0/737/21

TRADE MARKS ACT 1994

DECISION IN THE CONSOLIDATED MATTERS:

(1) TRADE MARK APPLICATION NO. 3355743 BY JEMELLA GROUP LIMITED
TO REGISTER "GHD GOOD HAIR DAY" AS A TRADE MARK IN CLASS 3
AND OPPOSITION THERETO UNDER NO. 415963
BY RHYTHM & BLUE INC. LIMITED

(2) TRADE MARK APPLICATION NO. 3373130 BY RHYTHM & BLUE INC. LIMITED

TO REGISTER "GOOD HAIR DAY" AS A TRADE MARK IN CLASS 3

AND OPPOSITION THERETO UNDER NO. 417249 BY JEMELLA GROUP

LIMITED

(3) APPLICATION NO. 502885 BY RHYTHM & BLUE INC. LIMITED TO REVOKE, FOR NON-USE, TRADE MARK NO. 2527066 "GOOD HAIR DAY"

REGISTERED IN THE NAME OF JEMELLA GROUP LIMITED

BACKGROUND AND PLEADINGS

- This decision deals with three sets of proceedings concerned, at base, with who has the right to register the sign "GOOD HAIR DAY" in respect of hair products. The parties are Jemella Group Limited (herein "GHD") and Rhythm & Blue Inc. Limited (herein "R&B"). GHD is best known for its electrical hair straighteners; R&B supplies various hair and beauty products under its TEMPLESPA range, which includes a shampoo bearing the words GOOD HAIR DAY. The parties have relevantly traded since around 2003 (or earlier) and this decision deals, amongst other things, with various submissions bearing on the issue of honest concurrent use and on the extent to which the signs or marks claimed by both parties are properly construed as the sources of any relevant goodwill.
 - i. GHD applied to register "GHD GOOD HAIR DAY" for goods including shampoo, which R&B opposed on the basis of claimed (unregistered) rights at common law.
 - ii. R&B then applied to register "GOOD HAIR DAY", which was in turn opposed by GHD. GHD's grounds of opposition include its own claim based on passing off and also invoke several earlier trade mark registrations.
 - iii. One of the earlier marks relied on by GHD is "GOOD HAIR DAY", and it is that registration that R&B challenges for partial revocation on the basis of non-use.
- 2. The three consolidated proceedings were the subject of an oral hearing held by video-conference before me on 13 July 2021. The attorneys for GHD are Appleyard Lees IP LLP, who engaged David Ivison of counsel to represent at the hearing; the attorneys for R&B are Kilburn & Strode LLP, who engaged Gwilym Harbottle of counsel to represent at the hearing. Skeleton arguments were filed in advance of the hearing.
- 3. Mr Ivison stated in his skeleton argument that GHD narrowed its opposition case against R&B's trade mark application, no longer relying on all six earlier registered marks originally pleaded, but only on particular goods for which three of the earlier marks are registered. Relevant details of the claims in the three proceedings, as pursued at the hearing, are set out below. GHD's grounds of opposition against R&B's application had originally included a claim based on the protection of well-known trade marks under section 56 of the Trade Marks Act 1994 ("the Act"), but this was not pursued during the evidence rounds.

R&B's Opposition to GHD's Application (Opposition No. 415963)

Applicant: GHD Application No. 3355743

Filing date: 23 November 2018 Published for opposition: 11 January 2019

Word Mark: GHD GOOD HAIR DAY

Goods: **Class 3:** Soaps; perfumery; essential oils; preparations for the skin, scalp, hair and body; hair lotions; shampoos; hair dyes; hair colourants; hair conditioners; hair styling products

- 4. R&B filed a notice of opposition (Form TM7) against the above application on 10 November 2020, on the sole basis of section 5(4)(a) of the Act. R&B's claim is that when GHD applied to register trade mark No. 3355743, its use was liable to be prevented under the law of passing off. R&B's (amended) statement of grounds include the following specific claims:
 - i. R&B has, throughout the UK, since 2003, made continuous use of the sign "GOOD HAIR DAY" in relation to "shampoo products" building significant goodwill;
 - ii. sales have been made through the various channels detailed in the witness statement of Mark Warom dated 29 July 2020;
 - iii. since 2007, over three million individual products have been supplied under the brand GOOD HAIR DAY;
 - iv. extensive promotion of "its GOOD HAIR DAY products including through the sponsorship of acclaimed industry awards in the hospitality industry and in partnership with the leading publications in the field of hotels, spas and properties;
 - v. use of the mark applied for by GHD would be a misrepresentation leading to deception and damage.
 - vi. use of the mark is likely to lead the public to believe that the goods offered are the goods of R&B or that the mark is used with the consent of R&B "in whom the goodwill has invested through the use made."
- 5. GHD filed a notice of defence with a counterstatement denying all of the above claims by R&B and putting R&B to strict proof of its claimed sales and advertising.

GHD's Opposition to R&B's Application (Opposition No. 417249)

Applicant: R&B Application No. 3373130

Filing date: 6 February 2019 Published for opposition: 7 June 2019

Word Mark: GOOD HAIR DAY

Goods: Class 3: Shampoo; conditioner

- 6. GHD filed a notice of opposition against the above application on 7 August 2019, based on several grounds as follows.
- 7. GHD claims that when R&B applied to register trade mark 3373130 its use was liable to be prevented under the law of passing off and that GHD is thus entitled to prevent registration under **section 5(4)(a)** of the Act. GHD claims to have used, throughout the UK, and in relation to "hair and beauty goods and services", the signs "GHD" and "GOOD HAIR DAY" since 2001 and the sign "GOOD HAIR DAY, EVERY DAY" since 2013. GHD claims goodwill in those signs, that use of R&B's applied-for mark would be a misrepresentation that there is an economic connection between the parties or that R&B is authorised to use the signs in which GHD has goodwill, and that consequent damage is reasonably foreseeable in the form of diverted custom for the goods and loss of control.
- 8. The opposition includes grounds based on earlier registered trade marks (detailed in the table below) where the claims are that those marks are either identical or similar, and the registered goods identical or similar to the application by R&B, such that R&B's application should be refused under **sections 5(1)**, **5(2)(a)** and/or **5(2)(b)** of the Act.
- 9. GHD also claims that each of the earlier registered trade marks benefits from a reputation and that R&B's application should be refused based on **section 5(3)** of the Act.¹
 - i. It claims substantial use of its earlier marks in the UK in relation to "hair and beauty products", with consistent heavy investment in marketing and promotional activities, generating substantial growth that has attracted media publicity, giving rise to "a high level of awareness among consumers of hair and beauty products of the GHD brand and that GHD brand is synonymous with GOOD HAIR DAY".

1

This position (in line with the original pleadings) is maintained at paragraph 39 of Mr Ivison's skeleton argument.

Page 4 of 47

- ii. It claims the similarity of the mark applied for by R&B to the earlier marks relied on and the reputation in relation to hair and beauty will, in the minds of consumers, create a link with GHD. That link will lead to a change in economic behaviour because the average consumer will believe that the goods sold by R&B are endowed with the same qualities and characteristics as those sold by GHD under the marks GHD and GOOD HAIR DAY.
- iii. From this basis GHD claims that use of the mark applied for by R&B would take unfair advantage of the repute and distinctive character in the GHD and GOOD HAIR DAY marks.
- iv. In particular, R&B would receive the benefit GHD's investment in the brands to enhance their power of attraction without making any financial contribution to that achievement.
- v. Use of the mark applied for would be detrimental to the reputation and distinctive character of the GHD and Good Hair Day marks because the identity and exclusive right of GHD to use GOOD HAIR DAY as an indication of origin would be lost.

GHD's earlier registered UK trade marks

"First Earlier Trade Mark"
Trade mark no. 2527066

Filed: 25 September 2009 Registered: 12 February 2010

GOOD HAIR DAY (Word mark)

Goods relied on at hearing:

Class 3: shampoos; hair conditioners and styling products

Class 9: electrical appliances for styling hair; electric hair straightening irons; hair curling instruments

The grounds claimed under this First Earlier Trade Mark are **section 5(1)** (based on identical goods in Class 3) and **section 5(2)(a)** based on the goods above in Classes 3 and 9.

