 million
2012	\$14.8 million	\$1.00 million
2013	\$14.7 million	\$0.55 million
Total	\$81 million	\$3.4 million

11) Ms Marsh states that about 95% of the sales figures for the UK and Ireland related to the UK only and that there was no marketing activity in respect of the POST-IT marks in Ireland. Marketing activities include advertising in trade and consumer press, point-of-sale materials, branded listings in trade distributors' catalogues and promotional tie-in campaigns.

12) Examples of promotional literature are provided at Exhibit CM05. All show both the word and device mark and the word mark. The literature includes a selection in the English language, but there is no other indication that they were targeted at the UK market, as well as catalogues in other EU languages.

13) Ms Marsh states that the opponent operates the website www.post-it.com dedicated to the promotion of its POST-IT range of goods with URL links to country specific sections of the website. These are also accessible through its website www.3m.com. Three pages from the UK section are provided at Exhibit CM06, two of which carry a 2015 copyright notice. The third is undated, but all three were printed on 5 February 2015. Under the heading "Post-it® Products", the following headings are listed: Notes, full adhesive notes, dispensers, meeting charts and memo boards.

14) Promotional activities include:

- press releases (examples provided at Exhibit CM07). English language articles are provided dated 2009 and 2010, the latter celebrating 30 years of the POST-IT brand;
- placement of advertisements in the trade and consumer press, a selection of which are provided at Exhibit CM08. These include various articles from around Europe. Articles from the UK national press include from *The Guardian* (3 April 2000 and 25 April 2010), *The Telegraph* (dated 22 July 2010), *MailOnline* (26 December 2010) and www.mirror.co.uk (28 December 2010) and all refer to the Post-It brand. *The Telegraph* article describes the "ubiquitous Post-it note";
- tie-ins with other consumer brands, such as the release of movies, TV series and other businesses. Examples of this are provided at Exhibit CM09 dated between March 2005 and May 2007.

15) Market research conducted by a market research company called Novatris in 2005, is cited by Ms Marsh. The public awareness of the POST-IT brand in the UK was recorded as being between 60% and 72% for different categories such as students, housewives and office workers. These figures relate to "spontaneous

awareness". Aided (or prompted) awareness figures rose to over 90%. Ms Marsh provides the report at Exhibit CM11.

Decision

16) I find it convenient to consider the grounds based upon Section 5(3) first. This part of the Act states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

17) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a

change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark 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. This 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 (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

Reputation

18) The opponent claims that its various POST-IT marks are household names, the brand being introduced into the UK in 1981 and has subsequently achieved impressive sales turnover in the UK as a result of strong marketing activities. No use is shown of the device and word mark shown in earlier mark 2022193. Mr Malynicz contended that the comments of Birss J in *Thomas Pink Limited v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) that, in respect of considering genuine use under Section 46 of the Act, use of a similar mark is sufficient, also applies when considering evidence of a reputation under Section 5(3) of the Act. The legal tests of demonstrating use for the purposes of Section 46 and for demonstrating reputation in the contest of Section 5(3) are different as are the underlying aims. Consequently, I conclude that it is not the correct approach to adopt the criteria set out in *Thomas Pink*.

19) However, the evidence does demonstrate that the opponent's POST-IT word marks and word and device mark have been widely used in respect of adhesive paper stationary such as note pads as well as accessories for the same, such as dispensers as well as notice boards/memo boards.

20) Mr Malynicz repeated the claim that the POST-IT mark is a household name, that the brand was introduced into the UK in 1981, it achieves impressive sales figures and has been marketed extensively in the UK. The evidence demonstrates a

level of sales over a sustained period that would appear to support such a characterisation and I note that one press article described the mark as being “ubiquitous”.

21) Finally, as Mr Malyznicz pointed out, the evidence also includes market research showing a high level of awareness of the opponent’s marks and supports my conclusions that I have reached from an analysis of the rest of the evidence.

