

**O-605-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 3024670  
BY TWG TEA COMPANY PTE LTD TO REGISTER THE TRADE MARK**

**HAUTE COUTURE TEA COLLECTION**

**IN CLASS 30**

**AND IN THE MATTER OF OPPOSITION THERETO UNDER NO 401789  
BY MARIAGE FRÈRES, SOCIÉTÉ ANONYME**

**AND**

**IN THE MATTER OF REGISTRATION NO 3033805 IN THE NAME OF MARIAGE  
FRÈRES, SOCIÉTÉ ANONYME IN RESPECT OF THE TRADE MARK**

**HAUTE COUTURE**

**IN CLASS 30**

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO  
UNDER NO 500677 BY TWG TEA COMPANY PTE LTD**

## Background and pleadings

1) TWG Tea Company PTE Ltd (hereafter “TWG”) applied to register the mark no. 3024670, in the UK on 3 October 2013, in respect of the mark HAUTE COUTURE TEA COLLECTION. It was accepted and published in the Trade Marks Journal on 3 January 2014 in respect of the following goods:

**Class 30:** *Coffee, coffee-based beverages; tea, black tea [English tea], flavorings of tea, tea-based beverages, fruit flavoured tea (other than medicinal), fruit tea (other than for medical purposes), beverages with tea base, Rooibos tea, herbal tea (other than for medicinal use), Chai tea, green tea, Japanese green tea, Oolong tea (Chinese tea), aromatic teas (other than for medicinal use), beverages made of tea, iced tea, tea bags (other than for medicinal use), tea extracts, tea essence; tea for infusions (other than for medicinal use), spices; sugar, chocolates, chocolate bars, pralines, edible ices, ice cream, sorbets (ices), ice desserts, confectionery, cakes, pastry, macaroons (pastry), pastries, biscuits, cookies, aromatic preparations for pastries; food dressings (sauces), sauces (condiments); frozen yoghurt [confectionery ices], marzipan, quiches, puddings, bread, bread rolls.*

2) Mariage Frères, Société Anonyme (hereafter “MF”) opposes the mark on the basis of section 3(6) and section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The section 3(6) ground was subsequently dropped.

3) The grounds based upon section 5(2)(b) rely upon an earlier mark in the name of MF. It qualifies as an earlier mark because its priority date predates the filing date of TWG’s mark. MF claims that TWG’s mark is similar to its mark and that it covers goods that are identical or similar to its goods. The relevant details of this earlier mark are:

Mark and relevant dates	Specification of goods
<p>3033805</p> <p>HAUTE COUTURE</p> <p>Filing date: 6 December 2013 Date of entry in register: 28 March 2014</p> <p>Priority date: 17 June 2013 Priority country: France TM from which priority is claimed: 13 4012981 Claim: Whole</p>	<p><b>Class 30:</b> <i>Tea, tea-based beverages, herbal teas and non medicinal infusions.</i></p>

- 4) TWG filed a counterstatement denying the claims made by MF.
- 5) On 3 November 2014, TWG filed an application for invalidity of MF's registration 3033805 (the earlier mark in the above detailed proceedings) with grounds based upon section 3(6) and section 5(4)(a).
- 6) The section 5(4)(a) grounds are based upon TWG's alleged earlier rights in the sign HAUTE COUTURE "including in the form HAUTE COUTURE COLLECTION and HAUTE COUTURE TEA COLLECTION". It claims to have been selling tea under this sign since December 2009 and has acquired goodwill under the sign. Use of the trade mark applied for would therefore be a misrepresentation to the public and result in damage to the aforementioned goodwill.
- 7) The section 3(6) grounds are based upon a claim that the purpose of MF's registration was to disrupt TWG's operations in the UK.
- 8) MF filed a counterstatement denying the claims and putting TWG to proof of use of the reputation and goodwill associated with its sign.
- 9) Both sides filed evidence in these proceedings. This will be summarised to the extent that I consider necessary. This case forms one of a number of cases between

the parties that were heard consecutively over two dates in October 2016 where MF was represented by Mr Thomas St Quintin of counsel, instructed by Potter Clarkson LLP and TWG represented by Mr Ian Bartlett for Beck Greener. The hearing in respect of this case took place on 20 October 2016.

### **TWG's evidence**

10) This takes the form of a witness statement, dated 30 March 2015, by Taha Bouqdib, Director, President and Chief Executive Officer of TWG. He states that TWG opened its first tea salon in Singapore in August 2008.

11) Exhibit TB3 includes a copy of a downloadable brochure from TWG's website entitled "Winter Collection 2015" that promotes its HAUTE COUTURE TEA COLLECTION that includes "Golden Earl Grey" tea.

