

O-605-21

TRADE MARKS ACT 1994

**IN THE MATTER OF
UK TRADE MARK REGISTRATION NO.3211436
IN THE NAME OF SIMON YEO FOR**

Ninja Kids

REGISTERED IN CLASSES 25, 28 AND 41

AND

**APPLICATION No. CA503043 BY NINJA TOTS LIMITED
FOR A DECLARATION OF INVALIDITY
OF THE ABOVE REGISTERED TRADE MARK**

BACKGROUND AND PLEADINGS

1. Simon Yeo (“**the Proprietor**”) is the registered proprietor of UK Trade Mark Registration No.3211436 (“**the Contested Registration**”), relevant details of which are as follows:

Word mark: Ninja Kids

Filing date: 7th February 2017

Published for opposition: 24th February 2017

Registration date: 5th May 2017

2. Registered in respect of the following goods and services in Classes 25, 28 and 41 (“**the Contested Goods and Services**”):

Class 25: Martial arts uniforms

Class 28: Martial arts training equipment

Class 41: Martial arts instruction

3. On 28 February 2020, Ninja Tots Limited (“**the Applicant**”) applied to cancel the above trade mark registration in its entirety, based on grounds under **sections 5(2)(b), 5(3) and 5(4)(a)** of the Trade Marks Act 1994 (“**the Act**”). The Applicant is the owner of the following earlier-filed trade mark (“**the Earlier Mark**”):

UK trade mark No.2587948 (figurative):



Filing date: 15th July 2011

Registration date: 25th May 2012

Registered in respect of goods and services in Classes 25, 28 and 41, including the following (“**the Earlier Goods and Services**”):¹

¹ (The Earlier Mark is registered also for goods in Class 18, but the Cancellation Applicant relies on none of those goods in these proceedings.)

Class 25: Martial arts clothing

Class 28: Martial arts equipment and apparatus

Class 41: Martial arts tuition and instruction

4. The claims are as follows:

Section 5(2)(b) ground

(i) the section 5(2)(b) ground of objection against the Contested Registration is as follows:

The dominant and distinctive element of the mark in suit is highly similar to that of the Applicant's mark. The stylisation of the Applicant's mark, as well as the substitution of the word 'Kids' in place of 'Tots' within the challenged registration, does not sufficiently detract from the level of visual, aural and conceptual similarities between the marks. Further, the conceptual similarities are enhanced by the fact that the words 'Kids' and 'Tots' have the same semantic meaning. As such, the marks are similar to a high degree. The goods of the challenged registration in classes 25 and 28, and services in class 41, are identical to the Applicant's goods in classes 20 and 28, and services in class 41. In light of the similarities between the marks, and the identity between the goods and services, there is a likelihood that consumers will be confused into believing the goods are offered by the same undertaking, or an economically linked undertaking. This likelihood is inherently high, having regard to the prima facie circumstances of the case, and rendered even higher by the principles of imperfect recollection (consumers rarely get to see marks alongside each other) and interdependence (for a finding of likelihood of confusion in a case where the goods and services are identical, there is a lower threshold for necessary similarity of the marks).

Section 5(3) ground

(ii) that the Earlier Mark has “developed a strong reputation” in the UK in respect of the goods and services in Classes 25, 28 and 41, such that 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. The claim refers to “a very high level of distinctive character in the Applicant’s Mark acquired through use”. The claim continues that:

“This is because as far back as consumers have used it [*sic*] to identify that any goods or services offered under the mark are offered by the Applicant and not other third parties.

If the [Proprietor] uses the registered mark, for the registered goods and services, the Applicant will lose the exclusivity in its mark, which will reduce its ability to distinguish the Applicant’s goods and services from those of other undertakings. Such use of the mark will lead to confusion in the marketplace and therefore the Applicant will lose sales to the [Proprietor]”

Section 5(4)(a) ground

5. The Applicant also claims that when the Proprietor applied for the Contested Registration, its use was liable to have been prevented by the law of passing off. The Applicant states that it has used its logo sign (identical to its registered mark) since 15 July 2011 (with preparations for use dating from the Applicant's incorporation in December 2009). Use of the logo is claimed in relation to the Earlier Mark's goods and services in Classes 25, 28 and 41. The Applicant claims "extensive and widespread use of the mark in this time, throughout Gloucestershire and the South West" with "a significant customer base under the mark". It claims there is "an extensive goodwill and reputation in the mark" and that because of the similarities between the marks and the identity of the goods and services, use of the contested registration would be a misrepresentation, deceiving a substantial number of consumers and cause damage to the Applicant in loss of trade and profit, diluting the Applicant's mark owing to loss of exclusivity and jeopardising its reputation for quality.

Proprietor's defence

6. The Proprietor filed a notice of defence, with a counterstatement, denying the claims under all the grounds. When the Applicant applied to cancel the Contested Registration, the Earlier Mark on which it relies for its section 5(2)(b) and 5(3) claims had been registered for over five years and is therefore subject to the use provisions under section 47(2B) of the Act. The Proprietor requested that the Applicant provide proof of use.

Papers filed, representation and hearing

7. During the evidence rounds the Applicant filed evidence in relation to use of its Earlier Mark/sign. The Proprietor also filed evidence. This decision includes an account of the evidence. The Proprietor requested an oral hearing, which took place by video conference before me on 25 May 2021. The Applicant elected not to attend the oral hearing, but its legal representatives, Wynne-Jones IP, filed submissions in lieu. Ian Bartlett of Beck Greener LLP attended as representative for the Proprietor, having filed a skeleton argument in advance. I have read all the papers filed.

THE EVIDENCE

Purposes of the evidence

8. The evidence is to be assessed in relation to the various obligations on the Applicant to show:
- (i) **genuine use** of the Earlier Mark in respect of the goods and services relied on for its section 5(2)(b) and 5(3) claims during the five years from 1 March 2015 to 28 February 2020 (“**the relevant period**”);
 - (ii) the existence of a **reputation** in the UK for the goods and services relied on for its section 5(3) claim, assessed at the filing date of the Contested Registration (“**the relevant date**”) i.e. 7th February 2017;
 - (iii) whether (and/or to what extent), for the purposes of its section 5(4)(a) claim, it had **actionable goodwill** in the UK at the relevant date based on the Ninja Tots logo sign;
 - (iv) it will also inform my assessment of matters such as the **market** for the services at issue and the **distinctiveness** of the marks at hand.

