

O-605-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3282834
BY DEHA MAGAZACILIK EV TEKSTILI URUNLERI SANAYI VE TICARET
ANONIM SIRKETI TO REGISTER THE TRADE MARK**

MADAMECOCO

IN CLASSES 20 AND 35

**AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 412631 BY
CHANEL LIMITED**

BACKGROUND AND PLEADINGS

1) Deha Magazacilik ev Tekstili Urunleri Sanayi Ve Ticaret Anonim Sirketi (hereafter “the applicant”) applied to register the trade mark MADAMECOCO on 16 January 2018. It was published, for opposition purposes, in the Trade Mark Journal on 9 March 2018 in respect of a list of goods and services in classes 20 and 35. For the purposes of these proceedings, it is sufficient that I note that this list includes:

Class 35: ...; *retail services connected with the sale of ... tools and apparatus included in this class for shaving, epilation, manicure, pedicure and personal beauty care use, ... electric hand implements for hair curling, scissors, ... shaving brushes, hair brushes, combs, ...*

2) Chanel Limited (hereafter “the opponent”) opposes the application only in respect of the services listed above. The opposition is based upon section 5(3) of the Trade Marks Act 1994 (“the Act”). The opponent relies on the following registration that consists of a series of two marks:

| |
|---|
| UK Mark No. 2284766 |
| <p>COCO MADEMOISELLE</p> <p style="text-align: center;">COCO</p> <p style="text-align: center;">MADAMEISELLE</p> <p>Filing date: 6 November 2001 Registration date: 19 April 2002</p> |
| <p>The list of goods relied upon:</p> <p>Class 3: <i>Preparations for application to or care of the skin, scalp, hair or nails; soaps; perfumes; ...; non-medicated toilet preparations.</i></p> |

3) The opponent's marks are earlier marks within the meaning of section 6(1) of the Trade Marks Act 1994 ("the Act") because they have a filing date earlier than the filing date of the contested application. This earlier marks completed their registration procedures more than five years before the publication date of the contested application and, as a result, it is potentially subject to the proof of use provisions contained in section 6A of the Act.

4) The opponent's pleadings are as follows:

- The respective marks are similar, both consisting of the element COCO and a French female form of address. Consequently, the level of conceptual similarity is especially high;
- It has a substantial reputation in the UK in respect of its mark as a result of extensive use since 2001 in respect of Class 3 goods;
- "Coco" Chanel is the name of the opponent's founder and, therefore, the COCO MADEMOISELLE mark has become intrinsically linked with the opponent;
- Use and registration of the applicant's mark is without due cause and will create a link in the mind of the consumer with the opponent's marks;
- As a result of this link, there will be a change in the economic behaviour of the consumer making it more likely that the consumer will use the applicant's services;
- Use of the applicant's mark will take unfair advantage of the reputation of the opponent's marks because the application amounts to exploitation of the opponent's mark as a result of the clear similarities and as a result this will facilitate the marketing of the applicant's goods and services and benefit from the substantial investment that the opponent has made into promoting its mark;
- Use of the applicant's mark will result in detriment to the distinctive character of the opponent's marks.

5) The applicant filed a counterstatement denying the claims made. The opponent is put to proof of use of all the goods listed in the specification of its earlier mark except

“perfumes for women”. This term is not included in the specification but describes a subset of goods covered by the opponent’s broad term “perfumes”.

6) The parties both filed evidence. I will refer to this to the extent that I consider it necessary. The applicant filed written submissions during the evidence rounds and, also, for the hearing that took place before me on 2 July 2019. I will keep these written submissions in mind. At the hearing, the opponent was represented by Marisa Broughton for Withers & Rogers LLP and the applicant by Mark Hiddleston for Hiddleston Trade Marks.

Opponent’s Evidence

7) This takes the form of a witness statement by Lucy Kathryn Aboulian, Senior Intellectual Property Counsel of the opponent. Ms Aboulian’s evidence can be summarised as follows:

- The opponent was founded in 1910 by Mademoiselle Gabrielle “Coco” Chanel and was established in the UK in 1925. It is now regarded as one of the leading fashion brands¹;
- It was originally founded as a haute couture fashion house but has also become “extremely well known” for its fragrance, beauty, watches and jewellery products²;
- COCO MADEMOISELLE is one of the opponent’s most valuable marks³;
- The COCO fragrance was launched in 1984 and in 2001 the opponent introduced the COCO MADEMOISELLE fragrance and body range that includes body lotion, moisture mist, soap, deodorant, shower gel, body oil/cream and hair mist⁴;
- Undated examples of use of the mark are provided⁵ in the form of what appears to be extracts from the opponent’s website, showing the mark appearing on and in respect of bottles of body cream, body lotion, soap,