12) Mr Bouqdib states that TWG decided on the name HAUTE COUTURE for one of its tea collections in 2008. Exhibit TB4 is an extract from TWG's 2010/11 brochure illustrating the collection. Contact details are provided in Singapore, Tokyo, New York and its store within *Harrods* in London. Extracts from a catalogue dated 2010 are also provided showing HAUTE COUTURE gift boxes. Contact details are provided for Singapore only, but Mr Bouqdib states that it was sent to customers in the UK.

13) Exhibit TB5 consists of an extract from the website [www.sunshinekelly.com](http://www.sunshinekelly.com) regarding the launch of the HAUTE COUTURE tea collection. Contact details for TWG are provided in Kuala Lumpur. Mr Bouqdib states that TWG has traded its HAUTE COUTURE tea range in the UK "since late 2009".

14) Exhibit TB6 consists of third party materials referring the TWG's HAUTE COUTURE teas. One is from Reuters UK, dated 12 November 2009 and announces the launch of the HAUTE COUTURE collection in Singapore. The other extracts appear to originate from the Far East and Canada and not the UK.

15) Mr Bouqdir explains that TWG established a concession in *Harrods* in London in 2009 and its teas were sold there from late 2009. Undated photographs of the store are shown at Exhibit TB7. Many tea canisters and boxes are visible but no HAUTE COUTURE mark is visible. Mr Bouqdir identifies the 15 million customers that visit *Harrods* each year and states that “a significant proportion” come across and browse the TWG store.

16) Exhibit TB9 consists of photographs of the TWG store in *Harrods* taken in April 2010. HAUTE COUTURE tea cannot be seen in these photographs but Mr Bouqdir states that a collection of teas have been promoted in the UK under the mark since 2009. Mr Bouqdir states that the mark has appeared on printed matter including TWG’s tea lists and other promotional matter to refer to a collection of products. He states that such printed matter has been available to customers in the UK since late 2009.

17) Mr Bouqdir states that the mark HAUTE COUTURE TEA COLLECTION has appeared on labelling for teas included in the HAUTE COUTURE range since 2012 and examples are shown at Exhibit TB10, an example of which is shown below:



18) Mr Bouqdib states that TWG promotes its teas, including in the UK, through its “tea book”. This was first published in March 2011 and has been displayed and available for sale since that time at its *Harrods* store. He states that it retails “for about £12”. Undated representative pages are provided at Exhibit TB11 showing a number of teas and tea-infused chocolate truffles identified as being as part of TWG’s HAUTE COUTURE TEA COLLECTION.

19) Exhibit TB12 consists of copies of pages from the February 2010 edition of the *Harrods* magazine promoting TWG’s teas under the heading “Couture in a cup”, the 26 February 2010 edition of the *Sunday Express* magazine stating “TWG’s luxury loose leaf blends put the haute couture into tea drinking”, and the April 2010 edition of *Homes & Gardens* magazine referencing TWG’s “Haute Couture range” of teas.

20) Mr Bouqdib provides the following UK sales under TWG’s HAUTE COUTURE TEA COLLECTION mark. These are subject to a confidentiality order.

<b>Year</b>	<b>Sterling</b>
2009	****
2010	****
2011	****
2012	****
2013	****
2014 (to 31 May)	****

**MF’s evidence**

21) This takes the form of two witness statements, both dated 18 December 2015, by Kittichat Sangmanee, President of the Board and the CEO of MF and by Sanjay Kapur, a Partner with Potter Clarkson LLP, MF’s representative in these proceedings.

22) In countering the claim to bad faith, Mr Sangmanee submits that MF had the earlier use. He identifies MF's own development of the HAUTE COUTURE name that can be summarised as follows:

- MF commenced use of the HAUTE COUTURE name “as early as 2005”, a time when Mr Bouqdib was working for MF;
- At Exhibit KS1 is a press release that Mr Sangmanee states is from 2005. It includes the statement that MF is “renowned in Japan as the “haute couture” of tea...”;
- At Exhibit KS3, Mr Sangmanee provides an information sheet in French and with a translation in respect of a Nepal black tea. It is dated 7 March 2007 and describes this tea as “An haute couture tea”;
- The same exhibit contains an internal email which was sent to individuals within MF on 2 March 2007, including Mr Bouqdib. It announced a new limited edition tea blend described as a HAUTE COUTURE tea. The email is in French and a partial translation is provided;
- More prominence was given to the name from 2009 and at Exhibit KS8 consists of a price list dated January 2010 that contains a list of teas under the heading “THÉ HAUTE COUTURE”. The price list is in French and contact details identify an address in Paris;
- Exhibit KS10 consists of emails to individuals within organisations such as the *BBC*, the *Telegraph* newspaper and *Conde Neste Publications* together with a press release announcing the launch of MF's HAUTE COUTURE TEA 2009/10 collection. The front cover promotes MF's teas as being “HAUTE COUTURE TEA”. “Thé Haute Couture” also appears under the MF name on several pages. It also promotes “An Haute Couture Noël” a collection of Christmas gourmet teas;
- MF organised a workshop to provide guidance on how to serve and sell its teas to waiters at the hotel Le Manoir aux Quat'Saisons in Oxfordshire in February, 2007. Mr Bouqdib assisted at the workshop and was aware that HAUTE COUTURE was to be put forward as a blend to be sold at the hotel. Exhibit KS4 consists of a copy of a hand-out from the workshop that states MF teas are “Renowned in Japan as the ‘haute couture’ of tea...”;