Cancellation applicant’s evidence in chief


9. **(Amended) Witness statement of Victoria Anne Foote (dated 4 March 2021)**. Ms Foote is the director and founder of the Applicant company (incorporated in December 2009). Ms Foote states that she has access to all the documentation of the company, and I note the following points from Ms Foote’s evidence.
10. The Applicant is a small company that provides martial arts classes. Her initial focus was on toddlers and she chose the Earlier Mark “as a contraction of the word toddler”. **Exhibit VF02** shows a dictionary entry for “tot” as meaning “a young child”. Ms Foote states that “we bought” the www. domain name ninjatots.co.uk on 19 August 2009. This statement is supported by **Exhibit VF03**, which is a print-out from the Whois website. The exhibit shows the IP location as Worcester, but the owner of the domain is not apparent from the exhibit – still, other exhibits refer to that website and I accept Ms Foote’s unchallenged statement that the ninjatots.co.uk has belonged to the Applicant since 2009. No information is provided about the extent to which consumers have accessed that website.
11. Ms Foote also states that “we also purchased” 16 other domain names “to protect the Applicant’s brand and to prevent coat-tailing by third parties”, including, on 25 June 2011, the www. domain for “ninja-kids.co.uk”. **Exhibit VF04**, is another print-out from the Whois

website, confirming registration of that ninjakids domain on that date, although again the owner of the domain is not apparent from the exhibit. As I explain below, this evidence around “ninja kids” is not relevant.

12. Ms Foote states that she created the NINJA TOTS logo (the sign of the Earlier Mark) on 20 March 2010 using Photoshop. This is supported by **Exhibit VF05** showing a capture of the logo in Photoshop where the creation date is visible.² Ms Foote states that “over the years” a design company updated the NINJA TOTS logo, which has been used since by the Applicant. **Exhibit VF06** shows the logo applied to two certificates, where the recipients are named as having completed a NINJA TOTS programme in 2010. However, as I have noted above, the Applicant appears to claim to have first used the NINJA TOTS Logo (which is both the Earlier Mark and the sign relied on for the section 5(4)(a) ground) only from 15 July 2011, so it is not entirely clear that the 2010 certificates relate to actual real-world recipients or are simply illustrative mock-ups.

13. **Exhibit VF07** shows various captures from the ninjatots website, including July 2012, June 2013, June 2014, April 2015. Those four page-captures include the Earlier Mark,



but also the sign  (figurative with tiny TM indication) and reference to “NINJA KIDS” (plain word), with classes offered (under those *ninja kids* signs) Monday – Thursday at 5:20 p.m. in Cirencester, Stroud, Chippenham and Swindon (for instance at a village hall, primary schools or leisure centre). The pages July 2012 – June 2014 are outside the relevant period for proof of use purposes. Moreover, references to NINJA KIDS (in this and other exhibits, and in the witness statement), whether in word or figurative form, are not relevant since they are not signs or marks relied on by the Applicant in its statement of claims. Only two captures are from within the relevant period: one is dated 14 April 2015, but shows no information on classes under the Earlier Mark, only under the *ninja kids* signs; the other is dated 17 October 2016, but that capture does

2 A slight misalignment in the numbering of the exhibits referenced in the witness statement since the exhibit intended to show the incorporation date of the Applicant was originally missing. The error was highlighted by the Applicant’s legal representatives and an amended version filed on 15 March 2021. This decision refers to the numbers on the face of the actual exhibits.

not show the logo (Earlier Mark), although it does refer in plain word form to “NINJA TOTS & NINJA KIDS”.

14. Also included in **Exhibit VF07** are pages from youtube in relation to a video from 18 June 2013 (before the relevant period) which appears to have been posted by Ms Foote under the heading “Ninja Tots and Ninja Kids by Ninja Tots Ltd” and which is shown to have 5,303 views (the number of UK views is not determinable), and just 7 subscribers and 7 likes/thumbs up.
15. Notwithstanding the claim to first use of the logo sign on 15th July 2011 (the filing date of the Earlier Mark) Ms Foote states (paragraph 11) that since April of that year (2011) the Applicant has been selling “training uniforms, tee shirts, sports bags caps and pads etc” bearing the NINJA TOTS logo. **Exhibit VF09** shows captures from the WayBack Machine archive resource, includes 3 captures from the Applicant’s ninjatots.co.uk website from July 2012, March 2016, January 2017, showing an order form where a participant may order a t-shirt and belt (£10) or a suit and belt (£35). The exhibit also shows an example “suit” where the Earlier Mark is visible both on the front and back:



16. Also included in **Exhibit VF09** (at page 8) is an invoice – dated 12 April 2011 (outside the relevant period) – for “16 custom-made club suits, junior size”, totalling £319.20. The exhibit also shows a picture of a cap, a tee shirt and a simple drawstring bag all bearing the earlier mark.



17. Although Ms Foote states that the Applicant has been selling these goods with the logo since April 2011, there is no indication of quantities sold nor evidence of actual sales.
18. Ms Foote states that in August 2011 the Applicant created a Twitter page - this is corroborated by **Exhibit VF11**, which shows that “Victoria Foote @ninjatotsandkids.com” had, in 21 October 2020, 131 followers, and had issued 2313 tweets over the 9 years (equivalent to 257 tweets a year). The Earlier Mark is not shown.
19. Miss Foote states that the Applicant commissioned printed banners to promote its activities when the Applicant has “a stand at festivals and other promotional activities”, along with leaflets, flyers and posters. **Exhibit VF12** shows an invoice, dated April 2013, and in the amount of £49.99 for a roller banner. The exhibit does not show the banner or whether it featured the logo. It is not clear how many attendees engaged with the Applicant’s services but I note Exhibit VF17 and VF18 below indicate the festivals attended.
20. **Exhibit VF13** features a few regional Press clippings featuring the Applicant. One dates from May 2010 in the online website gazetteandherald.co.uk under the headline “Ninja tots will be co-ordinated tots”. The logo is not shown. An article from the Wilts and Gloucestershire Standard (Cotswold Edition), dated December 2012 is titled “Ninja tots group is running for award” and refers to the Applicant being shortlisted for a Tommy’s Baby-friendly award for Best Children’s Activity Provider. The article also refers to the company being recognised by the Olympic charity Join In Local Sport, where its staff and children were given awards by sport names Daley Thompson, Sharron Davies and John Inverdale. In January 2013 the same paper shows that Daley Thompson gave Ninja Tots

his vote and support for the award. Page 9 of the exhibit shows a picture from August 2012 of ten or so young children meeting Daley Thompson. Five of those children are wearing what appear to be the black and red martial arts suits bearing the logo as shown in my paragraph 15 above. **Exhibit VF16** is a screenshot from youtube relating to ITV West Country covering Daley Thompson visiting Ninja Tots in August 2012 as part of the Join In charity work. (The youtube video is shown to have 271 views and 1 like.)