¹ Ms Aboulian’s witness statement, para 5

² Ditto

³ Ditto, para 6

⁴ Ditto, para 9

⁵ Exhibit LKA1

deodorant spray, shower gel, moisture mist, hair mist, body oil. The same exhibit also has extracts from the web site of the retailer, John Lewis. The first, dated 17 May 2019, shows 19 products bearing the mark that include those listed in the previous sentence and also Eau de Parfum, Eau de Toilette and perfume. Further extracts from the same website are also provided from 5 June 2016 and 10 March 2018 showing similar ranges;

- Annual wholesale figures for goods sold under the mark in the UK since 2013 are provided⁶. They are covered by a confidentiality order and are as follows:

| Year | Sales in excess of (£) |
|------|------------------------|
| 2013 | [REDACTED] |
| 2014 | [REDACTED] |
| 2015 | [REDACTED] |
| 2016 | [REDACTED] |
| 2017 | [REDACTED] |
| 2018 | [REDACTED] |

- A selection of 25 redacted invoices are provided⁷. These are to retailers such as John Lewis, House of Fraser, Debenhams, Harrods and Browns of Chester and are dated between January 2013 and January 2018. They list various “COCO MADEMOISELLE” products within the range listed above;
- Promotion of goods bearing the earlier mark has been significant and has taken place via print advertising, digital advertising on websites and social media⁸;
- The actress, Keira Knightly, is the “face of COCO MADEMOISELLE, a position she has held for more than 10 years, and her image appears in all forms of advertising”⁹;
- Advertising spend in connection with goods bearing the COCO MADEMOISELLE mark are provided (subject to a confidentiality order):

⁶ Ms Abouljian’s witness statement, para 12

⁷ Exhibit LKA2

⁸ Ms Abouljian’s witness statement, para 14

⁹ ditto

| Year | Spend (£ in excess of) |
|------|------------------------|
| 2013 | [REDACTED] |
| 2014 | [REDACTED] |
| 2015 | [REDACTED] |
| 2016 | [REDACTED] |
| 2017 | [REDACTED] |
| 2018 | [REDACTED] |

- Examples of advertising are provided from between the years 2013 and 2018¹⁰ to support these advertising figures. These show COCO MADEMOISELLE perfume adverts appearing in print and digital publications such as Grazia, Vogue, a fashion special supplement in the Daily Telegraph, 10 magazine, Elle, Glamour, ID Magazine, InStyle, Hello and others. Documents entitled “Media Monthly Updates” are provided that indicate television promotion on channels such as ITV, Channel 4 and several SKY channels;
- Social media platforms are also used to promote goods sold under the mark, including Facebook (over 21 million followers), Instagram (over 13 million followers) and Twitter¹¹. Screenshots of the opponent’s Facebook, Twitter and YouTube pages from 2014 and 2016 – 2018 show its mark in respect of body moisturiser and body oil as well as numerous references to the COCO MADEMOISELLE fragrance¹²;
- Ms Aboulian concedes that the focus of promotion is the fragrance, but submits that the activity serves to promote, by association, the full range of products;
- During the period 2013 – 2017, COCO MADEMOISELLE was ranked the number one female fragrance in the UK and, in 2013, number 2 in the UK in respect of “women’s ancillaries” (that Ms Aboulian describes as “the body care range”)¹³;

¹⁰ Exhibit LKA3

¹¹ Ms Aboulian’s witness statement, paras 18 and 19

¹² Exhibit LKA5

¹³ Ms Aboulian’s witness statement, para 25

- Between 2006 and 2018, the opponent's COCO MADEMOISELLE fragrance received numerous awards in the UK¹⁴;
- In addition to seven of the opponent's own boutiques, goods bearing the COCO MADEMOISELLE mark are also stocked at a further 870 outlets in the UK;
- Extracts from the website www.boots.com, printed on 4 October 2018, are provided to demonstrate that it sells BOOTS branded Class 3 products and that they also use the BOOTS trade mark in respect of the retail of apparatus and instruments for personal beauty care¹⁵;
- It is submitted that there is a close relationship between retail of personal care items and the goods themselves and that the opponent also retails its range of personal care items such as cosmetic brushes, shaving cream, manicure products and mirrors¹⁶.

Applicant's Evidence

8) This takes the form of two witness statements. The first is by Richard Mark Hiddleston, Trade Mark Attorney at the opponent's representative. The second is by Ayseli Bozkir Adams, Marketing Manager with the applicant.

9) Mr Hiddleston presents information obtained from his searches of the UK trade mark register¹⁷. These reveal 522 pending and registered UK and EUTM marks containing the word COCO. Further searches were conducted focussed on classes 20 and 35 and the results are presented together with internet extracts showing some of these marks in use¹⁸.