- There are several other exhibits showing internal or third party reference to MF being considered the “haute couture” of tea;
- In an interview given by Mr Sangmanee to the French magazine *L'Entreprise* in April 2008 he is quoted (translated from the original French) as saying “my ambition is to sell haute couture teas”;

23) Mr Sangmanee states that in 2013, MF undertook a brand audit and decided that it should seek to protect, via a trade mark registration, some of its important brand names in the UK. A list of thirty eight marks applied for is provided at Exhibit KS12.

24) Mr Kapur’s witness statement takes the form of a critique of Mr Bouqdib’s evidence and submissions. I will not summarise these here, but keep them in mind.

#### **TWG’s evidence in reply**

25) This takes the form of a further witness statement by Mr Bouqdib dated 9 May 2016. To counter MF’s claim of first use dating back to 2005, Mr Bouqdib states that MF relied upon a claim to first use being in 2009 when presenting its case in the French courts.

26) Mr Bouqdib states that the first time that he noticed any use by MF of HAUTE COUTURE is when it launched a range of teas under the name in September 2009 and that this is more than one year after TWG’s own launch of its HAUTE COUTURE TEA COLLECTION in August 2008. Mr Bouqdib identifies that MF launched proceedings in France against TWG prior to MF’s launch in September 2009 and MF would therefore have been aware of TWG’s own use when it launched its range of teas.

27) Mr Bouqdib accepts that since 2010, the sign HAUTE COUTURE TEA COLLECTION has appeared on the bottom of packaging, but he also points out that the sign has also appeared clearly in TWG’s product catalogues and brochures since 2009 and that these are given away at its store and available to consult in-store. At Exhibit TB19, a copy of TWG’s tea catalogue is provided and dated “May-June 2009”



and a copy of its tea accessory catalogue dated “January/February 2010”. These show use of “Haute Couture Teas” appearing under the heading of “Gift Collections/Packaged Teas”. Representations of the various tea packages under this heading are displayed, but the mark is not visible. Mr Bouqdib states that the following booklet is also enclosed within the outer packaging (the front cover of which is shown at Exhibit TB20):



28) Exhibit TB21 includes extracts of a proposal to *Harrods* regarding “2009 Fall-Winter Collection”. The proposal includes a page entitled “TWG Tea Haute Couture Collection” and states “...TWG Tea thoughtfully blends, artfully packages, and beautifully wraps tea gift collections that are elegant, fashionable and designed above all to give pleasure and to reflect a quality of life” and another page providing a “TWG Tea Haute Couture Collection Price List”;

29) Exhibit TB22 contains a product proposal for *Harrods* and includes “Haute Couture Collection” appearing with “Finest Harvest Collection” and “Cavier Collection Festive Teas”.

30) Exhibit TB23 contains a press release announcing that “TWG Tea makes its UK debut at Harrods” and includes the phrase “Also available at Harrods is TWG Tea’s eye-catching new 2009-2010 Winter Haute Couture collection”.

31) Exhibit TB24 contains a screen shot from the *Harrods* website showing a boxed set of two different teas and identified as an “Haute Couture Tea Gift Set”.

32) Exhibit TB25 consists of numerous extracts from brochures from 2010/11 to up to and beyond the date TWG commenced the invalidation proceedings in November 2014. These show “Haute Couture Collection” used as a heading to identify a collection of teas are described in terms such as “The lavish, Haute Couture loose leaf tea collection is a perfect way to introduce extravagant blends and exquisite harvests...”, “Toast the New Year with an exquisite limited edition haute couture blend...”.

33) Exhibit TB26 contains copies of press releases from December 2008 to November 2013 that variously refer to “Haute Couture tea collection”, “Haute Couture Tea” and “an Haute Couture blend”. To counter a criticism that none of the press releases were aimed at the UK, Mr Bouqdib provides a list of contacts where, he states, press releases were sent and this includes contacts in the UK.