Clarification of above Class 9 goods: At the hearing, Mr Harbottle queried whether the specified goods in Class 9 above in fact amounted to an expansion from the goods originally pleaded. I am satisfied that they do not. GHD stated in its Form TM7 (in response to Question 1 Section A for this mark) that it relied on all goods and services covered by this earlier trade mark. It also highlighted at paragraph 6 of its statement of grounds that the First Earlier Trade Mark "is protected in relation to, inter alia Class 9: electrical appliances for styling hair". I consider that to be exemplifying the goods specified, not confining GHD's reliance only to those specified goods. The schedule at the end of Mr Ivison's skeleton argument referred to the two other terms given here – namely, electric hair straightening irons; hair curling instruments. Both those terms are among the goods specified in Class 9 under the First Earlier Trade Mark and may legitimately be pursued in Mr Ivison's argument. I note that in any event "electrical appliances for styling hair" is apt to cover both "electric hair straightening irons;" and "hair curling instruments."

"Second Earlier Trade Mark" Trade mark no. 3121319

Filed: 7 August 2015 Registered: 18 March 2016

GOOD HAIR DAY, EVERY DAY

(Word mark)

Goods relied on at hearing:

Class 3: shampoos; hair conditioners

This Second Earlier Trade Mark is the basis of the **section 5(2)(b)** grounds pursued at the hearing.

"Third Earlier Trade Mark" Trade mark no. 2471848

Filed: 8 November 2007 Registered: 24 April 2009

GHD

(Word mark)

Goods relied on at hearing:

Class 3: shampoos; conditioners; preparations for use in hair styling

Class 9: electric hair straightening irons;

electric hair curling irons;

electric apparatus and instruments for hair

At the hearing this Third Earlier Trade Mark was relied only as part of the **section 5(3)** grounds.

- 10. R&B filed a notice of defence, including a counterstatement (as amended), from which I note the following points:
 - i. Honest concurrent use: In addition to any particular points, denials and challenges referenced at points ii – viii of this paragraph, R&B <u>invoked an overarching defence</u> to all of GHD's grounds of opposition to R&B's trade mark application, on the basis of honest concurrent use.
 - a) R&B claims to have used the sign GOOD HAIR DAY honestly in respect of shampoo since 2003 in the UK, and to have done so without objection from GHD although it acknowledges that this latter point (as to no objection) is subject to an exchange of correspondence between the parties in 2014, to which it refers in paragraph 1A of its counterstatement.
 - b) R&B refers to the extent of its sales and advertising, using the sign GOOD HAIR DAY, and argues that by reason of R&B's said use thus far, "the use of the mark applied for by [R&B] does not and is not liable to have an adverse effect on the functions of any of the marks relied on by [GHD] in this opposition."
 - c) R&B puts GHD to proof of any allegation that GHD has used any of the signs relied on by GHD prior to 2003 (predating the use claimed by R&B).

- ii. R&B highlights in its counterstatement that at the examination stage, the registry raised an objection under section 3(1)(b) of the Act to R&B's filed trade mark application on the basis that GOOD HAIR DAY was devoid of distinctive character. R&B overcame the objection by filing evidence of **acquired distinctiveness** and the application was published for opposition.
- iii. GHD's **First and Third Earlier Trade Marks** had been registered for over 5 years at the filing date of R&B's own GOOD HAIR MARK, and R&B put GHD to **proof of use** in respect of the Class 3 and Class 9 goods relied on by GHD.²
- iv. R&B "does not admit" that its applied-for goods are similar to the Class 3 and Class9 goods specified under the First Earlier Mark.
- v. R&B denies a likelihood of confusion on the part of the public and states that it is not aware that there has been actual confusion.
- vi. R&B "does not admit" that the Earlier Trade Marks have a reputation in the UK or the assertion that the GHD mark is synonymous with the GOOD HAIR DAY mark.
- vii. In view of its own previous use of GOOD HAIR DAY, R&B denies that use of the applied-for GOOD HAIR DAY would create a link in the minds of the relevant public with the marks relied on by GHD. R&B denies that use would take unfair advantage or be detrimental to the claimed reputation and alleged distinctive character of the earlier trade marks. It denies that use of R&B's trade mark would reduce the ability of GHD's marks to act as indicators of trade origin or would lead to a change consumer economic behaviour or that this would cause advantage to accrue to R&B or detriment to GHD's marks.
- viii. R&B does not admit the claimed goodwill and widespread geographical use of the earlier marks in the UK. R&B invoked its own claimed substantial reputation and goodwill such that use of GOOD HAIR DAY in relation to the goods for which protection is sought (shampoo and conditioner).

2

Revocation for non-use of the First Earlier Trade Mark (Application No. 502885)

11. The third of the proceedings consolidated is the application by R&B, filed on 7 November 2019,³ for the partial revocation of GHD's trade mark no. 2527066 to the extent that it is registered for goods in Class 3 namely: Essential oils; cosmetics; preparations for the skin, scalp, hair and body; hair lotions; shampoos; dyes and colourants; hair conditioners and styling products.⁴ (No revocation is sought of the registered goods in Classes 9 and 16.) The application to revoke is based on **section 46(1)(a)** of the Act, where R&B claims that GHD's mark "GOOD HAIR DAY" was not used as a trade mark for its registered Class 3 goods during the five years following its registration i.e. 13 February 2010 – 12 February 2015 – "the relevant period" for this revocation action. Absent evidence of genuine use (or proper reasons for non-use) the effective date of revocation would be 13 February 2015.

EVIDENCE / SUBMISSIONS FILED

- 12. Both parties filed evidence, as I indicate below. I have read all the papers filed and will refer to aspects of the evidence and of the parties' submissions or claims only to the extent that I consider it necessary to do so.
- 13. **R&B** filed the following during the **evidence in chief** rounds:
 - Witness Statement of Andrew Grahame dated 20 May 2020
 - Witness Statement of Mark Warom dated 29 July 2020, with Exhibits MW1 MW14
- 14. **GHD** filed the following during the **evidence in chief** rounds:
 - Submissions filed by Appleyard Lees IP on behalf of GHD
 - Amended witness statement of Dr Timothy David Moore, 9 December 2020, with Exhibits TM1 – TM13 (plus Exhibit Index)
 - Amended witness statement of Richard Bray, 1 October 2020, with Exhibit RB1
 - Amended Witness statement of Elizabeth Denton, 1 October 2020, with Exhibit ED1
- 15. **R&B** filed the following in **reply**:
 - **Submissions** dated 22 February 2021, filed by Kilburn & Strode LLP (on behalf of R&B)
 - Second Witness Statement of Mark Warom, dated 19 February 2021, with Exhibits MW15 - MW28

Amended on 28 November 2019

³ 4 This of course is the First Earlier Trade Mark relied on by GHD for its section 5(1) and 5(3) grounds. Page 9 of 47

DECISION

Structure of this decision

16. It is convenient to deal <u>firstly</u> with GHD's evidence of use in relation to Trade Mark No. 2527066. This will simultaneously (a) deal with the proof of use required for GHD to be able to rely on its First Earlier Trade Mark in its opposition against R&B's application (where the mark and at least some of the goods are self-evidently identical) and (b) determine whether any part of that registration is liable to be revoked for non-use. The decision will then deal <u>secondly</u> with the GHD's various grounds of opposition to R&B's application and with the defence of honest concurrent use argued by R&B. The decision will <u>thirdly</u> deal with R&B's opposition to GHD's application.

Use of the First Earlier Trade Mark

17. Section 6A of the Act deals with the requirements for proof of use in opposition proceedings. The relevant provisions are:

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 relevant period.
- (1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.
 - (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 relevant period 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 (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) 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) [...].

(5A) [...]