10) Mr Hiddleston also provides Internet-sourced evidence of third parties using COCO in relation to cosmetic products and cosmetic-related services such as "Coco Beau" in respect of cosmetics, "Inika Coco Motion" for eye shadow, "Coco

¹⁴ Ms Aboulian's witness statement, para 28

¹⁵ Ditto, para 33 and Exhibit LKA4

¹⁶ Ditto, para 35 and Exhibit LKA16

¹⁷ Mr Hiddleston's witness statement, para 3 and Exhibit RMH1

¹⁸ At Exhibit RMH2

Cosmetics” eyelash adhesive and seven others¹⁹. In addition, Mr Hiddleston provides numerous other examples of use of unregistered marks featuring COCO in respect of various hair salons and beauty salons²⁰.

11) Mr Hiddleston submits that it is not surprising that there are many trade marks containing COCO in use in the UK because it has a number of meanings, such as a girl’s name, a term of affection in the French language, a surname, a style of Brazilian music, a misspelling of cocoa and a number of place names²¹.

12) Mr Hiddleston provides extracts from the opponent’s website to illustrate that it uses two COCO marks, namely, COCO NOIR and COCO MADEMOISELLE²² to support the applicant’s submission that the opponent uses MADEMOISELLE as a sub-brand of COCO that is targeted at young women.

13) Mr Adams provides a history and background to the applicant’s mark stating that it has become a major success in Turkey in respect of a broad range of goods and services and use has expanded to other countries in the same part of the world. Impressive turnover and promotional figures support the claim to the mark being a “major success”, but do not illustrate any trade in the UK.

Opponent’s Evidence-in-reply

14) This takes the form of a second witness statement by Ms Aboulian. In response to the applicant’s assertion that non-perfume use is “de minimis”, Ms Aboulian provides²³ the UK “sell-out” figures, defined by Ms Aboulian as “products sold by the retailer to the customer”, for the years 2015 to 2019 (covered by a confidentiality order). These figures are shown in the table below:

¹⁹ Mr Hiddleston’s witness statement, para 7 and Exhibit RMH4

²⁰ Ditto, para 8 and Exhibit RMH5

²¹ Ditto, para 10 and Exhibits RMH7 and RMH8

²² Ditto, para 14 and Exhibit RMH10

²³ Ms Aboulian’s 2nd witness statement, para 3

| | 2015 | 2016 | 2017 | 2018 | 2019 | Total |
|---|------|------|------|------|------|-------|
| 116830 - COCO MADEMOISELLE-BODY CREAM | | | | | | |
| 116850 - COCO M'MLLE-FRESH MOISTURE MIST 100ml | | | | | | |
| 116860 - COCO MADEMOISELLE-FRESH DEODORANT 100ml | | | | | | |
| 116890 - #COCO MADEMOISELLE BODY EXFOLIANT 150g | | | | | | |
| 116910 - COCO MADEMOISELLE-BATH SOAP 150g | | | | | | |
| 116920 - #COCO MADEMOISELLE BATH FOAM 400ml | | | | | | |
| 116940 - #COCO MADEMOISLLE-FRESH BDY LOTION 200ml | | | | | | |
| 116945 - COCO MADEMOISELLE BODY LOTION 200ML | | | | | | |
| 116950 - COCO MADEMLLE VELVET BODY OILS 200ML | | | | | | |
| 116960 - #COCO MADEMOISELLE-FRESH BATH GEL 200ml | | | | | | |
| 116965 - COCO MADEMOISELLE BATH GEL 200ML | | | | | | |
| 116990 - COCO MADEMOISELLE-FRESH HAIR MIST 35ml | | | | | | |
| Total | | | | | | |

15) The opponent provides evidence in response to the applicant's criticism that the opponent's evidence-in-chief in the form of screen shots from the John Lewis website only showed the relied upon products as being "sold-out" and, therefore, they were not evidence of genuine use. This evidence consists of screen prints from the same website, dated 2015 and 2016²⁴ showing COCO MADEMOISELLE branded hair mist, body oil, bath soap, shower gel, foam bath, deodorant spray, body cream, body lotion and moisture mist.

DECISION

²⁴ Exhibit LKA19

Preliminary Issue

16) The day before the hearing, the opponent requested, by email, that it be permitted to amend its section 5(3) pleading. It was explained that due to a “cut and paste” error, the text intended to be the answer to Question 6 on the Form TM7 was provided as the answer to Question 5 and no text was provided in respect to Question 6. It is stated that in addition to a claim of unfair advantage, its intention was also to rely upon a claim to both detriment to the reputation of its earlier mark and detriment to its distinctive character. It, therefore, made an application to move the Question 5 text to Question 6 and to add a specific claim of tarnishment in answer to Question 5. Attention was drawn to the fact that all three heads were reflected in its evidence. At the hearing, Ms Broughton added that the applicant had, in its written submissions, addressed all three heads and I note that all three heads were also covered in the skeleton argument of Mr Hiddleston. He resisted the application to amend arguing that, whilst all three heads had been referred to in the applicant’s written submissions, it was done so only briefly and it had not had an opportunity to reply fully to such a claim.