## **DECISION**

34) The subject of TWG’s invalidation is the earlier mark relied upon by MF in the opposition proceedings against TWG’s mark. Consequently, the outcome of the invalidation will have a bearing upon the opposition proceedings. I will therefore, begin by considering this first.

### **Invalidation 500677 against MF’s registration 3033805**

35) The case has proceeded to final determination on the basis of section 3(6) and section 5(4)(a) of the Act, with such grounds being relevant in invalidation proceedings in view of the provisions of Section 47(2) of the Act. The relevant parts of Section 47 of the Act read as follows:

“**47.** - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of

section 3 or any of the provisions referred to in that section  
(absolute grounds for refusal of registration).

(2) The registration of a trade mark may be declared invalid on the ground-

(a) ...

(b) that there is an earlier right in relation to which the condition set out  
in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has  
consented to the registration.”

...

(4) In the case of bad faith in the registration of a trade mark, the registrar  
himself may apply to the court for a declaration of the invalidity of the  
registration.

(5) Where the grounds of invalidity exists in respect of only some of the  
goods or services for which the trade mark is registered, the trade mark shall  
be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent,  
the registration shall to that extent be deemed never to have been made:  
Provided that this shall not affect transactions past and closed.

36) At the hearing, Mr Bartlett submitted that MF acted in bad faith because its  
application to register its mark was with the intention of disrupting TWG's existing  
activities in the UK. He went on to submit that MF's claim to antecedent use as a  
defence to the grounds based upon section 5(4)(a) is tainted by bad faith. In light of

these submissions, I will consider the grounds based upon section 3(6) – bad faith – first.

### **Section 3(6)**

37) Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

38) The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C- 529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which

must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary

standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

39) Mr Bartlett submitted that the underlying objective of MF's registration was to disrupt TWG's operations in the UK. He explained that there are proceedings in France between the parties and, consequently, it is inconceivable that MF did not know of what TWG was doing.

40) Mr Sangmanee has stated that the filing of MF's mark was as a result of a brand audit in 2012, but Mr Bartlett claims this must have been done with an ulterior motive. Mr St Quintin submitted that it is only relevant whether MF was aware of TWG's use only if TWG's use was distinctive in UK. To support his position, Mr St Quintin referred me to the press releases from December 2008 and November 2009 provided at Exhibit TB26 of Mr Bouqdib's evidence. He submitted that these were not aimed at the UK and that the first of these is not brand use. As such, he claimed that it is a justifiable conclusion that even if MF were aware of TWG's use it was still justified in believing had the senior right and the right to apply for registration in the UK.

41) I concur with Mr St Quintin insofar that it is arguable whether TWG's use of the sign HAUTE COUTURE TEA COLLECTION will be perceived as use to indicate trade origin or whether it was merely used in such a way as to indicate a quality of the teas associated with the sign. For the purposes of assessing bad faith, it is not necessary that I make a finding on this. It is sufficient to recognise that how the use will be perceived is arguable. In recognising this, I cannot conclude that MF acted in bad faith when it applied for its mark. In light of the nature of TWG's use of its sign, even if MF was aware of such use, a move to protect, what it believed was its rights in the sign, was based on good business reasons and consistent with good faith.

42) Further, as established by the CJEU in *Malaysia Dairy Industries Pte Ltd v Ankenævnet for Patenter og Varemærker* Case C-320/12, mere knowledge of a party's use of a mark overseas is not, in itself, a reason to find bad faith. Neither is it the case in the current proceedings that MF's registration was a pre-emptive attempt to prevent TWG entering the UK market. I have commented that the nature of TWG's use makes it arguable whether its sign is used distinctively. MF was therefore entitled to take the view that it was entitled to register its mark. Consequently, its

registration is not pre-emptive in the sense envisaged by Mr Geoffrey Hobbs QC, sitting as the Appointed Person in *Daawat Trade Mark* [2003] RPC 11.

43) Taking all of the above into account, I conclude that MF did not act in bad faith when registering its mark. Consequently, TWG's application for invalidation fails, insofar as it is based upon section 3(6) of the Act.

44) In light of this finding, any antecedent use by MF will not, as Mr Bartlett characterised it, be tainted with bad faith.

### **Section 5(4)(a)**

45) Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

46) Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:



(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

47) Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances."