- (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."
- 18. For the purposes of GHD's <u>opposition</u>, GHD must show genuine use of the plain word earlier registered trade mark "GOOD HAIR DAY" during the five-year period ending on the filing date of R&B's contested trade mark application the relevant period for proof of use in this opposition is therefore 7 February 2014 6 February 2019. GHB is to show genuine use in respect of the registered goods that were relied on by the time of the hearing, namely: Class 3: shampoos; hair conditioners and styling products and Class 9: electrical appliances for styling hair; electric hair straightening irons; hair curling instruments
- 19. Section 46 of the Act deals with revocation for non-use. It states:

"46. - (1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use;

- (b) [...]
- (c) [...]
- (d) [...]
- (2) For the purpose of subsection (1) 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 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.
- (3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as in referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) [...]

- (5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.
- (6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-
 - (a) the date of the application for revocation, or
 - (b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date".
- 20. As noted at my paragraph 11 above, the relevant period for the revocation proceedings 13 February 2010 12 February 2015. The registration is challenged for revocation to the extent that it is registered in respect of Class 3 goods, namely: Essential oils; cosmetics; preparations for the skin, scalp, hair and body; hair lotions; shampoos; dyes and colourants; hair conditioners and styling products. Mr Ivison states at paragraph 60 of his skeleton argument that the evidence does not establish use of the mark in respect "Essential oils" and "cosmetics". In view of that concession UK Trade Mark No. 2527066 is revoked for those two goods, with an effective date of revocation of 13 February 2015.

Case law on genuine use

- 21. Mr Ivison set out relevant case law principles by reference to Arnold J (as he then was) in the *London Taxi* case.⁵ The same judge later refreshed his summary in *Walton International*.⁶ Central principles established by case law include the following:
 - (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark.
 - (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.
 - (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. 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.

- (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. Internal use by the proprietor does not suffice. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter.
- (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.
- (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.
- (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.
- (8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use.

- 22. 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*⁷, 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."
- 23. I also note points from both counsel relating to the "variant form" permitted by section 46(2). Mr Ivison, citing *Specsavers v Asda* (Case C-252/12) at [31], highlighted that genuine use may be established where a registered mark is only used in combination with another sign, and it does not matter if that combination is itself also registered as a trade mark. Mr Harbottle emphasised that where the use is as part of a composite sign, the use must be such that the mark as registered is itself perceived as indicative of the origin of the goods or services.⁸

The evidence

- 24. GHD's evidence of use is contained in the witness statement of Dr Timothy Moore, who has worked for GHD for ten years and is their Vice-President of Innovation.
- 25. Mr Ivison argued on behalf of GHD that the key evidence is to be found at paragraphs 16 18 of Dr Moore's witness statement, and his Exhibit TM4. This exhibit contains printouts from the Wayback machine dating from 2012, 2013, 2014, and 6 February 2015 showing GHD's website at ghdhair.com, which:
 - (a) utilise (see pages 144 157) at the top left corner of each page, the following figurative sign:

⁷ Case BL O/230/13

⁸ Specsavers International Healthcare Ltd v Asda Stores Ltd [2014] EWCA Civ 1294 at [22].



- (b) (in 2014, see pages 149 158) utilised a large text banner stating "IT'S THE GOOD HAIR DAY SALE DARLING", and beneath that "GOOD HAIR DAY SALE 26 November – 1 December [2014]".
- 26. Mr Ivison argued that the use of each of the signs referred to above constitutes the use of the GOOD HAIR DAY sign. He argued firstly that the additional elements in the figurative sign at paragraph 25(a) above, namely the initialism "ghd", which, he argued, evidently stands for "GOOD HAIR DAY", and ", every day", do not alter the distinctive character of the "GOOD HAIR DAY" sign. In contrast, Mr Harbottle argued that this is not use to guarantee the identity of the origin of the goods, or that, alternatively, the addition of the ghd logo and/or ", EVERY DAY" alters the distinctive character of the mark in the form that it was registered. Mr Harbottle argued in particular that there is no way that GOOD HAIR DAY would here itself be perceived as indicative of origin.
- I find Mr Harbottle's stance more persuasive: I do not consider the sign at my paragraph 25(a) above (i.e. the dotted ghd logo together with the phrase "good hair day, every day", which whole combination itself one of the earlier marks originally pleaded) to be an acceptable variant use of GOOD HAIR DAY alone as an indication of origin. The three words carry a somewhat descriptive message and are consequently apt, according to the particular context, to be perceived as non-distinctive. I note for instance paragraph 18 of Dr Moore's statement that "As part of its website marketing, GHD would create content such as an article about "the secrets to having a good hair day." The words GOOD HAIR DAY in the sign at my paragraph 25(a) appear as the first three words within the longer phrase "good hair day, every day" (which of course is also the Second Earlier Trade Mark). The average consumer of the registered hair-related goods is a member of the general public - the "average consumer" is here a legal construct, as opposed to the actual customers of the parties in this case. I find that, from the perspective of the average consumer, the distinctive character of the words GOOD HAIR DAY is affected by its becoming part of the five-word phrase, especially since the sign in evidence (at paragraph 25(a) above) positions the 5-word phrase in a subordinate deployment to the dotted ghd,

- which all contributes to the words being perceived more as a laudatory slogan than an indication of origin.
- 28. Mr Ivison also argued that the signs identified at paragraph 25(b) above (e.g. "SALE") do not alter the distinctive character of the "GOOD HAIR DAY" sign (and were consequently examples of use). Mr Harbottle acknowledged that the 2014 references to "IT'S THE GOOD HAIR DAY SALE DARLING" and "GOOD HAIR DAY SALE 26 November 1 December" could be considered GOOD HAIR DAY used on its own, but argued that the use is "entirely descriptive". Those two "sale" references appear at page 152 (alongside a model with notably good hair, below) and at page 153 (alongside an image of a hairdryer). This advert may support the possibility of descriptive use argued by Mr Harbottle, and also shows the focus on ghd stylers and dryers and the use of pound sterling.



- 29. In my view these two instances may indeed be considered evidence of the use of GOOD HAIR DAY solus to indicate origin i.e. trade mark use, not merely descriptive. The question then becomes whether these instances (together with any other evidence that I deal with below) may be taken to be satisfy the requirements of "genuine use" set out in the case law principles above.
- 30. I will deal firstly with what goods (or services) those two "sale" reference uses may be taken to refer to. I agree with Mr Harbottle's position that the evidence does not establish use of "GOOD HAIR DAY" (solus) as a trade mark for what Dr Moore refers to as "wet products" which are the hair products, as distinct from the electrical appliances for hair

that are the core business of GHD. There are Wayback captures from the ghd.com website showing, for example, in March 2010, "nurture conditioner for weak and damaged hair", "elevation conditioner" and "guardian shampoo for colour-treated hair". However, none of those goods, nor indeed any of the Class 3 products pictured elsewhere in Exhibit TM4 (hair sprays etc) has GOOD HAIR DAY on them – they appear branded as ghd.

- 31. The other piece of evidence highlighted in Mr Ivison's skeleton argument is an image from Amazon.co.uk showing an image of a bottle of shampoo. Alongside the bottle, the item description is to "Ghd Good Hair Day Nurture Shampoo". Despite the inclusion of the relevant three words in that product description, the bottle itself does not refer to GOOD HAIR DAY but is marked "ghd Nurture". The Amazon page is undated, but the shampoo is shown as "currently unavailable" and there is no evidence that it has ever been in stock. The product is described in ounces (which Mr Harbottle suggested raised the possibility that it was a US product). This evidence does not establish genuine use of GOOD HAIR DAY as a registered trade mark for shampoo.
- 32. There is no evidence as to any actual sales of Class 3 products under the trade mark GOOD HAIR DAY. Dr Moore makes statements in rather general terms as to sales of "wet" goods by "GHD" (see my paragraph 59 below), but there is no actual evidence of the numbers of products sold, their value, the purchasers or the geographical spread of sales. As Mr Harbottle noted, given that R&B, a smaller and less sophisticated player in the market, has been able to produce detailed evidence of its sales going back to 2003, this absence of evidence from GHD calls for an explanation but none has been provided.
- 33. There is no further or better evidence relating to the period after 2015 nothing establishing genuine use during relevant period for proof of use in this opposition (7 February 2014 6 February 2019). This means, firstly, that GHD is unable to pursue its grounds of opposition based on Class 3 goods under the First Earlier Trade, and, secondly, that R&B succeeds in its application for partial revocation of the Class 3 goods under the First Earlier Trade Mark ("GOOD HAIR DAY"). **OUTCOME:** <u>UKTM 2527066</u> is **revoked** in respect of all of its Class 3 goods; the effective date of revocation is 13 February 2015. (UKTM 2527066 remains registered in Classes 9 and 16.)