22) In light of this evidence, I conclude that the opponent enjoys a significant reputation in the UK in respect of numerous goods. For procedural economy I identify goods where this reputation exists only for one of the earlier marks relied upon, namely CTM 5916804. I find that the reputation relates, at least, to the following of the goods listed in the Class 16 specification of this earlier mark:

adhesive coated material in sheet or tape form for use as stationery; stationery notes, note pads and notelets containing adhesive on one side of the sheets for attachment to surfaces; strips and shapes containing adhesive on one side of the sheet for attachment to surfaces; ...; label and adhesive stickers; ...; memo boards;

The Link

23) Having established the existence and scope of a reputation, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *Intel* that it is sufficient for the later trade mark to bring the earlier trade mark with a reputation to mind for the link, within the meaning of *Adidas-Salomon and Adidas Benelux*, to be established. The CJEU also set out the factors to take into account when considering if the necessary link exists:

“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *adidas and adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.”

24) In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

25) In Case C-254/09P, the CJEU rejected an appeal against a judgement of the General Court rejecting an opposition against a Community trade mark application under article 8(5) of the Community Trade Mark Regulation, which is analogous to s.5(3) of the Act. The court held that:

“68. It should be noted that, in order for Article 8(5) of Regulation No 40/94 to be applicable, the marks at issue must be identical or similar. Consequently, that provision is manifestly inapplicable where, as in the present case, the General Court ruled out any similarity between the marks at issue.”

26) Therefore, the necessary link may exist where there is some similarity but as the CJEU stated in Case C-408/01, *Adidas-Salomon*, there is no requirement that confusion exists. Consequently, the hurdle of demonstrating that a link exists is somewhat lower than that of demonstrating confusion (under Section 5(2)).

27) In considering whether the necessary link exists, I am mindful that the following goods listed in the applicant's mark are identical or highly similar to the goods where the opponent has demonstrated that it has a reputation (listed in paragraph 22, above):

Adhesive labels; Adhesive note pads; Adhesive note paper; Adhesive pads [stationery]; Adhesive paper; Block notepads;...; Memo blocks; Memo pads... Drawing pads; ... Notepads; Pads [stationery]; Pads (Writing -).

28) These goods are all identical to the opponent's *label and adhesive stickers and adhesive coated material in sheet or tape form for use as stationery; stationery notes, note pads and notelets containing adhesive on one side of the sheets for attachment to surfaces*. Whilst the applicant's, *Memo blocks* and various pads are not limited to being adhesive, the terms include such goods that are adhesive and, therefore, include identical goods.

29) The following goods are not obviously identical, but are still all types of paper stationery goods and, whilst their nature suggests they are not adhesive, they are none the less highly similar having the same intended purpose (to be written or

drawn upon), the same methods of use and the same trade channels. Further, they are likely to be in direct competition with the adhesive equivalents in which the opponent enjoys a reputation:

Bulk paper; Coloring books; ...; Notebooks;... Sketch books; Sketch pads; Sketchbooks

30) The remaining goods of the application, namely, *Erasers Rubber erasers; Rulers* whilst not being paper products, are still items of stationery and consequently, the share some similarity because they are still likely to have the same trade channels and appear on the same or adjacent shelves at retail outlets.

31) The opponent's evidence obtained from its own website and promotional material illustrates that adhesive note pads are also referred to as "notes". This being the case, and as Mr Malynicz submitted, the word NOTES in the applicant's mark will be perceived as a reference to the goods. The mark, as a whole, will be perceived by the consumer (and especially the consumer of the opponent's goods) as a possibly humorous reference to the opponent's Mark and goods, namely "POST-IT notes".

32) Mr Ahmed offers a number of defences. Firstly, he contends that the parties' respective goods are not targeted at the same demographic and that they have different price points. Both these points are based on the applicant's current marketing strategy and such a strategy is not reflected in the wording of his specification of goods (something that cannot be acceptably done) and, further, I must keep in mind that marketing strategies can change over time and the applicant may change his marketing strategy to target the same demographic as the opponent, or he may sell his mark and the new owner may change the marketing strategy. Therefore, I dismiss these submissions.

33) Mr Ahmed also relies upon the argument that the marks are not similar on the grounds that the words POST and TOAST are not similar and because the size and font are different. I must consider the respective marks in their entirety and it is not permissible for me merely to take one component of one mark and compare it with one component of the other mark.