17) Having due regard for both sides’ position, I allowed the opponent to amend its pleadings but permitted the applicant 14 days to provide any further submissions, in writing, on the specific issue of tarnishment. The opponent would then have a further 14 days to provide submissions in reply. The applicant duly filed written submissions, and the opponent filed submissions in reply. I will take these submissions into account when making my decision.

Proof of Use

18) The proof of use provisions are set out at Section 6A of the Act:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

19) Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

20) In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kameradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

21) It is for the opponent to provide evidence in support of its claim that it has used its mark, during the relevant period, in respect of all the goods relied upon. The relevant period in these proceedings is the five years ending with the publication date of the contested application, namely 9 March 2018.

22) The applicant did not put the opponent to proof of use in respect of women's perfumes but, as explained by Mr Hiddleston, its position is that it has failed to demonstrate use in respect of the other goods relied upon.

23) Ms Broughton conceded that the promotional activities related to the fragrance named COCO MADEMOISELLE but that goods sold under the mark include related items such as moisturising body lotion, moisture mist, soap, deodorant, shower gel/bath gel, body oil, body cream and hair mist. In her witness statement, Ms Aboulian stated that such goods were introduced in 2001 and use of the mark in respect of these "women's ancillaries" is shown both on the opponent's own website and on the website of the retailer John Lewis. Only one of these is dated in the relevant period, but there is another dated one day after the relevant period. Such evidence is not irrelevant because it illustrates that a trade was ongoing very close to the relevant period. In addition, numerous invoices to retailers such as John Lewis, House of Fraser, Debenhams etc. are provided from across the relevant period listing various products from the claimed range and identified by the mark COCO MADEMOISELLE.

24) Ms Broughton also cited the opponent's evidence-in-reply that provided greater details of its sales in the form of information regarding the number of items sold in respect of its goods. Mr Hiddleston submitted that this evidence should be disregarded because it is new evidence not provided in its evidence-in-chief and, consequently, it is debarred by rule 20(2)(c) and 20(3)(b). Ms Broughton submitted that this evidence was merely a clarification of the evidence provided in the opponent's evidence-in-chief.

25) I agree with Ms Broughton that this evidence merely provides a more detailed picture of what was divulged in its evidence-in-chief and is presented in response to

a direct criticism by the applicant of its evidence. I conclude that the opponent is entitled to rely upon such evidence.

26) In light of my rejection of Mr Hiddleston's submission, I take into account the "sold-out" figures in respect of body cream, moisture mist, deodorant, body exfoliant, bath soap, body oils and hair mist. Even only taking account of the three complete years prior to the relevant date, these figures show a significant level of sales. I have little hesitation in concluding, when this is considered together with the invoices relating to the wholesale of some of these goods and the website extracts showing some of these goods for sale, that it demonstrates genuine use in respect of not just perfume, but also *women's ancillaries, namely, body cream, moisture mist, deodorant, body exfoliant, bath soap, body oils and hair mist.*

27) Having reached this conclusion, it is necessary that I consider whether the opponent may rely upon its full specification of goods and if not, what would be a fair specification to reflect my findings regarding genuine use.

28) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

29) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

"iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair

specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

30) The opponent relies upon the following list of goods:

Preparations for application to or care of the skin, scalp, hair or nails; soaps; perfumes; non-medicated toilet preparations.

31) Use has been demonstrated in respect of *women's ancillaries, namely, body cream, moisture mist, deodorant, body exfoliant, bath soap, body oils and hair mist*. None of these would naturally be categorised as *Preparations for application to or care of the ... scalp, ... or nails* and I conclude that the opponent is not entitled to rely upon such goods.

32) However, applying the above guidance, I find that the goods where use has been shown would, with the normal expectations of the average consumer, be categorised under the remaining terms relied upon by the opponent but limited to being women's ancillaries, which the opponent acknowledges is the term known in the industry to describe such goods. Taking account of this, and of the fact that the applicant has not put the opponent to proof of use in respect of women's perfume, the opponent is entitled to rely upon the following list of goods:

Class 3: *Women's ancillaries, namely, preparations for application to or care of the skin or hair, soaps, non-medicated toilet preparations; women's perfumes.*

Section 5(3)

33) Section 5(3) states:

“(3) A trade mark which –

- (a) is identical with or similar to an earlier trade mark,
- (b) (repealed)

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 European Union trade mark or international trade mark (EU) in the European Union) 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.”

34) 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, *Adidas-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

35) In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

36) The relevant date for assessing if the opponent has a necessary reputation is the filing date of the contested mark, namely 16 January 2018. I have found that the opponent has genuinely used its mark on the goods detailed in paragraph 32, above, but Mr Hiddleston submitted that even if I did find genuine use, the evidence still did not demonstrate that the opponent's mark had a reputation in respect of the goods relied upon (other than women's perfume, for which the applicant has conceded that the opponent has a reputation).