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

48) The earlier use by the claimant must relate to the use of the sign for the purposes of distinguishing goods or services. For example, merely decorative use of

a sign on a T-shirt cannot found a passing off claim: *Wild Child Trade Mark* [1998] RPC 455 (AP)

### The relevant date

49) In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the

application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

50) MF’s primary position is that TWG has not shown any proper use in the UK in order to generate any goodwill. But, even if it is wrong in this respect, any use post-dates its own use, thus is claiming antecedent use. Therefore, there are two potential relevant dates. The first is the date TWG commenced these proceedings, namely 3 November 2014, and the date of the claimed antecedent use.

### **Goodwill**

51) Firstly, I consider if TWG has acquired the necessary goodwill at the relevant date of 3 November 2014. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL) it was stated:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

52) In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

53) However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its reputation may be small. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated that:

“There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience.”

*See also: Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)

54) In support of his submission that the evidence clearly demonstrates that TWG's mark functions to identify TWG's goodwill, Mr Bartlett referred me to the following evidence:

- Exhibit TB4 consisting of an extract from a brochure from 2011 that promotes its Haute Couture Collection. It states “TWG Tea has created a selection of unique loose teas, each carefully designed to reflect an excellence of content and packaging. The lavish, Haute Couture loose leaf tea collection is a perfect way to introduce extravagant blends and exquisite harvests and to share the TWG Tea connoisseurship with tea drinkers around the world”;
- Mr Bouqdib’s statement that TWG’s store opened in December 2009 and since that time has sold tea under the sign HAUTE COUTURE TEA COLLECTION. Exhibit TB9 is a photograph of the store, but the sign is not visible;
- Exhibit TB10 showing the sign, as it appears on bottom of packaging (see paragraph 17 above);
- Mr Bouqdib statement that 480 “tea books” were sold that included use of the sign, were sold in the UK between March 2011 and June 2013;
- Exhibit TB12 that includes an extract from the April 2010 edition of *Homes & Gardens* magazine making reference to “TWG Tea [being] now available in the UK exclusively in Harrods... The Haute Couture range features selected single estate teas and blends...”
- “greater than” sales figures (subject to a confidentiality order, but set out in paragraph 20, above) provided by Mr Bouqdib;
- A copy of a brochure entitled “Tea Accessory Catalogue 2010” provided at Exhibit TB19 showing products grouped under headings such as “Artisan Tea Tins”, “Modern Tea Tins” and where teas are shown, they are under the heading “Haute Couture Teas”;
- A number of other exhibits showing use, such as:
  - Exhibits TB20 showing the front cover of the booklet enclosed within the packaging of “Haute Couture Tea Collection”. The cover mirrors the display tins shown elsewhere with the TWG TEA mark appearing prominently with a rectangular box at the bottom of the page containing the words HAUTE COUTURE TEA COLLECTION;
  - Exhibit TB21 that includes a proposal to Harrods regarding “2009 Fall-Winter Collection”. The proposal includes a page entitled “TWG Tea

Haute Couture Collection” and states “...TWG Tea thoughtfully blends, artfully packages, and beautifully wraps tea gift collections that are elegant, fashionable and designed above all to give pleasure and to reflect a quality of life” and another page providing a “TWG Tea Haute Couture Collection Price List”;

- Exhibit TB22 containing a product proposal for Harrods and includes “Haute Couture Collection” appearing with “Finest Harvest Collection” and “Cavier Collection Festive Teas”;
- Exhibit TB23 containing a press release announcing that “TWG Tea makes its UK debut at Harrods” and includes the phrase “Also available at Harrods is TWG Tea’s eye-catching new 2009-2010 Winter Haute Couture collection
- Exhibit TB24 containing a screen shot from the *Harrods* website showing a boxed set of two different teas and identified as “Haute Couture Tea Gift Set”;
- Exhibit TB25 consists of numerous extracts from brochures from 2010/11 to up to and beyond the date TWG commenced the invalidation proceedings in November 2014. These show “Haute Couture Collection” in use usually as a heading to identify a collection of teas provided by TWG and described in terms such as “The lavish, Haute Couture loose leaf tea collection is a perfect way to introduce extravagant blends and exquisite harvests...”, “Toast the New Year with an exquisite limited edition *haute couture* blend...”;
- Exhibit TB26 containing copies of press releases from December 2008 to November 2013 and variously refers to “Haute Couture tea collection”, “Haute Couture Tea” and “an Haute Couture blend”;
- To counter a criticism that none of the press releases were aimed at the UK, a list of contacts is provided where, it is stated, press releases were sent to, and this includes contacts in the UK.