34) The dominant component of the opponent's marks is the words POST-IT, being the only components of its word marks and, by virtue of their position and size within the mark, also the dominant and distinctive component in its word and device mark. When comparing the marks in the entireties, they do share similarities in terms of visual structure and also aurally. Conceptually, as Mr Malynicz submitted at the hearing, the use of the imperative "it" together with the description of the goods will result in the consumer making a connection to the opponent's mark despite there being conceptual dissimilarity between POST-IT and TOAST-IT. I agree. Further, the size and font has little impact upon this. Three of the opponent's marks are registered in plain text and consequently they are entitled to use it in any common font and in any size. In respect of the opponent's word and device mark, the words POST-IT are the aural component by which the mark will be referred to.

35) Finally, Mr Ahmed also relies upon the argument that the purchasing process for the goods involves selection by catalogue number. No evidence has been provided

that this is so, but even if it was, it would be somewhat unusual for groups of goods not to be identified in some way by reference also to a distinguishing sign. For example, a list of different sized and coloured sticky notes, all with different catalogue numbers would be likely to be grouped together under a distinguishing sign. I dismiss this argument also.

36) Taking all of the above into account, I conclude that the requisite link exists between both the opponent's word marks and the applicant's mark and also between the opponent's word and device mark.

Unfair advantage

37) Mr Malynicz relied upon a number of effects and, in particular, unfair advantage and submitted that "the applicant's mark only worked because of its reference to POST-IT". Mr Malynicz also pointed out that the applicant has not provided any explanation as to why his mark "gives a nod" to the opponent's mark. He also submitted that the consumer will perceive a parody of the opponent's mark and that the parody only works because of the same construction of the marks and because the goods are in competition. Mr Malynicz further submitted that this amounts to parasitic behaviour and the applicant's mark will benefit unfairly from the renown of the opponent's mark without having to pay any compensation. I agree. This behaviour is a paradigm case of free-riding where the applicant's mark will be more memorable because of its parody of a mark of high repute. Where the applicant's mark is used in respect of identical goods to where the opponent's repute exists, the advantage becomes clear, it may benefit from increased sales because of its association with the opponent's mark.

38) There is some debate as to whether the judgment of the CJEU in *L'Oreal v Bellure* means that an advantage gained by the user of a junior mark is only unfair if there is an intention to take advantage of the senior mark, or some other factor is present which makes the advantage unfair. The English Court of Appeal has considered this matter three times. Firstly, in *L'Oreal v Bellure* [2010] RPC 23 when that case returned to the national court for determination. Secondly, in *Whirlpool v Kenwood* [2010] RPC 2: see paragraph 136. Thirdly, in *Specsavers v Asda Stores Limited*¹ [2012] EWCA Civ 24: see paragraph 127. On each occasion the court appears to have interpreted *L'Oreal v Bellure* as meaning that unfair advantage requires something more than an advantage gained without due cause. However, the absence of due cause appears to be closely linked to the existence of unfair advantage. See paragraph 36 of the opinion of Advocate General Kokott in Case C-65/12 *Leidseplein Beheer and Vries v Red Bull*.

39) In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

"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.”

40) In the current case, there is no evidence of what the intentions of the applicant were when applying to register his mark, but he has failed to provide any reasons of due cause. Further, when considering that most of the applicant's goods are identical, or highly similar to those in which the opponent has a reputation and that his mark mimics the unusual structure of the opponent's mark. I agree with Mr Malynicz that this “narrative” shows unfairness and that there are parallels with the decision of Vos J in *Ate My Heart Inc v Mind Candy Ltd and Moshi Music Ltd*, [2011] EWHC 2741 (Ch) where it was decided that use of the mark “Lady Goo Goo” infringed the earlier mark “Lady Gaga” when it was used in the area of pop music. Use of a phrase/term merely for the purposes of parody is less likely to lead to a finding of unfair advantage, but where that phrase/term is used as a trade mark and therefore having the purpose of furthering the commercial interests of the applicant, the advantage is clear and without due cause or recompense to the opponent, such use is unfair.

41) As Ms Malynicz submitted, the joke only works because of the link to the opponent's mark and because the goods are in competition. This is a clear case of parasitic use based upon the fame of the opponent's marks in respect to adhesive pad products. I find that use of the applicant's mark, insofar as it covers identical or highly similar goods to those in which the opponent has a reputation, would amount to the taking of unfair advantage. Therefore, the application is excluded from registration because its use would amount to the taking of an unfair advantage of the opponent's marks insofar as the application is in respect of the following goods:

Adhesive labels; Adhesive note pads; Adhesive note paper; Adhesive pads [stationery]; Adhesive paper; Block notepads; Bulk paper; Coloring books; Drawing pads;...; Memo blocks; Memo pads; Notebooks; Notepads; Pads [stationery]; Pads (Writing -);; Sketch books; Sketch pads; Sketchbooks.