37) Ms Broughton submitted that:

- the opponent has made longstanding use of its mark throughout the UK in respect of its perfume and an ancillary range of goods having the same fragrance as the perfume, namely body lotion, moisture mist, soap, deodorant, shower gel, body oil/cream and hair mist;

- the opponent has enjoyed substantial turnover in the five-year period prior to the opposition and that COCO MADEMOISELLE is the best-selling female fragrance and range of ancillary products;
- significant funds have been spent promoting the perfume and this has a “spill-over” effect to the ancillary products. Print promotion includes advertisements placed in national magazines such as Elle, Grazia, Hello! and Vogue;
- the goods bearing the mark are sold through 870 third party retailers as well as the opponent’s own stores (7 in the UK) and this is sufficient to demonstrate a wide geographical spread of use in the UK;
- all of the above demonstrates that the opponent’s marks are known by a significant part of the relevant public.

38) It was conceded that most of the promotional activities related to the women’s perfume, but that this had a spill over effect to these other “women’s ancillaries”. In support of this, Ms Broughton referred to a number of decisions of the UKIPO and the EUIPO²⁵ where such a finding had been made or when assessing the level of enhanced distinctive character of the opponent’s mark for the purposes of section 5(2) (not in issue in the current proceedings) it had been held that the enhanced distinctive character spills over from the perfume to the ancillary range of products with the same fragrance.

39) With due regard for both sides’ submissions, I find that the opponent has the requisite reputation in respect of all the goods that it is entitled to rely upon. There is a distinction along the lines identified by Mr Hiddleston, but I do not agree that the distinction is between reputation/no reputation. Rather, the evidence demonstrates that a significant reputation exists in respect of the opponent’s women’s perfume, but that the reputation is somewhat less (but not insignificant) in respect of what it categorised as goods “women’s ancillaries” to the perfume. The use in respect of these ancillary products (as set out in the table at paragraph 14, above) also shows a large volume being sold in the UK. When the number of outlets in the UK where these products are sold is factored into the equation, it demonstrates how widely available the opponent’s goods are.

²⁵ BL O/192/19, *COCOGOODSCO*, para 43; BL O/494/16, *ebay v. SocialBay*, Pg 23; EUIPO Opposition No B2254608, *acer v. RACER*, pg23; BL O/189/15, *O2 v go2 telecom*, pg 12 and *EVER READY v. EVEREADY*, pg 10.

40) In summary, I conclude that a significant part of the UK public concerned with the opponent's goods will know of its COCO MADEMOISELLE mark with the reputation being stronger in respect of women's perfume but less (but still not insignificant) in respect of the women's ancillaries.

Link

41) In *Intra-Press SAS v OHIM*, joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

42) Therefore, the level of similarity between the respective marks may be less than required under section 5(2)(b) of the Act. However, the relevant section of the public must still make a connection between the marks. The respective marks are:

| Opponent's marks | Applicant's mark |
|---|--|
| <p data-bbox="336 277 782 315">COCO MADEMOISELLE</p> <p data-bbox="389 432 699 506">COCO</p> <p data-bbox="379 528 708 566">MADEMOISELLE</p> | <p data-bbox="922 383 1161 412">MADAMECOCO</p> |

43) The opponent's earlier marks both consist of the word COCO and the French term of address MADEMOISELLE normally used to address an unmarried woman. In the second of the opponent's marks the word COCO appears above the word MADEMOISELLE and is presented in a larger text. In both of these marks, the first element COCO is the dominant and distinctive element. The applicant's mark also consists of a French term of address, but this time normally used to address a married woman, together with the word COCO. However, their order is reversed and the two elements are joined without a space. This has the effect of the two elements combining to create a single phrase.

44) Visually, both marks present as clearly including the element COCO. Further, both have a second element that share the same letters MAD_M at the beginning. There are also differences, not least that their presentations are such that the two-word elements are reversed from each other. In addition, the words MADAME and MADEMOISELLE are of noticeably different lengths and are different words. Taking all of this into account, I find that the applicant's mark shares a medium level of similarity to the opponent's word mark and a level of similarity to the opponent's stylised mark that is slightly lower.

45) Aurally, as Mr Hiddleston suggested at the hearing, the opponent's marks will be expressed as CO-CO-MAD-EM-WOI-SELL. The applicant's mark is likely to be expressed as MAD-AM-CO-CO. Therefore, the first two syllables of the opponent's marks are the same as the last two syllables of the applicant's mark. In addition, the first syllable of the applicant's mark is the same as the third syllable of the opponent's marks and the second syllable of the applicant's mark and the fourth

syllable of the opponent's marks are very similar. Taking all of this together, with three syllables of the applicant's mark occurring in the opponent's marks (but in a different order) and its fourth syllable being very similar to a syllable in the opponent's marks, whilst there is some similarity, because of the different positions of the common syllables within the respective marks, aural similarity remains at medium.