55) Mr St Quintin acknowledged that TWG has made use of HAUTE COUTURE TEA COLLECTION in the UK since December 2009, when it opened its store in *Harrods*. However, he submits that this use does not identify any goodwill because:



- The sign was not used on packaging until 2012;
- Pre-2012 use was only in price lists
- Exhibit TB21 providing evidence of TWG's proposal to *Harrods* shows the sign being used, but that this is not use in trade and it is not a document the public would have had access to;
- The price lists relied upon by TWG have little impact upon consumers because the sign is used only to identify a collection of teas
- Examples of packaging are only from 2012 and therefore showing use over only a very limited period and then appearing only on the base box. As such, taking account of the level of care and attention paid by the relevant public, the sign is unlikely to be spotted and the relevant public would identify goodwill by way of the TWG TEA mark also present on the packaging;
- HAUTE COUTURE is capable of being used in a laudatory and descriptive way as well as a trade mark and, consequently, it will not be separated from the TWG mark in the minds of the relevant public;
- In respect of the brochure shown in Exhibit TB20, the sign is overwhelmed by TWG's house mark;
- Only the first three brochures are dated prior June 2013 and these are not accompanied by any information regarding the quantities of distribution;
- Many exhibits consist of international publications or press releases that are not relevant for demonstrating goodwill in the UK;
- The volumes sold, whilst greater than for other of TWG's individual teas, are low and must be viewed in the context of, at best, secondary use and with sales only from a single store.

56) Taking account of the submissions of both Mr Bartlett and Mr St Quintin and an assessment of the evidence, it is clear to me that TWG's goodwill is predominantly identified by the TWG TEA mark, with its individual tea names, or in this case, the name of a collection of teas serving predominantly to identify the particular tea flavour or the particular collection of teas. Whilst the scale of use of HAUTE COUTURE TEA COLLECTION in respect of the tea collection is larger than for its individual teas, it is still very modest. Further, tea types and, in this case, the name of a tea collection, are presented in such a way that they play a much more minor role

in identifying this goodwill. It is presented as a description of a collection of teas in headings in the printed promotional material, on the underside of packaging or in the rectangle at the bottom of TWG's standard label-type mark appearing as shown on the cover of the booklet shown at paragraph 28, above. In addition, the term whilst not wholly descriptive in respect of tea, is a descriptive term borrowed from the fashion industry and when applied to tea has the effect of very strongly alluding to goods of high fashion and quality. In fact the use made of the term HAUTE COUTURE shown in MF's evidence illustrating the capacity for the term to be used in a descriptive way (see paragraph 23, above, at the second, third, eighth and ninth bullet points). To my mind, this lends further support to the use made of the term by TWG being perceived as indicating a characteristic or quality of the teas provided as part of the collection.

57) When all these points are factored together, I find that the manner in which TWG has used its various HAUTE COUTURE signs is such that they are not likely to be perceived as identifying goodwill, but rather they are likely to be perceived in such a way as to indicate the quality of the goods. I conclude that TWG has failed to demonstrate that it has the requisite goodwill identified by any of its various HAUTE COUTURE signs.

58) In light of this finding, it is not necessary for me to consider MF's defence based upon a claim of antecedent use.

59) TWG's case based upon section 5(4)(a) fails in its entirety.

60) In summary, MF's mark survives the application for invalidity in its entirety and it can therefore, rely upon it as an earlier mark in its opposition to TWG's application.

### **Opposition 401789 against TWG's application 3024670**

61) Sections 5(2)(b) of the Act is as follows:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

### **Comparison of goods and services**

62) In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

63) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for

instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

64) I also keep in mind the guidance of the General Court (“the GC”) in *Gérard Meric v OHIM*, T-133/05 (“MERIC”):

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

65) The parties’ respective goods are as follows:

<b>Goods of MF’s earlier mark</b>	<b>Goods of TWG’s mark</b>
<b>Class 30:</b> <i>Tea, tea-based beverages; herbal teas and non-medicinal beverages</i>	<b>Class 30:</b> <i>Coffee, coffee-based beverages; tea, black tea [English tea], flavorings of tea, tea-based beverages, fruit flavoured tea (other than medicinal), fruit tea (other than for medical purposes), beverages with tea base, Rooibos tea, herbal tea (other than for medicinal use), Chai tea, green tea, Japanese green tea, Oolong tea (Chinese tea), aromatic teas (other than for medicinal use), beverages made of tea, iced tea, tea bags (other than for medicinal use), tea extracts, tea essence; tea for infusions (other than for medicinal use), spices; sugar, chocolates, chocolate bars, pralines, edible ices, ice cream, sorbets (ices), ice desserts, confectionery, cakes,</i>

	<i>pastry, macaroons (pastry), pastries, biscuits, cookies, aromatic preparations for pastries; food dressings (sauces), sauces (condiments); frozen yoghurt [confectionery ices], marzipan, quiches, puddings, bread, bread rolls.</i>
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66) TWG's tea, black tea [English tea], flavorings of tea, tea-based beverages, fruit flavoured tea (other than medicinal), fruit tea (other than for medical purposes), beverages with tea base, Rooibos tea, herbal tea (other than for medicinal use), Chai tea, green tea, Japanese green tea, Oolong tea (Chinese tea), aromatic teas (other than for medicinal use), beverages made of tea, iced tea, tea bags (other than for medicinal use), tea extracts, tea essence; tea for infusions (other than for medicinal use) are all included in, or covered by the terms listed in MF's specification and are self-evidently identical.