- 34. In my paragraph 29 above, I have found that the two "GOOD HAIR DAY sale" references instances could be evidence of use of GOOD HAIR DAY solus to indicate origin. Both references appear to focus on electrical hair appliances there is the large image of a hairdryer in one and the reference (in the image above) to "£20 off selected GHD stylers and hairdryers". At best then, these references may potentially be taken as use in relation to the goods in Class 9 where proof of use has been requested for the opposition purposes (although even in this regard, it is not fully clear that the use of "GOOD HAIR DAY" is in respect of those goods themselves "guaranteeing the identity of the origin of the goods" as opposed to the retail of those goods).
- 35. In any event, I must still consider whether these two instances satisfy the requirements for genuine use, noting that it is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use. I bear in mind the broad assessment involved in determining whether there is real commercial exploitation of the mark, in line with the case law outlined at my paragraph 21(6) above. In this regard those two web-page references appear limited to a one-week sale in 2014. As Mr Harbottle noted, there is no evidence as to how long the pages were up or how many people saw them. In my view, in the context of the 2014 -2019 proof of use period, the evidence of the scale and frequency of the use of "GOOD HAIR DAY" (solus), seemingly limited to the end of 2014, is not what is warranted in the economic sector to maintain or create a share in the market for the Class 9 goods in the UK. Taken as the high-water mark of the evidence that the proprietor is able to provide (as signalled by Mr Ivison's skeleton argument), it falls short, in my view, of what is required for genuine use. Consequently, GHD is not able to rely on the word mark "GOOD HAIR DAY" (the First Earlier Trade Mark) as a basis for its opposition, neither for its claimed Class 3 goods, nor for its Class 9 goods.

GHD's opposition to R&B's application

36. I turn now to consider the various grounds of opposition against registration of R&B's trade mark application No. 3373130 for the word mark "GOOD HAIR DAY". In view of my findings above, where GHD has failed to satisfy the proof of use requirements for its **First Earlier Trade Mark**, the claims based on grounds under **sections 5(1)** and **5(2)(a)** of the Act have no basis on which to proceed. **The opposition on those two grounds consequently fails.**

- 37. The **Second Earlier Trade Mark** relied on by GHD is the word mark "GOOD HAIR DAY, EVERY DAY", relying (at the hearing) on goods that are "shampoos" and "hair conditioners" in Class 3. The claim here is based on **section 5(2)(b)** of the Act.
- 38. 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".
- 39. 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.
- 40. At the date on which R&B applied for its contested trade mark, GHD's Second Earlier Trade Mark had not been registered long enough to engage the use provisions under section 6A of the Act. GHD thus has registered trade mark protection in respect of goods that are self-evidently **identical** to those under R&B's contested trade mark application and is able to rely on them for this ground of opposition.
- 41. Shampoos and hair conditioners are goods bought by the general **public** at large, who represent the average consumer in these proceedings.¹⁰ The consumer will pay **no**

The average consumer is a legal construct denoting the typical consumer – see Birss J. (as he then was) in *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited,* [2014] EWHC 439 (Ch).

more than a medium level of attention in selecting the goods for purchase, picking from a shop shelf or potentially ordering online, such that **visual** considerations are most significant in the purchasing process, although aural considerations are also relevant since the goods may be the subject of an oral recommendation.

42. In addition to the identity/similarity of the goods and the nature of the average consumer and purchasing process, I must also consider the distinctive character of the earlier mark. The more distinctive an earlier mark, either by inherent nature or by use, the greater the potential for a likelihood of confusion (*Sabel*). In *Lloyd Schuhfabrik*¹¹ 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)."

43. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services specified in the registration and, secondly, by reference to the way it is perceived by the relevant public. 12 Just as was the case with R&B's contested application, the Second Earlier Trade Mark also faced objection from the registry under Section 3(1)(b) of the Act on the basis of being devoid of any distinctive character. The objection was overcome by evidence filed to show acquired distinctiveness. Section 72 of the Act states that registration of trade mark is prima facie evidence of validity, and I

11

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

¹² Rewe Zentral AG v OHIM (LITE) [2002] ETMR 91

bear in mind that a registered trade mark must be assumed to have at least some distinctive character, 13 and nor of course has there been any challenge on absolute grounds to the validity of the mark. Nonetheless, the words are innately laudatory - the goods will help their consumer achieve a good hair day, every day - and even with the evidence filed in the current proceedings, where the Second Earlier Trade Mark is shown used in conjunction with the dotted "ghd" as shown at my paragraph 25 above, it has only low distinctive character for shampoo and conditioner (the identical goods). The distinctiveness may be moderately greater than that in respect of electrical hair styling goods, but any potential benefit therefrom is more than offset by those goods being not identical; in fact I consider those goods fairly low in similarity, since they are entirely different in physical nature and manufacturing process, not sold on same shelves, not in competition, and any similarity is based only on both being concerned with the presentation of one's hair, thereby overlapping in users, some purpose and channels of trade, such as hair salons. (In this latter regard, Dr Moore's statement at paragraph 27 of his witness statement, and in the claims and submissions on behalf of GHD, to the effect that it is "common" or "typical" in the UK marketplace for manufacturers of shampoo to also manufacture electric hair styling goods, is not strongly established on the evidence, although the evidence does show that the channels of trade do overlap to some extent, as suggested by the examples of Nicky Clarke and BaByliss at Exhibit TM10.)

- 44. In comparing the respective marks, they are obviously similar, and in my view to a high degree. Visually and aurally they correspond in the phrase GOOD HAIR DAY, thus the whole of R&B's applied-for mark is contained in the earlier mark and I also bear in mind that since those three words are at the beginning of the Second Earlier Trade Mark, they may be afforded greater significance in the perception of the average consumer. From a conceptual perspective the marks are also highly similar both allude to the products sold under the mark being capable of giving the user a "good hair day" i.e. a day when one's hair looks particularly good and the Second Earlier Trade Mark simply builds on the same concept to suggest that a "good hair day" can be achieved every day.
- 45. Moving therefore to a global assessment of likelihood of confusion, I take account of the case law principles outlined in my paragraph 39 above and of my findings above. The question is whether there is a likelihood of confusion amongst a significant proportion of

the relevant public.¹⁴ 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.

- 46. The goods are identical and the average consumer is a member of the public at large, who, case law deems "reasonably well informed and reasonably circumspect". Shampoo and hair conditioner will be bought with no more than a medium degree of attention and visual considerations will predominate in their selection as they will be read on the bottles or labelling, although aural considerations are also relevant. The marks are visually and aurally highly similar, with much in common conceptually.
- 47. Although the earlier mark has only weak distinctive character, this does not preclude a likelihood of confusion. Evaluating a likelihood of confusion implies some interdependence between the relevant factors and *Canon* expressly steers that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods. When I consider whether the additional presence of the phrase ", EVERY DAY" within the earlier registered trade mark GOOD HAIR DAY, EVERY DAY is sufficient to avoid a likelihood of confusion with the applied-for trade mark GOOD HAIR DAY, I conclude that it is not. Allowing for imperfect recollection. Such confusion may be direct in that the consumer may not remember the ", EVERY DAY" element, and simply mistake the marks one for the other. Alternatively, the confusion may be indirect, since the "every day" component may be taken as a non-distinctive indication as to how frequently the product may be used, but part of the same product range.