46) Conceptually, the applicant submits that the opponent's mark will be perceived as a primary brand name COCO and a secondary word MADEMOISELLE that will be perceived as indicating that the products are intended for young female consumers. Ms Aboulian contested this stating that the opponent's COCO and COCO MADEMOISELLE goods relate to two distinct fragrances. This is undoubtedly so, but it does not prevent the relevant public from perceiving the mark in the way submitted by the applicant. That said, I also consider it reasonable that a proportion of the relevant public may interpret it as no more than a reference to a female person as in "Mademoiselle Coco". Therefore, there is two ways in which the opponent's marks may be perceived. In respect of the applicant's mark, the majority of the relevant public are likely to perceive it as a form of address combined with a female forename. They share the same female forename and also both contain a female form of address, but this is not the same in each mark. Where the opponent's marks are perceived as a reference to a female person named "Coco", the conceptual similarity to the applicant's mark is high, but where the alternative meaning is perceived, the conceptual similarity is lower.

47) In respect of the parties' goods and services, the opponent has provided evidence to demonstrate that it provides retail services not only in respect of its core goods relied upon here but also personal care items and that the retailer Boots retails personal care items and also sells own branded Class 3 goods. I note that the supporting evidence consists of exhibits obtained after the relevant date. Whilst this is not fatal to the opponent's submission, I should add that I am not persuaded by the Boots example because this illustrates a retailer providing its own branded goods. This is not the same as a goods provider extending into retailing. The opponent's own retail activities ARE an example of this, but this one example is not persuasive. There is no evidence to illustrate that perfume traders commonly

undertake retail services under the same brand as their perfumes. The correct question when considering if the requisite link exists in this case is whether, when a member of the relevant public sees a retailer of tools and apparatus for shaving, epilation, manicure etc., it believes the services are provided by the perfume trader where the perfume has a similar name as used to identify the retail services. There is nothing before me to indicate that this would be so.

48) The word COCO appears in both marks together with a French female form of address and, consequently, is likely to be perceived as a female forename, informal or otherwise. It is my view that, even in the absence of a female term of address, this is still the mostly likely way the word will be perceived. As such, I agree with Mr Hiddleston when he submitted that it is a word with a low level of inherent distinctive character. However, this is overcome to a degree by the strong reputation attached to the opponent's mark, particularly in respect of women's perfume.

49) Considering all of the above and having regard for the strong reputation in respect of women's perfume, there is still a significant jump from women's perfume to tools and apparatus for shaving, epilation, manicure etc., and then yet a further leap to the retail of these tools and apparatus, therefore, whilst there is a link, I would describe it as, at best, no more than medium.

50) In respect of the opponent's women's ancillaries, I have found that the reputation is lower, but this is offset to a degree because such goods are a small step closer to the applicant's services in that the opponent's goods may include preparations used as part of the same beauty treatment as the tools and apparatus to which the applicant's services relate. However, I would say that the link is still, at best, no more than of medium strength.

Detriment to distinctive character (dilution)

51) 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).

35. Admittedly, paragraph 77 of the *Intel Corporation* judgment, which begins with the words ‘[i]t follows that’, immediately follows the assessment of the weakening of the ability to identify and the dispersion of the identity of the earlier mark; it could thus be considered to be merely an explanation of the previous paragraph. However, the same wording, reproduced in paragraph 81 and in the operative part of that judgment, is autonomous. The fact that it appears in the operative part of the judgment makes its importance clear.

36. The wording of the above case-law is explicit. It follows that, without adducing evidence that that condition is met, the detriment or the risk of detriment to the distinctive character of the earlier mark provided for in Article 8(5) of Regulation No 207/2009 cannot be established.

37. The concept of ‘change in the economic behaviour of the average consumer’ lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers’ perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds.

38 The General Court, at paragraph 53 of the judgment under appeal, dismissed the assessment of the condition laid down by the *Intel Corporation* judgment, and, consequently, erred in law.

39. The General Court found, at paragraph 62 of the judgment under appeal, that ‘the fact that competitors use somewhat similar signs for identical or similar goods compromises the immediate connection that the relevant public makes between the signs and the goods at issue, which is likely to undermine the earlier mark’s ability to identify the goods for which it is registered as coming from the proprietor of that mark’.

40. However, in its judgment in *Intel Corporation*, the Court clearly indicated that it was necessary to demand a higher standard of proof in order to find detriment or the risk of detriment to the distinctive character of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

41. Accepting the criterion put forward by the General Court could, in addition, lead to a situation in which economic operators improperly appropriate certain signs, which could damage competition.

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’.”