67) In respect of TWG's coffee, coffee-based beverages, Mr St Quintin submitted that they share identical uses and physical nature, both being hot, caffeinated beverages. He also submitted that there is substantial overlap of the respective users with many tea drinkers also being coffee drinkers and vice-versa. They appear on the same or closely adjacent shelves in shops and, therefore, share the same trade channels. Mr St Quintin concluded by submitting that the respective goods are very highly similar. Mr Bartlett conceded that these goods are "pretty close" to the tea based beverages contained in MF's specification. I agree with Mr St Quintin and I find that the respective goods are very highly similar.

68) At the hearing, Mr Bartlett submitted that TWG's mark should survive at least for the following goods:

*spices; sugar, chocolates, chocolate bars, pralines, edible ices, ice cream, sorbets (ices), ice desserts, confectionery, cakes, pastry, macaroons (pastry), pastries, biscuits, cookies, aromatic preparations for pastries; food dressings (sauces), sauces (condiments); frozen yoghurt [confectionery ices], marzipan, quiches, puddings, bread, bread rolls.*

69) I agree with Mr Bartlett's conclusions. All the goods listed in the previous paragraph are foodstuffs and, consequently, they are different in nature, intended purpose and method of use to MF's goods that are beverages or goods for making beverages. The respective goods are not in competition, nor are they complementary in that "there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking" (*Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06). I conclude that the goods listed in the previous paragraph are not similar to MF's goods.

### **Comparison of marks**

70) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

71) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

72) The respective marks are shown below:

MF's earlier mark	TWG's mark
HAUTE COUTURE	HAUTE COUTURE TEA COLLECTION

73) TWG does not contend that the marks are not similar and it, in fact, relied upon the close similarity between the marks when bringing its passing off case against MF's mark.

74) TWG's mark is identical to MF's mark except for the addition of the descriptive words TEA COLLECTION. The marks share a high degree of aural, visual and conceptual similarity as a result.

#### **Average consumer and the purchasing act**

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

76) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

77) All the goods of both parties can be described as ordinary grocery products that are normally self-selected from a shop shelf or the online equivalent. The purchasing

process is, therefore, normally visual, but I do not ignore that on occasions aural considerations may play a part. These products are bought regularly by ordinary members of the public and are normally inexpensive. Mr Bartlett submitted that there is a stronger level of attention involved in the purchasing process for teas than for the other goods. I do not agree. The fact that both sides currently market their products as high-end luxury goods does not disturb my finding based upon a notional consideration of the goods listed in the respective applications. Under notional considerations, the level of attention paid in respect of the purchase of teas is no different that for many other grocery goods and does not involve an enhanced level of attention.

### **Distinctive character of the earlier trade mark**

78) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from



chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

79) MF’s mark consists of the two words HAUTE COUTURE. The distinctiveness of the mark resides in the mark as a whole that consists of a term of French origin meaning “expensive, fashionable clothes produced by leading fashion houses”<sup>1</sup>. When used in respect of goods other than clothes, it will allude to the same characteristics. As such, it is not endowed with the highest level of distinctive character. That said, neither is it low. I find that it endowed with a medium degree of inherent distinctive character. There is no tension between this finding and my comments made in respect of the use of TWG’s sign because these latter comments were in respect of TWG’s actual use of its sign and not a notional analysis.

80) I must also consider if the mark’s distinctive character has been enhanced because of the use made of it. Whilst there is a claim of some use, it can be interpreted as no more than very, very small use when placed in the context of tea and tea related product sales in the UK. Therefore, I conclude that this use is insufficient to result in any enhancement to the mark’s distinctive character.

#### **GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.**

81) The following principles are gleaned from the decisions of the CJEU in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

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[http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m\\_en\\_gb0367380?rsk ey=w8YDiU&result=5](http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m_en_gb0367380?rsk ey=w8YDiU&result=5)

(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 be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

82) I have found that with the exception of the following goods (that I have found are not similar), the respective goods are similar or identical:

*spices; sugar, chocolates, chocolate bars, pralines, edible ices, ice cream, sorbets (ices), ice desserts, confectionery, cakes, pastry, macaroons (pastry), pastries, biscuits, cookies, aromatic preparations for pastries; food dressings (sauces), sauces (condiments); frozen yoghurt [confectionery ices], marzipan, quiches, puddings, bread, bread rolls.*

83) I have also found that the average consumer of the parties' goods is the general public and that the purchasing process is predominantly visual in nature.