OUTCOME: Subject to my conclusions later in this decision (from paragraph 95), in considering R&B's argued defence of honest concurrent use, GHD's opposition against R&B's application succeeds on the basis of section 5(2)(b) of the Act.

The section 5(3) grounds

48. 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

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

¹⁵ Per Birss J. (as he then was) Hearst Holdings

¹⁶ L'Oréal SA v OHIM, Case C-235/05 P, the Court of Justice of the European Union, paragraph 45.

¹⁷ Case C-39/97 cited above.

¹⁸ Lloyd Schuhfabri, § 26

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

- 49. 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-487/07and 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:
 - The <u>reputation</u> of a trade mark must be established in relation to the <u>relevant section</u>
 of the <u>public</u> as regards the goods or services for which the mark is registered;
 General Motors, paragraph 24.
 - ii. The trade mark for which protection is sought must be known by a significant part of that relevant public; General Motors, paragraph 26.
 - iii. It is necessary for the public when confronted with the later mark to <u>make a link with</u> 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.*
 - iv. Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of <u>similarity</u> between the <u>respective marks</u> and between the <u>goods/services</u>, the extent of the overlap between the relevant consumers for those goods/services, and the <u>strength of the earlier mark's reputation</u> and distinctiveness; *Intel, paragraph 42*.
 - v. Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of <u>injury</u> set out in the section, or there is a <u>serious likelihood</u> that such an injury will occur in the future; *Intel, paragraph 68;* whether this is the case must also be <u>assessed globally</u>, taking account of all relevant factors; *Intel, paragraph 79.*

- vi. Detriment to the <u>distinctive character</u> 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 <u>evidence of a change in the economic behaviour</u> 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.*
- vii. 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.*
- viii. 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.
- ix. 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 <u>ride on the coat-tails</u> of the senior mark in order <u>to benefit from the power of attraction</u>, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the <u>marketing effort</u> 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 <u>transfer of the image</u> 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*).
- 50. 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.¹⁹

- 51. For its section 5(3) claims, GHD relies on each of the First, Second and Third Earlier Trade Marks. Since I have found that GHD has failed to satisfy the proof of use requirements for its **First Earlier Trade Mark**, the section 5(3) claim cannot proceed based on the registered word mark "GOOD HAIR DAY".
- 52. The **Second Earlier Trade Mark** the word mark "GOOD HAIR DAY, EVERY DAY" is not subject to the use provisions, and I have found it to be confusingly similar to R&B's applied-for mark for the purposes of the section 5(2)(b) claim. However, to succeed on a section 5(3) basis, requires evidence to show that when R&B filed its trade mark application (6 February 2019) the **Second Earlier Trade Mark** had the necessary reputation. Mr Ivison's skeleton argument, at paragraphs 4 and 39, and the table presented as a schedule thereto, has the effect of narrowing the goods relied on under this mark to "shampoos; hair conditioners".
- 53. I bear in mind that reputation is a knowledge threshold, whereby it is sufficient that the mark be known by a <u>significant part of the public</u> concerned by the goods of the mark in a substantial part of the territory (the UK).²⁰ The CJEU in *General Motors* gives guidance on assessing the existence of a reputation: paragraph 27 of that judgment requires consideration of "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." It seems to me the relevant facts in the present case also include the distinctiveness of the earlier mark and the context in which those five words have been used.
- 54. Dr Moore states at paragraph 16 of his witness statement that "in late 2012 and at least by December 2012, GHD updated the heading on the homepage of its website to expressly state "GHD .. good hair day, every day". All GHD products listed above were accessible via the menu bar from this homepage. This was in use until at least 12 February 2015 (although many later examples are available)." The "products listed above" seems to refer to those at paragraphs 14 and 15 of the statement, which include products such as shampoos and conditioners and creams and sprays. However, from

19

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

images of goods at Exhibit TM4, it appears that such goods were marked by the dotted "ghd" logo and/or by reference to other signs, such as "elevation", "guardian" or "nurture" – with no direct reference to the Second Earlier Trade Mark. It appears that the "GOOD HAIR DAY, EVERY DAY" is largely limited to the inclusion of this sign:

appearing on the ghd website for a period of a little over two years, ending in February 2015, which is four years before the relevant date for assessing reputation of the claimed mark, and with the same sign sporadically evidenced in other promotional outlets (such as on the side of vehicle – see page 310, Exhibit TM11 dated 2012).

- 55. The position argued by Mr Harbottle (at paragraph 27 of his skeleton argument) is that GHD has failed to prove that the Second Earlier Trade Mark has been used in trade on its own to designate origin. Rather it has been used as a slogan ancillary to the ghd logo and accordingly, has not been used in such a way as to acquire a reputation for itself. In my view, the formulation of the Second Earlier Trade Mark, and its deployment beneath the ghd logo makes its use as evidenced all the more apt to be perceived as a laudatory slogan, less as indicative of origin. More significantly, I take account of the lack of clear evidence as to the levels of sales of shampoos and conditioners in the UK, let alone market share and specific promotion, and conclude that I am not satisfied that the Second Earlier Trade Mark had the necessary reputation. Therefore, to the extent that it is based on the Second Earlier Trade Mark the section 5(3) ground cannot succeed.
- 56. The **Third Earlier Trade Mark** is the word mark "GHD" for the Class 3 goods "shampoos; conditioners; preparations for use in hair styling" and for the Class 9 goods "electric hair straightening irons; electric hair curling irons; electric apparatus and instruments for hair". This mark is subject to proof of use during the five years up to the filing date of R&B's contested trade mark again the relevant period is therefore **7 February 2014 6 February 2019**.
- 57. Dr Moore states at paragraph 14 of his witness statement that GHD sold a "wet" range of GHD haircare products, from 2010 2014 "and indeed afterwards until the present". This range is stated to have included shampoos and conditioners. However, the evidence as to shampoos (and conditioners) in the UK is notably scant. For example, paragraph 20 of Dr Moore's statement refers to the GHD Nurture and Guardian

shampoos, which are shown at Exhibit TM5 as first available on Amazon.co.uk in November 2010 and July 2011 respectively, but both are shown as currently not available, and no reviews or sales are shown. Exhibit TM4 contains Wayback images of the GHD.com website, which include "ghd shampoos and conditioners" (e.g. page 142), but these predate the relevant period for proof of use. There are captured images from 2014 and 2015 – within the relevant period – for ghd "hair products". The goods in those images are priced in pounds sterling and the page is marked "Free UK Delivery", which factors indicate UK use. However, these ghd hair products appear to focus on sprays for heat protecting, curling, straightening, volumising or shining hair (page 149) - it is not clear that they include shampoos and conditioners at that time. Even if such goods for volumising or shining may be conceived of a "conditioners" of some sort, there is no disaggregated evidence of sales in the UK of Class 3 goods. Indeed, there is no evidence to substantiate actual sales of Class 3 products (whether in the UK or elsewhere).

- 58. I bear in mind that it ought to have been straightforward for GHD to have provided clear evidence of sales and advertising of its GHD-branded shampoos and conditioners in the UK during this relevant period. I therefore find the evidence overall insufficient to demonstrate genuine use of the Third Earlier Trade Mark for shampoos and conditioners during the relevant period. However, since the evidence is stronger in relation to the spray hair products, which fall within the scope of "preparations for use in hair styling", I am content to consider the position based on the presumption that the Third Earlier Trade Mark has at least been *used* for those Class 3 goods claimed. Even based on such presumed use in the UK during the relevant period, since there is no clear information on sales in the UK, I reject the claim that the Third Earlier Trade Mark had a *reputation* in respect of the goods in Class 3.
- 59. The evidence in relation to GHD-branded electrical hair styling products is far richer and I am content to find genuine use of the Third Earlier Trade Mark for all of the Class 9 goods claimed. Paragraph 12 of Dr Moore's witness statement, shows annual marketing costs ranging from over £5 million in 2003, to over £26 million in 2007, and over £54 million between 2013 2016. The same paragraph indicates that GHD generated sales of well over £1.5 billion between 2003-2016. It should be noted that these very considerable sums are not disaggregated by product or country, but this marketing and sales evidence is uncontested, and is at least consistent with the other evidence filed, including the evidence of extensive media coverage of the success of GHD's hair

straighteners, including in the UK. The evidence also shows marketing of, for instance, GHD Curve (curlers) and GHD Aura (hairdryers). I note too the various awards won between 2005 and 2014, from mainstream beauty industry publications such as Cosmopolitan, Elle and Instyle (Exhibit TM8). The reputation was particularly very strong in respect of the claimed electric hair straightening irons, but I am content to find that the Third Earlier Trade Mark had a reputation at the relevant date in respect of all of the Class 9 goods relied on at the hearing.