52) Therefore, detriment to the distinctive character of the opponent’s mark requires that use of the applicant’s mark would result in a change in the economic behaviour of the average consumer. The applicant submits that there would be no change because the opponent’s goods are aimed at women, whereas the applicant’s goods could be aimed at both men and women²⁶. This was disputed by Ms Aboulian²⁷ who

²⁶ Applicant’s written submissions, para 58

states that the opponent's goods are purchased by both sexes and can be used by customers of either sex. I agree with Ms Aboulia's first point, but it is much less likely that women's perfume and ancillaries may be used by men, especially as the evidence appears to show that they are targeted at women and categorised in the industry as women's products. Taking account of the case law detailed previously, evidence of such a change in economic behaviour is not necessary, "it is sufficient that evidence be produced enabling it to be concluded prima facie that there is a risk, which is not hypothetical, of ... detriment in the future"²⁸. However, by its own admission, the applicant's services relate to the retail of goods for men and women and, therefore, there exists a potential overlap of relevant consumer. Consequently, I dismiss the applicant's submission. Nevertheless, it is still necessary for me to consider all the relevant factors when reaching my decision.

53) Mr Hiddleston cited its UK registration 1260502 and EU registration 12158192 with the UK registration, in particular, including the goods covered by the retail services of its contested application. It also relies upon the "large number" of third-party marks including the word COCO existing alongside the opponent's mark. He submitted that allowing for this co-existence with its own mark and the third party marks, together with a clear difference in the respective goods and services, there can be no detriment to the reputation of the opponent's mark.

54) The opponent has provided evidence in support of its submission that there is a close relationship between retail of personal care items (of the kind listed in the contested application) and the goods themselves. To this end, it has provided evidence relating to the current marketing strategies of Boots the chemist (see my paragraph 47, above) and the opponent itself operating retail establishments and, also, providing personal care items under the same mark. I take this into account, but the reputation of the opponent's mark is founded upon (if not actually limited to) a women's perfume. Whilst the relevant public would not be surprised and may even expect the name of the women's perfume to expand into a range of skin care preparations endowed with the same fragrance (i.e. "women's ancillaries"), it is not obvious to me that the relevant public, upon encountering retail services related to

²⁷ Ms Aboulia's 2nd witness statement, para 14

²⁸ *Aktieselskabet af 21. november 2001 v OHIM*, Case C-197/07P, para 22 & 23

shaving, epilation, manicure tools and apparatus etc. will result in a change in the economic behaviour of the average consumer of the opponent's goods or that there is a serious likelihood that such a change will occur. Therefore, I agree with the applicant's submission that the difference between the respective marks and the distance between the respective goods and services is sufficient to find that it is not likely that use of the applicant's mark will result in detriment to the reputation of the opponent's mark.

55) In summary, I find that the section 5(3) ground fails insofar as it is based upon detriment to the distinctive character.

Detriment to reputation (tarnishment)

56) In *Unite The Union v The Unite Group Plc*, Case BL O/219/13, Ms Anna Carboni as the Appointed Person considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to found an opposition based on detriment to reputation. She said:

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps

for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account.”

57) It is the case of the opponent that its mark will be tarnished by use of the applicant’s mark in respect of low-end, heavily discounted items in line with its trading strategy in Turkey²⁹. The applicant submits that there is no reason for the applicant to market the same products in the UK or that such products would be low end or discounted. In his post-hearing submissions, Mr Hiddleston submits that the correct approach is:

- (i) to consider the full scope of the services applied for and in doing so, note that they are not limited to “low-end” or “discounted” items, and;
- (ii) To consider the question of detriment from the perspective of the general terms listed in the applicant’s specification of services rather than from evidence of inferior quality or low price.

58) Mr Hiddleston also referred to the *Unite* decision, namely, paragraph 42:

“42. Thus the reference to “context” of use of the mark had disappeared. The Board went on to uphold OHIM’s first instance decision to the effect that the use of the word mark KAPPA in respect of tobacco products and the like would be detrimental to the repute of a device mark containing the word KAPPA which had a reputation for sports clothing and footwear, on the basis *inter alia* that the opponent’s goods were “intrinsically related to the concept of

²⁹ See Ms Aboulian’s first witness statement, paras 36 & 37 and Exhibit LKA17

a healthy lifestyle” in the minds of the relevant consumer whereas “smoking tobacco is universally considered to be an extremely unhealthy habit” (paragraphs [37]-[38]). So, again, it was the nature of the goods for which registration was sought that gave rise to the detriment to repute, rather than extrinsic factors connected to a particular manner or context of use or the identity of the applicant.”

59) These comments were made following Ms Carboni’s review of the authorities regarding claims of tarnishment, she went on to state:

“43. Following this review, I do not regard as authoritative the suggestion in some OHIM Boards of Appeal decisions that “context” of use of the mark applied for may be the cause of detriment to repute, at least not insofar as such context is intended to mean something other than what would be ascertainable from the trade mark itself or the list of goods and services. Although the General Court and CJEU have not expressly denied the relevance of context, they have not adopted the idea despite opportunities to do so.”

60) It is the case of the opponent that the applicant is an established trading entity. This is so, but as of the relevant date it was not trading in the UK. The opponent states that the applicant’s trading practice in Turkey is to sell low end, heavily discounted goods. In support of its submission that the applicant is also likely to sell cut price goods in the UK, it has presented evidence that “global entities tend to market their products at a similar price point in each jurisdiction to combat parallel imports and undercutting”³⁰. It supports this statement with exhibits of various Internet extracts illustrating various cosmetics for sale outside the UK and elsewhere in the world where the prices shown are comparable in each location³¹. In its post-hearing written submissions, it also submits that the broadly drafted specifications of the applicant include goods that are low end and heavily discounted.