21. Ms Foote states that “we have supported the national childbirth charity (“NCT”) since 2007”. I note that this pre-dates both the incorporation of the Applicant and the creation of the Earlier Mark. Ms Foote states (paragraph 15) that “we have held a promotional stall three times per year every year since 2010”. In the absence of further detail, it is not clear what exposure that activity gave to the Earlier Mark. **Exhibit VF14** shows an interview with Ms Foote in the Cirencester and district NCT newsletter from Spring 2013 (outside the relevant period). The interview provides information about the classes at that time – when, where, cost, clothing. It refers to a class in Cirencester on a Monday afternoon (with plans at that time for a morning class) and to the existence of other classes including Cricklade on a Friday and classes in Stroud and Swindon. Classes are 30 minutes and cost £4.50 per session; children have the option to buy the outfit or a ninja tots tee shirt, although the intermediate class must buy an outfit (page 5). The Earlier Mark is prominently shown at the end of that 2013 article. Ms Foote also states that since 2015 the Applicant has advertised quarterly in the NCT magazine. **Exhibit VF14** shows an invoice for £45 dated 29 April 2015 from a design company for supplying design and artwork for such a half page advert. It is not clear whether the logo featured.
22. Ms Foote states that the Applicant attends various annual school fetes. **Exhibit VF14** is stated as by way of example; it shows an extract from a pamphlet for Powell’s School Summer Fete 2019. It includes an advert for four classes in and around Cirencester and Stroud, and the advert features the logo (along with the ninjatots.co.uk web address). The Applicant is shown as one of ten sponsors of the School Fete, offering one month of free Ninja Tots classes as a raffle prize. (It is not clear how many other school fetes are attended annually or how the Earlier Mark features.)
23. **Exhibit VF17** shows Ninja Tots (without logo shown) as attending The Big Festival in 2018 and 2019 in The Cotswolds (Oxfordshire). Ms Foote states that the Applicant also attended in 2017, and identifies six other festivals/events attended between 2013 and

2019 – including Cirencester’s Phoenix Festival in 2016 (witness statement paragraph 19 and **Exhibit VF18**).

24. Ms Foote lists at paragraph 21 of her statement seven locations where classes have taken place “since 2002” (which clearly extends far outside the relevant period and long precedes both the incorporation of the Applicant and the creation of the Earlier Mark). However, the evidence as a whole indicates the classes largely took place in Cirencester Stroud and Chippenham (Gloucestershire and North Wiltshire).
25. The evidence as to the relevant period warrants close attention. At paragraph 23 of her witness statement, Ms Foote identifies around a dozen nursery / primary schools with which the Applicant “has worked” between 2012 – 2019, most within the relevant period. **Exhibit VF19** shows 8 invoices correlating to those identified primary school/nursery sessions. Only six of the invoices that bear the logo are from within the relevant period. The exhibited invoices total £1100 across 2014 – 2017. It appears that these invoices do not represent the full total income from the referenced engagement with primary schools/nurseries – for instance the final four schools mentioned in paragraph 23 do not appear among the invoices exhibited, and nor are the two schools who give reviews at Exhibit VF20 mentioned. Nonetheless, the way in which Ms Foote gives her account of provision of services at paragraph 23 is not clear as to what greater extent the services have been supplied in total.
26. Ms Foote states that since lockdown for the pandemic and the advent of online classes she now considers her business “to have no geographical limits”. However, I take judicial notice of the fact that the first UK lockdown did not start until March 2020, whereas the relevant period ends on 28 February 2020. This line of argument can therefore have no relevance in this case.
27. Ms Foote states that the Applicant has “over the years built a loyal customer base who entrust us to teach martial arts to their toddlers and kids”. **Exhibit VF20** and **VF22** show captures from the Applicant’s website (where the Earlier Mark is included), dating from April 2015 and 2016, showing “testimonials” from two schools (Gloucestershire and Wiltshire) and (seven) parents, commenting favourably on the Applicant’s martial arts sessions. However, most of those testimonials are shown to have been garnered by 2013 (page 2 Exhibit VF22), before the relevant period.

28. **Exhibit VF21** shows the Applicant's website offering martial arts birthday parties during the relevant period (2016 and 2017). The logo features. Ms Foote states that the Applicant "accepts bookings from all around the United Kingdom" and that its "reach with these birthday parties is national as we can easily be found online". These strike me as thin assertions and there is no evidence as to where or to what extent the martial arts parties have actually taken place.
29. Finally, I note that Ms Foote states that the Applicant has "over the years, thoroughly policed the internet and successfully taken down several Facebook pages and successfully requested that competitors stop using our NINJA TOTS trade mark." **Exhibit VF23** shows correspondence wherein the Applicant objects to a third party's use of the Applicant's Earlier Mark, involving reproduction of that logo, in which the Applicant also asserts copyright. The exhibit also shows a notice of threatened opposition against a trade mark application for "Ninja Tykes". While I note these "policing" acts (which are more recent than the relevant period), the detail is not clear, but more centrally, they are not on all fours with the present cancellation action.

The Proprietor's evidence

30. The evidence from the Proprietor takes the form of a witness statement dated 12 February 2021 from Simon Yeo, with eight exhibits. I note the following points:
- (i) Mr Yeo is based in South London where he teaches martial arts, including instruction in ninjutsu. His clients have included the adventurer and broadcaster Bear Grylls, who provides a testimonial to the Proprietor's training services.
 - (ii) In March 2013 he launched a children's martial arts school, called NINJA KIDS teaching basic martial arts skills and the ethos that lies behind it to children, particularly focusing on ninjutsu.
 - (iii) Mr Yeo is the author of the book "Ninjutsu: The Secret Art of the Ninja" first published in 2007 by Crowood Press. **Exhibit SY2** shows the book available through Amazon.co.uk.
 - (iv) His evidence addresses the significance of the word NINJA; the Cambridge Dictionary defines the word as meaning a Japanese fighter, especially in the past, who moves and acts without being seen and usually carries a short sword. However, Mr Yeo gives evidence from the Collins English dictionary, showing it is

also used to mean, more generally, a person skilled ninjutsu, which is a Japanese martial art.