60. However, even though those reputed goods in Class 9 are similar, at least to a low degree, to the Class 3 goods applied-for by R&B, the section 5(3) claim cannot succeed, since I do not find that the Third Earlier Trade Mark (itself) is sufficiently similar to the mark applied for by R&B. From a visual and aural perspective, the three-letter mark "GHD" is obviously dissimilar to the applied-for word mark "GOOD HAIR DAY". While some consumers will know that GHD stands for GOOD HAIR DAY (and many will not) I do not consider that conceptual overlap enough that the trade marks may be considered materially similar for the purposes of the 5(3) claim, by which I mean similar enough to give rise to any of the consequences covered by this section of the Act. Therefore, the claim must fail.

61. OUTCOME: GHD's opposition based on section 5(3) fails.

GHD's section 5(4)(a) claim

62. 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,"
- 63. The essential requirements that a claimant must establish to sustain a passing off claim are:²¹
 - (a) a protectable goodwill in the UK owned by the claimant at the relevant date;
 - (b) a misrepresentation made by the defendant which is liable to deceive the public; and

The "classical trinity" per Lord Oliver in Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341 HL, the "Jif Lemon" case.

- (c) damage to the claimant's goodwill caused by the misrepresentation.
- 64. The concept of goodwill has been described as "the benefit and advantages of the good name, reputation and connection of a business" and "the attractive force which brings in custom". 22
- 65. 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. 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;

22

House of Lords in Inland Revenue Commissioners v Muller & Co's Margarine Ltd [1901] AC 217

²³ Interflora Inc v Marks and Spencer Plc [2012] EWCA Civ 1501, [2013] FSR 21; see too Morritt LJ in Neutrogena Corporation and another v Golden Limited and another [1996] RPC 473:

- (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 of 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."

- 66. Mr Ivison's skeleton argument included the following points (as amplified at the hearing by reference to authorities). I accept these points, some of which are relevant not only in support to GHD's claim under this ground, but also have a bearing on the honest concurrent use argued by R&B and, too, on R&B's own claim under section 5(4)(a).
 - i. Passing off should not be misunderstood as 'the law of unregistered trade marks'. It is not: it does not provide monopoly rights in a particular name or get up once provided it has been used to a sufficient degree, but rather prohibits any damaging appropriation of goodwill by means of any deceptive and damaging misrepresentation made to the public. Thus, the strictly correct approach is not to ask which sign the claimant has used in connection with his goods, and then ask whether the defendant's sign is confusingly similar to the claimant's sign; it is to ask whether the defendant has misrepresented his goods / services as having a connection with the claimant and its goodwill. This is the 5-stage approach Lord Diplock explained in *Erven Warnink v Townend* [1979] AC 731 (the famous "Advocaat" case):

Spalding v Gamage and the later cases make it possible to identify five characteristics which must be present in order to create a valid cause of action for passing-off: (1) a misrepresentation (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to a business or goodwill of

the trader by whom the action is brought or (in a quia timet action) will probably do so.

ii. It is wrong to speak of a claimant having goodwill "in" a particular sign (although this is a workable shorthand in many situations). Goodwill does not reside in any particular sign but pertains to the claimant's business as a whole, as Lord Parker said in *Spalding v Gamage*:

There appears to be considerable diversity of opinion as to the nature of the right, the invasion of which is the subject of what are known as passing off actions. The more general opinion appears to be that the right is a right of property. This view naturally demands an answer to the question – property in what? Some authorities say property in the mark, name, or getup improperly used by the defendant. Others say, property in the business or goodwill likely to be injured by the misrepresentation. Lord Herschell in Reddaway v Banham (LR (1906) AC 139) expressly dissents from the former view; and if the right invaded is a right of property at all, there are, I think strong reasons for preferring the latter view.

- iii. Typically a range of different signs, or even aspects of "get up", are capable of signalling to the public that goods or services have a connection with a particular business and its goodwill. Thus there is no fundamental requirement for a claimant, wishing to assert that a defendant's use of "sign X" amounts to an actionable misrepresentation, to show that the claimant actively promotes its own goods or services under "sign X" (or indeed a sign similar to "sign X"). The question is simply whether, in all the circumstances, the defendant's use of "sign X" is deceptive in that it falsely suggests a connection with the claimant and its goodwill and so causes loss and damage to the claimant or its goodwill.
- iv. For the purpose of Registry opposition proceedings a notional "normal and fair" use of the mark in issue in respect of the goods / services for which it is sought to be registered is to be considered: if anything capable of being described as a "normal and fair" use of the mark in respect of those goods / services would have amounted to passing off at the relevant date, then the mark will be invalid or unregistrable (even if there may be other "normal and fair" uses which would not be objectionable).

The relevant date for assessing the claim

- 67. "Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration ... However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made."²⁴
- 68. I will consider first whether GHD had actionable goodwill at R&B's filing date 6 February 2019. (I will return to consider the position at the earlier point in time, when R&B first included the words "GOOD HAIR DAY" on its shampoo goods.)

Assessment at filing date

- 69. As I indicated at my paragraph 59 above, the evidence shows GHD to be a very successful UK business, known in particular for its hair-straightening irons. Its annual marketing has consistently involved tens of millions of pounds, with promotion via brand ambassadors, celebrity endorsements, sponsorship of hair care industry and fashion events, 25 distribution via hair salons and on social media (paragraph 21 Dr Moore's statement). Those great sums, as I have previously noted, are not broken down in respect of the UK only, but there is evidence that as early as 2003, GHD spent £1.3 million sponsoring The Salon television series on Channel 4, and earlier in the same year, a further £2 million on a television advertising campaign. It has also given sizeable support to prominent UK charity. Its exposure in the UK has been considerable and the exceptionally rapid success of the Yorkshire-rooted business has been profiled in various national publications.
- 70. GHD claims to have used, throughout the UK, and in relation to "hair and beauty goods and services", the signs "GHD" and "GOOD HAIR DAY" since 2001 and the sign "GOOD HAIR DAY, EVERY DAY" since 2013. My findings earlier in this decision, under grounds based on registered trade mark rights, have included:
 - (i) insufficient evidence to establish genuine use, during particular relevant periods, of "GOOD HAIR DAY" (solus) as a trade mark for certain goods in Classes 3 and 9;

²⁴ See Advanced Perimeter Systems Ltd v Keycorp Ltd (Multisys Trade Mark) [2012] RPC 14, where Daniel Alexander QC (sitting as the Appointed Person) at paragraph 43, approving this expression of the principle by Mr Allan James in SWORDERS Trade Mark BL O/212/06.