84) In addition, I have found that the respective marks share a high degree of visual, aural and conceptual similarity. I have found that the term HAUTE COUTURE is endowed with only a medium level of distinctive character. Even if I am wrong and the level of distinctive character is, in fact, lower, I also keep in mind the comments of the EUCJ in *L'Oréal SA v OHIM*, Case C-235/05 P, where it found that:

“45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier

mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

85) Taking all of the above into account together with the role that imperfect recollection plays, there is no doubt in my mind that in respect of identical or similar goods there is a likelihood that the average consumer will confuse one mark for the other. Therefore, the opposition is successful in respect of the following of TWG’s goods:

*Coffee, coffee-based beverages; tea, black tea [English tea], flavorings of tea, tea-based beverages, fruit flavoured tea (other than medicinal), fruit tea (other than for medical purposes), beverages with tea base, Rooibos tea, herbal tea (other than for medicinal use), Chai tea, green tea, Japanese green tea, Oolong tea (Chinese tea), aromatic teas (other than for medicinal use), beverages made of tea, iced tea, tea bags (other than for medicinal use), tea extracts, tea essence; tea for infusions (other than for medicinal use),*

86) The opposition fails in respect of goods where I have found no similarity to those of MF, namely:

*spices; sugar, chocolates, chocolate bars, pralines, edible ices, ice cream, sorbets (ices), ice desserts, confectionery, cakes, pastry, macaroons (pastry), pastries, biscuits, cookies, aromatic preparations for pastries; food dressings (sauces), sauces (condiments); frozen yoghurt [confectionery ices], marzipan, quiches, puddings, bread, bread rolls.*

## **Summary**

87) TWG’s application for the invalidation of MF’s mark fails in its entirety.

88) MF's opposition to TWG's mark is partially successful as set out paragraphs 85 and 86 above.

## **COSTS**

89) MF successfully defended TWG's application to invalidate its mark and is entitled to a contribution towards its costs. In respect of MF's opposition to TWG's mark, both sides achieved a measure of success. Therefore in respect of the opposition I find that each side should bear its own costs.

90) Mr Bartlett submitted that whilst TWG is content for any costs award to be made on-scale, it should receive an award of costs in its favour in respect of several aspects of how MF ran its case. He submitted that MF's defence raised allegations of bad faith that had to be responded to by TWG in its evidence. At a case management conferences (CMC), I directed that this defence should be disregarded however, this was not before TWG had filed its evidence-in-reply that included its response to the claim. Mr St Quintin submitted that the same bad faith arguments were ran in the earlier SAKURA! SAKURA! case between the parties and that the evidence from both sides was essentially cut and pasted from their evidence in this earlier case. Therefore, he submitted, any additional costs were already considered in the earlier case. I concur with Mr St Quintin and I decline to make an award of costs in respect to this issue.

91) Mr Bartlett also requested a contribution towards TWG's costs in respect of his attendance at the CMC insofar as it resulted from MF's challenge to its request for a confidentiality order relating to its turnover figures in the UK. Mr St Quintin submitted that because the CMC discussed other issues, the costs of the CMC arose anyway and not as the result of the challenge to the confidentiality request. The CMC also covered MF's defence relying upon bad faith (where I directed that it be disregarded) and also a discussion on the consolidation groupings of the numerous proceedings (that was instigated by myself). Therefore, two of the issues went against MF and a third was an issue raised by me and not an issue between the parties. As such, I concur with Mr Bartlett that TWG is entitled to a contribution towards its costs. However, I have made the award in respect of my decision in TWG's sister

proceedings against MF's mark PARIS BREAKFAST TEA. To do so again here would be a duplication of the award.

92) Therefore, I make an award of costs only in respect of TWG's application for invalidation of MF's mark. I take account that both parties filed evidence and a hearing took place. Awards of costs are governed by Annex A of Tribunal Practice Notice ("TPN") 4 of 2007. Using that TPN as a guide, I award costs to MF on the following basis:

Considering the application for invalidation and filing a counterstatement:	£400
Compiling evidence and considering the other party's evidence:	£1200
Preparation and attendance at hearing	£800
<b>Total:</b>	<b>£2400</b>

93) I order TWG Tea Company PTE Ltd to pay Mariage Frères, Société Anonyme the sum of **£2400**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 21st day of December 2016**

**p.p. Mark Bryant**  
**For the Registrar,**