- (v) Mr Yeo purchased the domain name ninja-kids.co.uk in March 2013. **Exhibit SY3** shows recent print-outs from his website, which he states aside from timetables and some of the testimonials, has not materially changed since set-up in April 2013.
- (vi) The Proprietor started running children's classes under the name NINJA KIDS on 23 April 2013, branching out into schools from January 2014 and opening a second site in September 2014.
- (vii) Mr Yeo gives his annual revenue from his NINJA KIDS business over the years as around £35K.
- (viii) He states that he is not aware of anyone having ever confused his NINJA KIDS business with the Applicant's business – for instance, no mis-addressed communications. He states that he is not aware that anyone has ever been reminded of or caused to think of the Applicant's business by Mr Yeo's use of NINJA KIDS, which he submits is not surprising because (i) "NINJA KIDS and NINJA TOTS are completely different and it is difficult to see how anyone could confuse them" and (ii) the NINJA TOTS logo format "is entirely different" from the way Mr Yeo uses NINJA KIDS - (I will touch on issues of variant form and the scope of protection of a trade mark registered in plain word form) - and (iii) because the parties' businesses are local and their "catchment areas do not overlap and in fact they are not even close." I will touch on the national scope of a trade mark registration as part of my assessment below of genuine use.
- (ix) Of particular note is Mr Yeo's **Exhibit SY4**. This evidence indicates that there are numerous other businesses which have been operating martial arts classes for young children under the name "ninja tots" all over the country: Mr Yeo identifies 13 such classes across the UK, from Glasgow to Brighton and Barry, and including Yorkshire, Lancashire, Surrey and Bedfordshire. Mr Yeo states that many of these are too small and local to have had the relevant pages of their sites crawled by "Wayback Machine". Nonetheless, **Exhibit SY5** shows that the Wayback Machine did capture use in May 2015 of "Ninja Tots" on the Aegis Martial Arts site (based in Leeds) for its young children's classes. Mr Yeo submits that in any event, the large number of these references supports his belief that this widespread use of "Ninja Tots" to refer to such classes for young children is "not recent".

- (x) Supported by **Exhibit SY6** Mr Yeo makes similar points in relation to third party use of “Ninja Kids” for children’s martial arts classes across England and Wales, from Leicester to Pontarddulais, (including several where it is apparent that the classes existed during the relevant period).
 - (xi) Mr Yeo also gives evidence that there are numerous other similarly themed offerings aimed at children, run under names that include the word “Ninja”. **Exhibit SY7** provides examples from across England and Wales, from Preston to Cornwall to Norfolk, including: Tiny Ninjas, Mini Ninjas, Little Ninjas, Ninja Tykes, Ultimate Ninja, Ninja Knights, Ninja Cubs, Ninja Training, Total Ninja, Ninja Warriors.
 - (xii) **Exhibit SY8** documents the comic book, TV and film series based on Teenage Mutant Ninja Turtles with animated series running from 1987 and throughout the subsequent decades. The Applicant’s submissions in lieu criticise these as dated references, although the characters appear to have an ongoing exposure with the most recent film release being in 2019. Whatever the freshness of those cultural references, I accept Mr Yeo’s submission that “children are aware of the term “ninja” from a young age and wish to be associated with the term” hence the common choice of that word for martial arts-themed activities for children.
31. I recognise that none of the “ninja” offerings identified by Mr Yeo is shown to have pre-existed 15th July 2011 – the filing date of the Earlier Mark. However, I note too that Ms Foote states (at paragraph 4 of her witness statement) that it was as early as 2002 that she was introduced to the creator of the “Little Ninjas Children’s Martial Arts Programme”. Notwithstanding that that programme was in the USA, it would not be surprising if a similar descriptor took root in the UK. At any rate, the Applicant filed no evidence or submissions in reply during the evidence rounds to contest any of the evidence filed by the Proprietor.

Genuine use

32. Section 47 of the Act deals with invalidity. Both parties are familiar with the relevant provisions which I note here to this extent:

47. –[...]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(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.

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) [...]

(2D) [...]

...

(2E) 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.

(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.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(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.

33. In this invalidity action against the Proprietor's Contested Registration, the Applicant is able to rely on its Earlier Mark as the basis for its section 5(2)(b) and 5(3) claims only to the extent that the evidence establishes, in respect of its claimed registered goods and services, genuine use of that figurative mark (or an acceptable variant).
34. The case law on genuine use is well-established. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) 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 Bundesvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken 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].”

35. In making my determination as to whether the evidence presented shows the necessary genuine use, I also take account of judicial comment as to probative and evidential issues in such cases. In *Awareness Limited v Plymouth City Council*,³ Daniel Alexander Q.C. sitting as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use [...]. However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor

³ Case BL O/230/13

is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

36. In *Dosenbach-Ochsner*⁴, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person stated that:

“22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

37. As noted, the legislation provides for use of a mark in a variant form differing in elements which do not alter the distinctive character of the mark as registered.⁵ The Earlier Mark is a figurative mark that presents the name Ninja tots in a particular format:



. The Applicant does not claim exclusive rights in the plain words - indeed, the Applicant places a degree of emphasis on the importance of the logo as its badge of origin by the evidence of design and creation at **Exhibit VF05**. Likewise, the policing evidence at **Exhibit VF23** includes an assertion of copyright and appears to be an objection in respect of a direct reproduction of the Earlier Mark (not simply the use of the plain words). The evidence at **Exhibit SY4** is that the words “Ninja tots” appear to be used by various unconnected third parties to designate martial-arts themed activities for children and the Applicant filed no evidence or submissions in reply to challenge or contradict this evidence. I find that the presentation of the Earlier Mark as a figurative mark is a contributing part of its distinctive character and thus the removal of such figuration may be said to alter the distinctive character, thereby failing to satisfy the variant form provision in section 47(2C). This is different from the situation in the appeal case

⁴ *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13

⁵ Section 46(2) of the Act above – and sections 47(2C)(a) and 6A(4)(a) of the Act as set out later in this decision.

BL O/091/19 where Professor Phillip Johnson, as the Appointed Person, found that a cursive rendition qualified as use of the registered word-only mark DREAMS. This was because the stylisation of the word did not alter the distinctive character of the word mark. Rather, it constituted an expression of the registered word mark in normal and fair use. I will therefore focus my assessment of proof of use primarily on the evidence that shows the logo in use. That said, even I am wrong and the plain word use an acceptable variant form of the figurative mark, it would not significantly change the impact of the evidence.