The evidence refers for instance to Victoria's Secret Fashion Show in London, December 2014 (paragraph 41 Dr Moore's statement)
Page **34** of **47**

- (ii) no relevant reputation for "GOOD HAIR DAY, EVERY DAY" (the Third Earlier Trade Mark);
- (iii) the Third Earlier Trade Mark the letters "GHD", which have been used and benefit from a reputation for certain electrical goods are not to be sufficiently similar to the mark applied for by R&B "GOOD HAIR DAY" to invoke the protection conferred on registered marks under the Act.
- 71. However, in my view, such earlier findings are not fatal to the prospect of success under this section 5(4)(a) claim, based on the principles of passing off. This is because differently nuanced considerations arise as between matters based on registered trade mark (exclusive) rights and claims based on real-world use of a disputed sign that may identify goods. For instance:
 - i. a trade mark may give exclusive rights without any use at all in its five years of registration (as in the case of the Second Earlier Trade Mark, founding the section 5(2)(b) successful opposition), but after that point it may be necessary to demonstrate "genuine use" by reference to the case law criteria, including actual use, as a trade mark, by the trade mark owner (or with its consent), in respect of specified goods and in a particular timeframe;
 - ii. comparisons (visual, aural and conceptual) of the marks themselves are to be made based on marks as they appear in the register/in the application (such as between the Third Earlier Trade Mark "GHD" and R&B's application for "GOOD HAIR DAY");
 - iii. questions of trade mark similarity and confusion are based on the perspective of a more strongly notional average consumer;
 - iv. contrastingly, the existence of goodwill, and what sign signifies that goodwill are highly fact-dependent and anchored in evidence from the real-world, including the perceptions of a claimant's customers and potential customers;
 - v. similarity of goods is not strictly required to succeed in passing off, although the closeness of the respective fields of activity certainly is relevant.
- 72. The essential requirements that a claimant must establish to sustain a passing off claim are:²⁶
 - (a) a protectable goodwill in the UK owned by the claimant at the relevant date;

26

The "classical trinity" per Lord Oliver in Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341 HL, the "Jif Lemon" case.

- (b) a misrepresentation made by the defendant which is liable to deceive a substantial number of the relevant public; and
- (c) damage to the claimant's goodwill caused by the misrepresentation.
- 73. The evidence contains very numerous references where the significance of the letters "GHD", in the context of hair goods, as standing for "GOOD HAIR DAY" is explicit or readily apparent. For instance, Exhibit TM3 includes numerous articles from The Times, The Telegraph, The Financial Times, Marketing Magazine, The Guardian between 2003 - October 2016 where the connection is made explicit - e.g. "GHD, a leading hair product manufacturer (it stands for Good Hair Day) .." – including in headlines such as "Coty gets Good Hair Day for £420m".27 In addition to such media coverage, connecting the three initials to the phrase, the evidence also contains some evidence of retailers of GHD's products effectively explaining the meaning of GHD on their websites - for instance, Next.co.uk (October 2012) "ghd have the perfect range to make your day a "good hair day". Exhibit TM7 includes a contemporary extract from the Harrods website, selling a £149 ghd straightener, with the promotional explanation "with a name that means good hair day". Dr Moore also highlights, at paragraph 23 of his statement the ways in which social media posters have referred to GOOD HAIR DAY in connection with GHD, on YouTube and Facebook videos and how the slogan (and registered mark) "GOOD HAIR DAY, EVERY DAY" has been used in immediate conjunction with the letters "ghd" in

dotted figuration - such as •• good hairday, every day , including on GHD's own website from at least December 2012 – February 2015.

- 74. In response to R&B's submission that GHD had no right to prohibit the use of GOOD HAIR DAY by third parties because it had not (at relevant times) used "GOOD HAIR DAY" "as an indicator of origin", Mr Ivison reiterated that such a line of thinking wrongly treats the law of passing off as a law of unregistered trade marks, which it is not it is a law of misrepresentation injurious to goodwill. Mr Ivison argued that in this case the nature of the misrepresentation and the resulting injury to goodwill is straightforward, on the following basis. A substantial number of members of the purchasing public will:
 - (a) know about GHD's business and its products (and thus be subject to the attractive force of the business's goodwill); and

²⁷ See for instance pages 27, 42, 44, 46, 89 and 117 and paragraph 9 of Dr Moore's witness statement. Page **36** of **47**

- (b) know that GHD stands for "GOOD HAIR DAY" perhaps because they have read about it in the Press, or because they have visited GHD's website, or through word-of-mouth, or in some other way; and
- (c) upon being confronted with R&B's bottle of shampoo or conditioner branded GOOD HAIR DAY (without TEMPLE SPA), naturally assume that it is a new product being offered by GHD – even though it is not;
- (d) purchase the bottle of shampoo or conditioner on what they (mistakenly) believe to be the strength of GHD's goodwill and reputation.
- 75. I find that the evidence shows that, by the relevant date, GHD had achieved a very considerable commercial impact, founded on its ghd-branded hair straighteners, but extending to include other electrical hair appliances, and at least some complementary hair products. I also find that coupled with that profile of ghd-branded goods, enduring for 15 years or so, that it is likely that a significant portion of the consumer base interested in 'hair beauty goods' if I may cast them that way will be aware that ghd stands for GOOD HAIR DAY. I therefore find that GHD had actionable goodwill of which GHD and GOOD HAIR DAY were distinctive at the relevant date. As an aside, in my view, analogous considerations may foreseeably have arisen (albeit perhaps in reverse) at the time when Marks and Spencer used that name for its retail business but was widely referred to by its customers as "M & S".
- 76. An example of the packaging that R&B has used is:



Here the words "GOOD HAIR DAY", which I have previously found to be inherently of low distinctiveness in respect of the contested goods, will be perceived as a playful sub-

designation of goods under the house brand TEMPLESPA (reinforced by the temple logo).

Assessment of the position in November 2003

- 77. As I indicated above, I must also take account of the fact that R&B has used the applied-for mark "GOOD HAIR DAY" in connection with its shampoos. In that regard, I note that R&B first started that use in November 2003.
- 78. The position argued on behalf of GHD, by Mr Ivison is that the relevant date for the assessment is in this case <u>only</u> the filing date of R&B's application because the sale of a shampoo or hair conditioner branded as GOOD HAIR DAY without the accompaniment of the TEMPLESPA "house brand" (and associated logo) would be a fundamentally different activity from the kind of trade R&B has actually conducted to date by reference to GOOD HAIR DAY. In this regard, R&B has not previously engaged in "behaviour" akin to that which I have above found could be considered objectionable under section 5(4)(a) the behaviour complained of.
- 79. The evidence indicates that R&B has consistently sold the shampoo packaged in the manner shown above, i.e. 'GOOD HAIR DAY' in combination with the TEMPLESPA elements. Although R&B deploys a variety of lightly playful phrases for its products (such as IN GOOD CONDITION for its conditioner), I find that GOOD HAIR DAY would be perceived by consumers as a sub-brand of the TEMPLESPA range in relation to its frequent wash shampoo. Exhibit MW3 shows a spreadsheet of invoice details relating to TEMPLE SPA GOOD HAIR DAY UK and shows that the first invoice is dated 21 November 2003. There were a total of five invoices in 2003, three of which involved just a single 50 ml bottle each. The other two invoices were both to the Conrad hotels in London, one for 2500 bottles, the second for 960 bottles. The five invoices generated around £1365 that year.
- 80. In view of R&B's first use in late November 2003, albeit on a small scale, of the very mark it has applied for GOOD HAIR DAY and in respect of the very goods applied for (at least for shampoo, though not conditioner), I must consider whether GHD's section 5(4)(a) ground as assessed more than 15 years later at the primary relevant date, 6 February 2019, can succeed.

- 81. Common law recognises that antecedent use may be significant in various ways. In Advanced Perimeter Systems Ltd v Keycorp Ltd (Multisys Trade Mark) [2012] RPC 14, Daniel Alexander QC (sitting as the Appointed Person) said:
 - "41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs Q.C. sitting as the Appointed Person in Croom's Trade Mark Application [2005] R.P.C. 2 at [46] (omitting case references):
 - (a) The right to protection conferred upon senior users at common law;
 - (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
 - (c) The potential for co-existence to be permitted in accordance with equitable principles.
 - 42. As to (b), it is well established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: J.C. Penney co. Inc. v Penneys Ltd. [1975] F.S.R. 367; Cadbury-Schweppes Pty Ltd v The Pub Squash Co. Ltd [1981] R.P.C. 429 (PC); Barnsley Brewery Company Ltd v RBNB [1997] F.S.R. 462; Inter Lotto (UK) Ltd v Camelot Group plc [2003] EWCA Civ 1132, [2004] R.P.C. 9: "date of commencement of the conduct complained of." If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.
- 82. I note the following points from Emma Himsworth QC as the Appointed Person in STEALTH (appeal case O/328/20):
 - "30. The reference to the expression 'senior user' came originally from the Decision of Geoffrey Hobbs QC sitting as the Appointed Person in CROOM's TM [2005] RPC 2 at paragraphs [45] and [46] where the underlying principles with regard to rival claims raised with regard to the right to use a trade mark in the context of an objection under section 5(4)(a) of the 1994 Act were identified. It is however important to note that in the decision in CROOM's TM the reference to 'senior user' was not a reference to the first to use a trade mark but the first to

acquire a protectable goodwill under the common law (as is confirmed by paragraph [49] of the decision in CROOM's TM).