42) I find there is no unfair advantage insofar as the application includes *Erasers, Rubber erasers* and *Rulers*. Such goods, whilst still be items of stationery, are not in competition with the goods in which the opponent has a reputation and the parody aspect of the applicant's mark becomes less clear in respect of these goods, therefore weakening the link between the respective marks.

Detriment to distinctive character

43) In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated that:

“34. According to the Court’s case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment).

....

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’.

44) In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) pointed out that the alleged detriment to the distinctive character of the earlier mark must be connected to the mark’s reputation. The judge stated that:

“122. The requirement that the registered trade mark has a reputation therefore underpins and is intimately tied to the possibility that the mark may be injured. Put another way, if and in so far as the registered mark is not known to the public then, in a case in which there is no likelihood of confusion, it is very hard to see how it can be injured in a relevant way. This presents no conceptual difficulty in a case in which it is alleged that the use of the later mark will take unfair advantage of or tarnish the reputation attaching to the registered mark. Self evidently both of these kinds of injury can only be inflicted upon the registered mark to the extent that it has a reputation. But in my judgment just the same must apply to the third kind of injury, that is to say, damage to distinctive character by, for example, dilution or blurring. Just as in the case of the other kinds of injury, there must be some connection between the reputation and the damage.”

45) Finally, in *CITIGATE GROUP*, BL O/066/13, the hearing officer, Allan James commented:

159. Use of a mark that causes consumers to wonder whether the provider of the services in question might be economically connected to an undertaking that is well known to provide financial services under a similar mark appears to me to present a likelihood of dilution. This is not the same as a likelihood of confusion because being caused to wonder whether there might be an economic connection does not mean that consumers will positively believe that there is such a connection. Whether or not consumers later realise that

there is no connection between the users of the marks, the initial doubt means that the senior mark's continued ability to create an immediate association with services from a specific commercial origin is likely to be loosened and weakened. Over a period of time such uses are likely to erode the distinctive character of the senior mark. That is likely to affect the functions of the senior mark, including the origin and advertising functions, which enable it to attract and retain customers. This is seriously likely to result in an eventual change in the economic behaviour of the opponents' customers and potential customers, i.e. with less distinctive brands the opponents' financial services will stand out less from the crowd and consumers will therefore be less likely to select those financial services compared to those of the opponents' competitors.

46) Mr Malynicz submitted that because the opponent's POST-IT sticky notes are "the run-away market leader" with no other similar marks being used in competition, that introduction of the applicant's mark onto the market will have the effect of diluting the distinctive character of the opponent's mark by undermining the opponent's marketing efforts and resulting in a loss of sales. He also pointed out that there is no evidence that the applicant's mark has been used and it is therefore not possible to demonstrate a change in the economic behaviour of consumers. Mr Malynicz submitted that it follows that there would be detriment to the distinctive character of the opponent's mark.

47) Taking account of the case law cited above, I concur with Mr Malynicz. The applicant does not appear to have used its mark and due cause has not been claimed. I find that the registration of this mark for all the goods except *Erasers*, *Rubber erasers* and *Rulers* is contrary to s.5(3) of the Act because its use would cause the consumer to wonder whether there might be an economic connection with the opponent and its goods. Consequently, there would also be detriment to the distinctive character of the opponent's marks.

Detriment to reputation

48) Parodying of a mark with a reputation may lead to detriment to reputation. I am mindful of the following comments of my fellow hearing officer, Judi Pike in *Fraud Music Company v Ford Motor Company*, Case BL O/504/13, who rejected an application to register the mark 'Fraud', which had been got up so as to resemble the well known badge of the Ford Motor Company. She said:

"23. In the present case, Fraud's goods (clothing) are not, of themselves, unpleasant, obscene or degrading. However, whilst Fraud's goods are part of the context of use, the concept of Fraud's mark also forms part of that context. The concept of Fraud's mark has directly unpleasant connotations of deception, cheating and illegality. For a business, the very last thing wanted is to be touched in any way by such ideas. Car manufacturers are fiercely competitive in terms of vehicle innovation, popularity, safety and efficiency. Ford is no exception. Its evidence shows that its mark signifies a manufacturer at the forefront of developing vehicle design and technology. The mark is a tool for communicating not only trade origin but also an image of all these things combined. On seeing Fraud's mark, the link with Ford's

mark will be unavoidable and the feelings aroused by the word FRAUD will be entirely negative. It is possible that people will see a parody and simply be amused by the link to FORD. However, even for those who see the joke, the creation of a mental link between FORD and FRAUD is liable to sully Ford's mark. Furthermore, some people may see Fraud's mark as making a serious negative statement about FORD and its values, to which Ford has no opportunity to reply. That sort of link is liable to sully the reputation of the FORD mark, particularly if the applicant's mark became a commercial success. Whichever way it is looked at, Fraud's mark will sully or debase that image. I find that use of Fraud's trade mark would cause detriment to the repute of Ford's mark. Ford succeeds under this type of damage."

49) The current case is not "on all fours" because the applicant's mark does not create any unpleasant connotations. Mr Malynicz submitted that the image of the opponent's marks will be adversely affected by the joke because the applicant's mark has a "silly message". I do not agree. The mere existence of a joke based upon the opponent's mark is not sufficient reason for me to conclude that it will result in detriment to the opponent's marks' distinctive character. Further, there is no evidence that the applicant is trading and it cannot be established that its goods are potentially of poor quality and, therefore, creating a negative impact upon the reputation of the opponent. In light of all of this, I find that the case based on detriment to reputation is not made out.

Due cause

50) The applicant has not pleaded any due cause, and I agree with Mr Malynicz when he submitted that the choice of the applicant's mark is unlikely to have been innocent and was chosen with the opponent's mark in mind.

Section 5(3) conclusions

51) The opposition has been successful in that I have found that the applicant's mark is likely to take unfair advantage of the opponent's marks and result in detriment to its distinctive character insofar as it is applied for in respect of following goods:

Adhesive labels; Adhesive note pads; Adhesive note paper; Adhesive pads [stationery]; Adhesive paper; Block notepads; Bulk paper; Coloring books; Drawing pads;...; Memo blocks; Memo pads; Notebooks; Notepads; Pads [stationery]; Pads (Writing -);; Sketch books; Sketch pads; Sketchbooks.

52) I have found that the Section 5(3) grounds fails in respect of the claim to detriment to the reputation of the opponent's marks.

53) Consequently, the application survives in respect of the following goods:

Erasers, Rubber erasers and Rulers.

Section 5(2)(b) and Section 5(4)(a)

54) The applicant's mark has survived in respect of the goods identified in the above paragraph, however, it is my view that the opponent will not be successful in its challenge to these goods when relying upon Section 5(2)(b). As I have already commented, upon seeing the applicant's mark, the consumer may be prompted to wonder if there is a connection between the respective marks. Such a wondering is not sufficient for a finding of likelihood of confusion. Mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient for a finding of likelihood of confusion (*Sabel BV v Puma AG*, Case C-251/95). If the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97). In the current case, even taking account of the fact the goods are similar, all being items of stationery, I would not describe the effect that the applicant's mark has upon the consumer as being any higher than prompting the average consumer to wonder if there is a connection. This level of association does not equate to the average consumer believing that the goods originate from the same or linked undertaking. Consequently, the opposition based upon Section 5(2)(b) will not provide it with an improved case when compared to its success in respect to its Section 5(3) grounds.

55) At the hearing, Mr Malynicz conceded that the opponent's Section 5(4)(a) case was no stronger than its case based upon Section 5(2)(b). I concur. Therefore, reliance upon its Section 5(4)(a) grounds does not improve the outcome for the opponent.

COSTS

56) The opponent has been substantially successful and is entitled to a contribution towards its costs, according to the published scale in Tribunal Practice Notice 4/2007. I take account that both sides filed evidence and that a hearing took place. I award costs as follows:

Preparing a statement and considering the counterstatement	£300
Application fee	£200
Evidence	£750
Preparing and attending hearing	£750
Total:	£2000

57) I order Tanvir Nawawi Ahmed to pay 3M Company the sum of £2000 which, in the absence of an appeal, should be paid within 14 days of the expiry of the appeal period.

Dated this 7th day of October 2015

Mark Bryant

**For the Registrar,
The Comptroller-General**