38. As I have set out in my account of the evidence above, the logo relied on by the Applicant appears in various of the documents exhibited to Ms Foote's statement. In my view, having in mind the case-law criteria, the evidence shows actual use of the trade mark (at least in relation to some of the goods and services), which is not merely token, and which is consistent with the essential function of a trade mark, which is to guarantee to the consumer or end user the identity of the origin of the goods / services by enabling the consumer to distinguish the goods / services from others which have another origin. The evidence relates to offerings already marketed by the Proprietor.
39. The question of whether there is sufficient evidence to satisfy the genuine use requirement therefore turns on the extent to which the use of the Earlier Mark that has been shown in the evidence amounts to a "real commercial exploitation of the mark", having in mind all relevant facts and circumstances, including the seven listed (a) – (g) in the cited case law. I will deal first with the goods relied on by the Applicant.
40. Although paragraph 11 of Ms Foote's statement refers to selling "sports bags and pads" since 2011 there is nothing in her evidence to support use of the Earlier Mark in respect of the claimed martial arts equipment and apparatus in **Class 28**. A 2012 photograph shows Daley Thompson holding a punching pad that appeared to feature the logo, but there is nothing to show those were even offered for sale during the relevant period. The evidence fails to show genuine use in respect of martial arts equipment and apparatus and the Applicant cannot therefore rely on its claimed Class 28 goods.
41. As to martial arts clothing in **Class 25**, I have noted that Ms Foote states that the Applicant has been selling these goods with the logo since April 2011 and I have noted that **Exhibit VF09** martial arts suits bearing the mark were available to order via the Applicant's website in 2016 and 2017 (during the relevant period). However, there is no evidence of

actual sales nor any indication of quantities sold (at all). The Applicant's evidence shows that it did requisition "16 custom-made club suits, junior size" in April 2011 but there is no evidence of any subsequent order (such as during the relevant period). The market for martial arts clothing is a nationwide market and the evidence fails to show that the Applicant has any share of that market during the relevant period. The evidence fails to show genuine use in respect of martial arts clothing and the Applicant cannot therefore rely on its claimed Class 25 goods.

42. The evidence taken as a whole is notably stronger in respect of the claimed services of "martial arts tuition and instruction" in Class 41. The Applicant has provided services engaging children at least in martial arts-themed activities, which I accept as martial arts tuition (and the instruction may include conventional, pure martial arts techniques with associated belts and progression). At the very least, the logo is shown advertising classes in 2019 in and around Cirencester and Stroud in the school fete pamphlet at **Exhibit VF14**, six invoices at **Exhibit VF19** (to playgroups and nurseries) are shown to bear the logo within the relevant period, and at least two testimonials (**Exhibit VF20** and **VF22**) appear to have been garnered during the relevant period where the testimonials at least are shown on the Applicant's website alongside the logo Earlier Mark.
43. However, much of the evidence falls outside the relevant period for proof of use (though I appreciate that the evidence also goes to a claim of goodwill), and for some of the evidence that is from within the relevant period it is not clear whether the Earlier Mark (the logo) was used – for instance in the quarterly advertisements in the regional NCT magazine; or at the festivals mentioned.
44. Mr Bartlett's skeleton argument criticises the evidence for failing to give any clear indication of the economic extent of the Applicant's business, or the extent to which it was business was conducted under the logo of the Earlier Mark. Mr Bartlett notes the potential that the classes might potentially have been conducted under the mark NINJA KIDS as variously referenced in the evidence. Ms Foote gives no indication of annual revenue, whether relating to clothing, equipment or classes. Mr Bartlett submits that it is simply not possible therefore, to assess whether the use made by the Applicant of the NINJA TOTS logo during the relevant period was "warranted in the economic concerned" – Walton factor (a). Neither is it possible to assess in full "the scale and the frequency of the use of the mark" – Walton factor (d). I consider these to be valid criticisms. Such

information must surely have been available to Ms Foote (*Walton* factor (f)), yet the Applicant, who has been professionally represented throughout, gives no explanation as to why such information was not provided. Matters are not assisted by the absence of any indication of visitor numbers to the Applicant's website, any clear indication of social media reach or of significant advertising or PR expenditure.

45. The income sums that are apparent from the invoices at **Exhibit VF19** total only around £1100 across the years of the relevant period. Mr Bartlett submits that such sums are wholly insufficient to maintain a trade mark registration in respect of the children's martial arts classes. Referencing the case law, Mr Bartlett emphasised that it is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: and although there is no specific *de minimis* rule, there is a level of use which while it is commercial, is so insignificant that it cannot be said to be "genuine" for the purpose of maintaining a nationwide monopoly. I accept the criticisms of the evidence and **my primary finding is that it is insufficiently clear, explicit or focused on the relevant five years to satisfy the burden to show genuine use for the claimed services of martial arts tuition and instruction in Class 41. In the circumstances, this primary finding means that the claims under sections 5(2)(b) and 5(3) must fail.**
46. However, in case I am wrong in that finding, I will also consider an alternative conclusion on proof of use. Mr Yeo's witness statement shows that just under names which include the word "Ninja", martial arts classes for children appear to be held regularly all over the UK, and that the market may be considered fairly substantial. However, the influence of the notion of a nationwide monopoly should not be overplayed. While one of the criteria listed in *Walton* is the territorial extent of the use, there is no obligation that a trade mark registered for services must have been used across the breadth of the UK. This is effectively acknowledged by Mr Bartlett in the secondary position that he puts forward in his skeleton argument. There he argues that in instances where genuine use has been demonstrated only in a specific area of the UK, it would be open to the tribunal to deem that the asserted registration be geographically limited to the geographical area in question. I fully recognise that such a course of action may be attractive in many situations – and it may be an approach sensibly agreed between parties – however, it does not appear to me that it is open to the registry unilaterally to press that course of action.

47. While I therefore cannot accept the secondary position put forward by Mr Bartlett, I nonetheless note his following observations about the market for certain services: “*This [possibility for geographical limitation] is particularly the case where the core services at issue, namely the operation of martial arts classes are inherently “local”. Such services fall into the same category as for instance, car dealerships, dentists, funeral directors, tree surgeons, and all but the most famous shops and restaurants in that they are likely to draw their customers only from their immediate surrounding area, and it is only in that area that their name is capable of becoming distinctive. (It should be borne in mind that each of these examples of local services have been the subject matter of passing off claims in which the court issued a geographically limited injunction).*”
48. That Ms Foote’s evidence of the Earlier Mark may be limited to the services offered in a relatively narrow geographical area is of itself no fundamental impediment to the prospect of the Applicant establishing proof of genuine use. I will therefore proceed (against my primary finding) to consider the consequences of a highly favourable construction of the evidence in the round, and take into account that the invoices are not intended to indicate total income (whatever that may be in this case) and assume that the Earlier Mark has been the badge of origin for the Applicant’s services and that the services have been offered with sufficient consistency during the relevant period to satisfy genuine use.
49. Where proof of use of an earlier mark is validly requested and the submitted evidence is sufficient only for part of the goods/services listed, the earlier mark is deemed registered for only those goods/services and any analysis as part of an invalidity action is consequently restricted. In *Euro Gida*⁶, Mr Geoffrey Hobbs Q.C. sitting as the Appointed Person explained that “... *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.*”
50. In my view, a (hypothetical) fair specification could be “Martial arts tuition and instruction for children.”