³⁰ Ms Abouljian’s second witness statement, para 12

³¹ Exhibit LKA24

61) I reject these submissions for a number of reasons. Firstly, I would be reluctant to find that the marketing strategy of the applicant is decisive in light of the comments of Ms Carboni at paragraph 47 of the *Unite* case. Secondly, there is nothing regarding the intrinsic qualities of the services involved (or the goods that these services relate to) that would lead to tarnishment of the opponent's goods. Even if I am wrong, more fundamentally, taking account of the, at best, medium strength of the link and the distance between the respective goods and services, it is not likely that the transfer of a negative impression would occur. Consequently, even if the opponent provided retail services in the UK connected to the sale of low end, discounted tools and apparatus for shaving, epilation, manicure, pedicure and personal beauty care etc. it is not likely to have the claimed effect of tarnishing the opponent's reputation in respect of perfume or ancillary products.

62) I conclude that use of the applicant's mark in respect of the services at issue would not result in detriment to the opponent's mark's reputation.

Unfair advantage of the distinctive character or repute (free-riding)

63) The concept of unfair advantage was discussed by the CJEU in *L'Oreal v Bellure* Case C-487/07 where, at paragraph 41, it stated:

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

64) 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.”

65) Ms Broughton submitted that because of the high level of distinctive character of the opponent's mark and its strong reputation there is a strong link between the marks. It is submitted that, as a result, use of the applicant's mark would benefit from a commercial advantage and it would make it easier for it to become established in the UK. However, in respect of the strength of the requisite link, I have already found that it is less strong than the opponent claims.

66) Mr Hiddleston submitted that there is no evidence that the opponent's goods are used by men and that any connection is weak when considering women's perfume and the applicant's services are aimed at the male market. However, the applicant's services are not limited to the retail of goods solely for use by men. The applicant's specification includes retail services connected with the sale of *tools and apparatus ... for ... epilation, manicure, pedicure and personal beauty care* [and] *electric hand implements for hair curling*. Such services are, at least, equally aimed at female shoppers. Consequently, I reject the applicant's submission insofar as it is based on a separation of consumer based upon gender.

67) Mr Hiddleston also directed me to third party use of marks incorporating *COCO* as a factor in diluting the opponent's mark's ability to distinguish solely the

opponent's goods. He placed particular reliance upon a screen shot from Amazon, the online retailer, showing, for sale, a perfume *World of Essence Madame Coco* and also a screen print from the website *sofaworkshop.com* advertising a *Madame Coco* chair for sale³². I find neither of these persuasive. In respect of the former example, it is just a single example of a third-party using MADAME COCO in respect of the same goods of interest to the opponent. Further, the advertisement indicates that the item is currently unavailable and includes the notice "We don't know when or if this item will be back in stock". In respect of the latter, the respective goods are so distant that the existence of a mark in respect to furniture has no bearing on the distinctive character of the opponent's mark in respect of women's perfume and women's ancillaries.

68) Therefore, I do not agree fully with either side, however, I do agree with the applicant about the lack of strength of the link (that I have found is, at best, of medium strength). When taking account of the combination of the distance between the respective goods and services and the differences in the marks, I find that it is not likely that there will be any image transfer from the opponent's mark to the applicant's mark and that no unfair advantage will be derived from the opponent's mark.

69) In *L'Oreal*, the court described advantage as "where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image"³³. It is my view that the distance between the respective goods and services and the differences between the marks are such that the any link created will not be strong enough to result in such advantage occurring. Such a finding is made regardless of the intention of the applicant, but that said, there is nothing before me to suggest that the applicant's choice of mark and its similarity to the opponent's mark is nothing more than coincidental.

³² Both screenshots are provided at Exhibit RMH6

³³ Para 50

70) In summary, I reject the opponent's case based upon its claim of unfair advantage.

Due cause

71) In light of my findings that the opponent has failed to demonstrate that any form of injury is likely to occur, it is not necessary for me to consider whether the applicant may rely on a claim of "due cause".

Summary

72) The opposition fails on all grounds and the application can proceed to registration.

Costs

73) The applicant has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. I award the applicant costs, as follows:

| | |
|---|--------------|
| Considering opponent's statement and preparing counterstatement | £300 |
| Considering evidence and preparing own evidence | £1200 |
| Preparing for, and attending hearing | £800 |
| Total | £2300 |

74) I therefore order Chanel Limited to pay Deha Magazacilik ev Tekstili Urunleri Sanayi ve Ticaret Anonim Sirketi the sum of £2300 This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

09 October 2019

**Mark Bryant
For the Registrar
The Comptroller-General**

Redacted