⁶ *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10. See also Carr J in *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch).

The Section 5(2)(b) claim

51. Section 5(2)(b) of the Act, reads 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”.

52. Determination of a section 5(2)(b) claim must be made in light of the following principles, which are gleaned from the decisions of the EU courts 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. The principles are:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a

complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may 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 will wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of the goods/services

53. Proceeding on the premise that the evidence shows genuine use for the Class 41 services, my brief analysis of the goods and services at issue is as follows:

Applicant's Goods/Services	Proprietor's Contested Goods/Services
<p style="text-align: center;">Class 41: Martial arts tuition and instruction for children</p>	<p style="text-align: center;">Class 41: Martial arts instruction</p>
<p>These are <u>identical</u> services, since the broader term under the Proprietor's services could include services directed at children (indeed on the evidence it does so).</p>	

Class 41: Martial arts tuition and instruction for children	Class 25: Martial arts uniforms Class 28: Martial arts training equipment
<p>The contested goods in Class 25 and 28 may be considered similar to a degree between low and medium to the notional fair specification of services, on the basis of the overlap in users, uses and potentially channels of trade.</p>	

The average consumer and the purchasing process

54. It is necessary to determine who is the average consumer for the respective goods and services and how the consumer is likely to select them. 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.⁷ In *Hearst Holdings Inc*,⁸ 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 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 word "average" denotes that the person is typical... [it] does not denote some form of numerical mean, mode or median."

55. The goods and services are targeted to the general public at large (though the goods could include a business public). The average consumer of the services will pay **an above medium degree of care and attention**, since parents will want to ensure the safety and wellbeing of their children and the suitability of the services and resources offered. Martial arts clothing and equipment will for the most part be undertaken with a **medium** level of care and attention (though a business public will typically pay an above medium degree of attention). The goods and services will be selected by visual means

⁷ *Lloyd Schuhfabrik Meyer*, Case C-342/97

⁸ *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)

(for example, by perusing information in brochures, leaflets and websites the like) so visual considerations dominate, but I also take into account aural considerations since word of mouth and recommendation may also factor.

Distinctive character of the Earlier Mark

56. The distinctive character of the Earlier Mark must be considered. The more distinctive an earlier mark, either by inherent nature or by use, the greater the potential for a likelihood of confusion (*Sabel*) – although it must be borne in mind that it is the distinctiveness of the common element that is often key. In *Lloyd Schuhfabrik*⁹ 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 ...

*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).”*

57. The distinctive character of a trade mark can be appraised only, first, by reference to the goods/services on which the party is able to rely and, secondly, by reference to the way it is perceived by the relevant public.¹⁰

9 *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97

10 *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91

Inherent distinctiveness

58. I have already noted that the Applicant emphasises the importance of the logo as its badge of origin. The specific font style and presentation in the yellow, red and black colour combination contribute significantly to the appearance and distinctiveness of the mark.¹¹ However, the words ‘NINJA TOTS’ are clear and obviously contribute to whatever distinctiveness the Earlier Mark may, on an inherent basis, possess.
59. In my view, drawing partly on the evidence from Mr Yeo, but also on my own understanding as a member of the general public, the average consumer will, in the context of the services relied on, perceive the word “Ninja” as a generic short hand for a martial artist, with associations of skill, stealth and gymnastics. As the Applicant put it in its submissions in lieu, *“TOTS’ and ‘KIDS’ designate the intended users or recipients of the respective goods and services of the parties, and will be perceived by the average consumer as the persons who will benefit from those goods and services.”* In my view, the word “TOTS” is in less common usage than “KIDS” and has a marginally greater degree of distinctiveness – but overall, the words “NINJA TOTS” remain very highly allusive. I also accept that there appear across the UK to be numerous Ninja Tots, and other children’s martial arts classes held by reference to names which include the word “Ninja” and provided by third parties unconnected to the Applicant. The Applicant has not sought to contradict that evidence and the evidence strongly suggests that the words “Ninja Tots” and other such Ninja signs in relation to such classes have very weak, if any, distinctive character, even in the areas in which such services are supplied. Even factoring in the stylisation created by the Applicant, I find the Earlier Mark to be of low distinctive character in respect of the services on which it is able (notionally) to rely.

Enhanced distinctiveness:


60. The evidence is that the NINJA TOTS Logo was created on 20 March 2010 and it is claimed to have been first used by the Applicant on 15 July 2011, though it may have appeared on certificates in 2010. At any rate, the Earlier Mark had been in use for several years by the relevant date (7th February 2017, when the Proprietor filed the contested trade mark application). However, the evidence as to the extent of use of the Earlier Mark

¹¹ See the comment of the General Court on the importance of ornamental presentation of a mark, in Case C655 /11 P *Seven for all mankind v Seven* EU: C: 2013:94, [49]

– promotional reach, website hits, participants engaged etc - again hampers any potential for enhanced distinctiveness.

Comparison of the marks

61. It is clear from *Sabel* 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 CJEU stated in *Bimbo* 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.”¹²
62. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks.

Earlier Mark	Contested mark
 The logo for 'Ninja Tots' features the word 'Ninja' in a yellow, bubbly font with a red outline, positioned above the word 'TOTS' in a larger, yellow, bubbly font with a red outline. The letters are rounded and have a thick, black drop shadow.	Ninja Kids

¹² *Bimbo SA v OHIM*, Case C-591/12P (paragraph 34)

Overall impressions of the marks

63. The overall impression of the Applicant's earlier figurative mark is that it is based on the two words "ninja" and "tots" presented in a colourful and playful font, which contributes to the overall impression, but the word element is dominant in the sign. The overall impression of the Proprietor's contested mark is that it is the plain words "Ninja Kids". (The words of each mark sit together as a two-word phrase, though in the current context, the words are of low distinctiveness.)

Visual Similarity

64. Fair and notional use would allow the contested word mark to be presented in another standard typeface and font. However, it is not clear to me that fair and normal use of the Proprietor's plain word mark should be conceived to cover the stylised presentation of the Earlier Mark. Given the inherently low distinctiveness of the Earlier Mark in respect of its (notional) fair specification of martial arts instruction for children, it seems to me that it would be wrong to disregard the stylisation of the registered figurative mark in this case. In this connection I note that the Applicant's submissions in lieu referred to the EUIPO guideline that when figurative marks with word elements and word marks are compared visually any variation in stylisation has to be high in order to find visual dissimilarity. However, since I also note the broad protection for word marks when comparing for similarity,¹³ in comparing the marks visually I therefore focus on the difference as between NINJA TOTS and NINJA KIDS. In my view, given the visual difference between the word "TOTS" and "KIDS" (and the low distinctiveness of the shared element "NINJA") the marks may be considered visually similar to **a degree that is medium at best.**

Aural Similarity

65. In my view, despite the shared opening two syllables, given the aural difference between the word "TOTS" and "KIDS" (and the low distinctiveness of the shared element "NINJA") the marks may be considered aurally similar to **a degree that is medium at best.**

¹³ See T-211/03 *Faber v OHIM* [2005] ECR II-1297, paragraph 37 and T-434/07 *Volvo v OHIM* [2009] ECR II-4415 at paragraph 37

Conceptual similarity

66. Earlier in this decision I considered the conceptual implications of the marks when dealing with the inherent distinctiveness of the Earlier Mark. I concluded that in the context of the services relied on, the average consumer will perceive the word “Ninja” as a generic short hand for a martial artist, with associations of skill, stealth and gymnastics and that “TOTS’ and ‘KIDS’ designate the intended users. I have also noted the evidence of **Exhibit VF02** that “tot” can mean “a young child”. There is therefore a sense in which the second words of the marks may be mutual synonyms. In my view, the concept of “tots” signifies still younger children than “kids”, but nonetheless, it must be said that the marks (noting the combination of words) are **conceptually similar to a high degree**.

Conclusion as to likelihood of confusion

67. I come now to give my conclusion on the section 5(2)(b) claim - which it will be recalled is only my secondary position, in view of my earlier findings as to the sufficiency of the proof of use evidence. Is there a likelihood of confusion as between “NINJA KIDS” and



in respect of identical martial arts services (and similar goods)?

68. Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.
69. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public;¹⁴ occasional confusion by a small minority is not sufficient to find a likelihood of confusion. The relative weight of the factors is not laid down by law, but is a matter of judgment for the tribunal on the particular facts of each case.¹⁵ The legal test ‘likely to cause confusion amongst the average consumer’ is inherently imprecise, not least because the average consumer is not a real person; it involves a prediction as to

¹⁴ Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34

¹⁵ See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O-079-17, (*Rochester Trade Mark*).

how the public might react to the presence of two trade marks in ordinary use in trade and, it is often very difficult to make such prediction with confidence.¹⁶

70. Determining whether a likelihood of confusion exists is not an arithmetical or scientific process; it is a matter of making a global assessment of all relevant factors in accordance with case law principles, especially those outlined at paragraph 52 above.
71. There are significant factors that weigh in the measure in favour of the Applicant. The services are identical and I will focus on those since they are the stronger point of similarity than the goods. The marks may be considered visually similar to a medium degree at best and to have a high degree of conceptual similarity. Moreover, I must also consider the role of imperfect recollection and the principle of interdependency of factors, where the closeness (here identity) of services (or goods) may offset a lesser degree of similarity between marks.
72. Weighing on the other side of the balance, I have also found that the average consumer of the services will pay a higher than medium level of attention, which tends to mitigate a likelihood of confusion. I have also found – for reasons of prevalence and high allusiveness - that the Earlier Mark is of low inherent distinctive character with no enhancement effect based on use at the relevant date. On the theme of low distinctiveness, I note that the *NICOVENTURES* case¹⁷ - involving figurative marks based respectively on the words Vape.co / Vape & Co - Birss J. (as he then was) reversed the Hearing Officer's decision. The judge referred to the principle expressed by Arnold J. (as he then was) in the *Origin Wine* case,¹⁸ that: "... if the only similarity between the respective marks is a common element which has low distinctiveness, that points against there being a likelihood of confusion."
73. And in appeal case BL O-075-13,¹⁹ Iain Purvis Q.C. as the Appointed Person, emphasised "It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the

16 Again see comments of Iain Purvis as the Appointed Person, *ibid*.

17 *NICOVENTURES HOLDINGS LIMITED V THE LONDON VAPE COMPANY LTD* [2017] EWHC 3393 (Ch)

18 *Whyte & Mackay Ltd v Origin Wine UK Ltd* [2015] EWHC 1271 (Ch)

19 *Kurt Geiger v A-List Corporate Limited* at paragraph 39

distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

74. In my view the combination of Ninja with “tots” and “kids” is not so low on the distinctiveness scale as “Office cleaning services”²⁰ or even “Vape.Co”, but (according to unchallenged evidence) the Ninja concept appears to be widely deployed in the field of martial arts courses for children, in respect of which it is highly allusive. I therefore accept that the difference of the second word – with “tots” the quirrier of the two - despite the semantic overlap, is enough in distinguish between the marks. Indeed, the Applicant’s evidence shows that it considers there a material conceptual difference between



and



since it appears to have deployed both to

target different age groups.

75. Given my view that the Earlier Mark is of low distinctiveness, I do not consider that the contested plain word mark encroaches in such a way as to lead to confusion. Even allowing for the possibility that a mark may be imperfectly recalled and that marks are rarely directly compared side by side, I find no likelihood that the average consumer, deemed reasonably well informed, and reasonably circumspect and observant, will mistake one mark for the other. There will be no direct confusion.
76. I turn therefore to consider whether there is a risk of indirect confusion. Iain Purvis QC, sitting as the Appointed Person, considered indirect confusion (and the difference between direct confusion) in *L.A. Sugar Limited v By Back Beat Inc*,²¹ stating as follows:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the

²⁰ *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] 63 RPC

²¹ Case BL-O/375/10

earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case)
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).
- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

77. Sitting as the Appointed Person in *Eden Chocolat*²², James Mellor QC stated as follows:

“81.4 ... I think it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element. When Mr Purvis was explaining²³ in more formal terms the sort of mental process involved at the end of his [16], he made it clear that the mental process did not depend on the common element alone: ‘Taking account of the common element in the context of the later mark as a whole.’ (my emphasis).”

²² Case BL O-547-17 *Eden Chocolat be more chocstanza (word & device) v Heirler Cenovis GmbH* (27 October 2017)

²³ In *L.A. Sugar* – above.

78. No likelihood of confusion arises where a later mark merely calls to mind the earlier mark (mere association). Although I have given close consideration to the brand extension scenario identified by Iain Purvis QC – at 17(c) – I have concluded that – distinct from the fat face/brat face example, the common element “ninja”, in the context of martial arts classes for children is insufficiently distinctive to confuse the circumspect average consumer.

The other grounds

79. I will deal with the other two grounds only briefly, since they strike me as far weaker in their prospects than the 5(2)(b) ground to which I have given close attention above.

Section 5(3)claim

80. My primary position is that the section 5(3) claim fails on the basis of the insufficiency of the proof of use evidence. However, for completeness I also note the following.
81. Section 5(3) of the Act states that a trade mark which is identical with or similar to an earlier trade mark “shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom 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.”

The law and principles applicable to section 5(3) grounds

82. The relevant legal principles can be found in the following judgments of the CJEU: Case C-375/97, *General Motors Corp v Yplon SA* [2000] RPC 572; (CJEU), Case 252/07, *Intel Corporation Inc v CPM United Kingdom Ltd* - [2009] RPC 15; Case C-408/01, *Adidas-Salomon AG v Fitnessworld Trading Ltd*. [2004] ETMR 10, Case C-487/07, *L’Oreal SA and others v Bellure NV and others* - C-487/07 and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. 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*).

83. In order to succeed with a claim under section 5(3) a party must establish (i) a reputation, (ii) similar or identical marks, (iii) a link with the earlier mark in the mind of the relevant public, (iv) in consequence of the link, a finding that the use of the mark will take unfair advantage of the distinctive character or repute of the earlier mark or is detrimental to that distinctive character or repute, and (v) that the mark is applied for and to be used without due cause.²⁴

Reputation

84. Reputation is a knowledge threshold and it is clear from my account of the evidence that the Applicant's claim that its Earlier Mark has acquired a very high level of distinctive character through use is unsustainable. Clearly the claims regarding clothing and equipment have no basis. As to the services (had genuine use been found) I have noted the ten years or so of use, a modest degree of local media attention in 2012 with the visits from various sports stars, attendance at several events and festivals. However, I have also noted the limited information about numbers of participants in classes and the evidence of only around a dozen or so schools and nurseries in and around Stroud and Swindon and the thin evidence as to any promotion of the Earlier Mark. This is insufficient evidence for a finding of a reputation i.e. that it is known by a significant part of the UK public. In the absence of proof of a reputation, the section 5(3) ground cannot succeed, nor can there be any risk of the claimed free-riding or detriment to the distinctive character of the Earlier Mark.

²⁴ *Intel Corp Inc v CPM United Kingdom Ltd (C-252/07)* [2009] R.P.C. 15

The section 5(4)(a) claim

85. Section 5(4)(a) of the Act states that:

“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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade,”

86. It is settled law that for a successful finding of passing off, three factors must be present: goodwill, misrepresentation and damage. Her Honour Judge Melissa Clarke, sitting as Deputy Judge of the High Court, conveniently summarised the essential requirements of the law in *Jadebay Limited, Noa and Nani Limited (trading as The Discount Outlet) v Clarke-Coles Limited (trading as Feel Good UK)* [2017] EWHC 1400 IPEC

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341 HL) namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all these limbs.

56. In relation to deception, the court must assess whether ‘a substantial number’ of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

87. Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309, 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."

Goodwill

88. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages 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 distinguished an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

89. For there to be goodwill, there must be customers in the UK. 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 goodwill and reputation may be small. I also note that earlier use of the mark, does not have to have been throughout the UK or in a geographical area which overlaps with the place where the proprietor of the challenged trade mark carries on its business.²⁵
90. In *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590, the Court of Appeal in England and Wales held that the defendant had passed off its LUMOS nail care products as the claimant’s goods. The claimant had been selling LUMOS anti-ageing products since 2007. The goods retailed at prices between £40 and £100 per bottle. The Claimant's sales were small, of the order of £2,000 per quarter from early 2008 to September 2009, rising to £10,000 per quarter by September 2010. The vast majority of these sales were to the trade, including salons, clinics and a market. As at the relevant date (October 2010) the Claimant had sold to 37 outlets and by that date it was still selling to 25 outlets. There was evidence of repeat purchases. Although the number of customers was small, or, as the judge at first instance put it, “very limited”, the claimant’s goodwill was found to be sufficient to entitle it to restrain the defendant’s trade under LUMOS.
91. While I bear in mind the above case-law of *Lumos* and *Caspian*, the evidence in the present case, not only in relation to promotion of the sign, but particularly in the detail around income generation and scale of customer base is insufficient for me conclude that the Applicant had actionable – more than trivial – goodwill at the relevant date. On that basis the section 5(4)(a) ground fails. However, I will also make the following point as to misrepresentation.

25 *Caspian Pizza Limited and others v Maskeen Shah and Malvern Hills Estates Limited* [2017] EWCA Civ 1874

Misrepresentation

92. The relevant test was set out by Morritt LJ in *Neutrogena Corporation and another v Golden Limited and another* [1996] RPC 473:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 at page 407 the question on the issue of deception or confusion is: is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants’ [product] in the belief that it is the respondents’ [product].’ [*my underlining*]”

93. Although they are different, the test for misrepresentation tends to have the same results as the test for confusion under trade mark law. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ considered the role of the average consumer in the assessment of a likelihood of confusion. Kitchin L.J. concluded:

“... if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement.”

94. Although this was an infringement case, the principles apply equally under 5(2): see *Soulcycle Inc v Matalan Ltd*, [2017] EWHC 496 (Ch). In *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, Lewinson L.J. had previously cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that “a substantial number” of the relevant public are deceived, which might not mean that the average consumer is confused. However, in the light of the Court of Appeal’s later judgment in *Comic Enterprises*, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments.

95. In view of my findings based on the registered trade mark, I can deal with this ground relatively briefly. The Opponent’s section 5(4)(a) ground is based on claimed unregistered

earlier rights founded on goodwill in a **sign directly equivalent** to the Earlier Mark and in respect of the same goods and services. The same analysis applies, mutatis mutandis, as set out above in relation to the average consumer (applied here in relation to the relevant public), the low distinctiveness of the sign/Mark and the difference between the sign and the Contested Mark.

96. In the circumstances, I do not find that there that a *substantial number* of the relevant public will be deceived such that the risk of misrepresentation is not made out. The section 5(4)(a) ground therefore also fails on this basis.

COSTS

97. The application for a declaration of invalidity has failed and the Proprietor is entitled to a contribution towards the cost of defending the Contested Registration. I therefore make the following determination of costs in line with the scale published in the annex to Tribunal practice notice (2/2016):

Reviewing the statement of grounds and preparing counterstatement	£200
Preparing evidence and considering and commenting on the other side's evidence	£500
Preparing for and attending a hearing	£500
Total	£1200

98. I order Ninja Tots Limited to pay Simon Yeo the sum of £1200 (one thousand two hundred pounds). This sum is to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 17th day of August 2021

Matthew Williams

For the Registrar