. . . .

- 34. However, the Hearing Officer clearly appreciated that in order to determine the position as of 6 February 2017, in circumstances where there was a dispute between the parties with regard to their respective use *prior to* the application date, it was relevant (and indeed both parties submitted it was appropriate) for him to assess the passing off claim at a date prior to the application date. That relevant date was identified by the Hearing Officer as the date of first actionable use. The Hearing Officer came to this view by reference to the law set out in the judgment of the Court of Appeal in Roger Maier and Assos of Switzerland SA v. ASOS plc and AOS.com Limited [2015] EWCA Civ 220 and the decision of Thomas Mitcheson QC sitting as the Appointed Person in CASABLANCA TM (O-349-16). It seems to me that there is no error in the Hearing Officer's statement of the legal approach.
- 35. [...] He concluded at paragraph [45] of his Decision that in order to consider the position prior to the application date he first had to decide the date when *ABP's actionable use* began and noted that this date was not dependent upon the generation of goodwill by ABP; and second that once that date had been identified it was for *Voyetra to show that it had a protectable goodwill* as of that date. It seems to me that this was the correct.

. . .

28

41. I agree with the observations made by Thomas Mitcheson QC in paragraph [33] of his Decision in <u>CASABLANCA TM</u>. The type of use that is alleged to amount to antecedent use must be assessed carefully and is a matter of fact and degree."²⁸

Having in mind the factors suggested for careful consideration in CASABLANCA, in the present case I have found (at my paragraph 81 above) that in so far as the sign GOOD HAIR DAY operated as a sub-brand in respect of shampoo in the TEMPLESPA range, its use of the sign GOOD HAIR DAY may be considered distinctive. Sales started (very modestly) in November 2003 and grew consistently from there. I return briefly to the point in this footnote when I consider R&B's opposition against the contested trade mark application by GHD.

- 83. The guidance set out in *Assos* and *Casablanca* is that I must firstly establish the date the proprietor's actionable use began. I am not here concerned with the date that R&B acquired goodwill of its own in other words, the relevance of R&B's use (in the context of the present ground of opposition against R&B's application) is limited to establishing the date that the actionable use began. Once this date has been established, it is for GHD to show that it had protectable goodwill sufficient to prohibit such use under the law of passing off.
- I am satisfied from Mr Warom's evidence that <u>first use</u> dated from November 2003 (indeed I noted no challenge on that point). The sign, used as a sub-brand, was thereafter, (as Mr Ivison recognised), deployed in the same manner henceforth and the evidence of the 2014 correspondence is that GHD considered that use to be <u>actionable</u> in as much as GHD objected to R&B's use, notwithstanding that it also appears that GHD did not in fact pursue a passing off case.²⁹ Taking account of that threatened action, I consider it proper to accept November 2003 as the date of first <u>actionable</u> use It is true that R & B has used GOOD HAIR DAY as a sub-brand. However, it was used as a separate mark to TEMPLE SPA and if GHD has acquired a goodwill under GOOD HAIR DAY by 2003, such use would clearly have been actionable. In this connection, I note that GHD has never itself (and certainly not prior to 2003) used GOOD HAIR DAY as a trade mark in respect of shampoo or conditioner.
- 85. I must consider therefore whether GHD had a passing off right at that date of R & B's first use. Mr Ivison argued that anyway, by 2003, GHD was already a rapidly emerging success with total sales well over £10 million, a substantial number of consumers and articles (including two in the Times) had appeared in the press specifically noting the GHD / GOOD HAIR DAY connection. He argues that therefore by this point potential consumers would have known about this connection and would have been liable to be misled by R&B's sale of GOOD HAIR DAY shampoo and/or conditioner. I have considered this argument carefully. The following four paragraphs consider GHD's evidence up to the point of R&B's first use in November 2003.
- 86. The evidence shows that GHD only launched in 2001, with sales reportedly low at the initial stage (Exhibit TM3 page 7, which also refers to GHD (Jemella) selling worldwide, except for the USA). Nonetheless, following the engagement of the interest of John

29

The correspondence is referenced in R&B's counterstatement and detailed further at paragraph 28 onwards of Mr Warom's second witness statement.

Frieda – a prominent figure in hairdressing – at his London salon, and a fortuitous meeting there with the beauty editor of the Evening Standard, sales of GHD's ceramic hair straighteners rocketed.

- 87. The evidence does not disaggregate sales in the UK, but a contemporaneous article in the online version of the Bradford Telegraph and Argus (Exhibit TM3 page 18, dated 12 June 2003) reports that in 2002 the company achieved turnover of £11.5 million and had expanded its operations into Europe and Australia. At page 20 of that exhibit, the same contemporaneous article also refers to the firm's plans to launch a new range of products to include straightening and waving treatments, ceramic brushes, shampoos, conditioners, hairsprays, styling gels and an extended range of ceramic styling irons. It states that "the new products will be backed by a multi-million pound marketing campaign which will further strengthen ghd as a major hair product brand ...".
- 88. Page 36 shows a 2005 article from the online version of The Sunday Times, which states that in 2003, Companies House records show GHD to have achieved a turnover of over £37 million and profit of £12 million. (The table at paragraph 12 of Dr Moore's statement refers to £12 million "sales revenue" in 2003, based on 248,000 "GHD products sold" and over £5 million in "marketing costs".)
- 89. Another contemporaneous article is shown at page 21 of Exhibit TM3. It is a short article from campaignlive.co.uk headed "Good Hair Day set to make TV debut in £2 million campaign". It is dated 10 July 2003. It states that "until now Good Hair Day's products have relied on personal recommendation" and "although the company's products are sold exclusively through salons, it will be advertising via a £2 million six-week integrated campaign beginning on July 14." This article too states that the product range included shampoos and conditioners. It provides the following detail on the nature of that advertising: "The TV ads will be supported by ads in the style press ,posters, SMS, DM and point-of-sale material to follow later in the year with an additional budget of £1.5 million."
- 90. I take note of all of the above evidence, which indicates the impressive rapid early growth and success of GHD, founded on its ceramic hair straighteners and substantial marketing activity. I also note the indications that even in 2003 GHD planned to include shampoos and conditioners in its range. However, there is no evidence as to how the *advertising* in 2003 may have referenced "GOOD HAIR DAY" (if at all) or referenced shampoos and

conditioners. There is no indication of the extent to which the planned range in fact included shampoos or conditioners in 2003 or what goods were sold in what quantities. It seems likely that the focus would have been on its hair straighteners and that references to the branding would have been to "GHD". I recognise that the evidence includes a few press articles from 2003, which make the link between the initials and the three-word phrase, but two of those articles are from a local online paper (Bradford Telegraph and Argus) and one from a specialist marketing website (campaign live). I see no reason to doubt Mr Warom's claim that he had not read the two articles in The Times online (the high points of the press evidence from 2003), nor been aware of GHD's sponsorship of the Channel 4 reality-show, The Salon, at the time that R&B first started its use of the contested sign.

At the date that I am now considering – the date of first use – I am not satisfied, from the evidence, that, despite a strong start based on ceramic hair straighteners, the relevant consumer would have associated GOOD HAIR DAY shampoos and conditioners with GHD. There is no evidence that GHD itself used the sign "GOOD HAIR DAY" in relation to "hair and beauty goods and services" in 2003 (and the claim in relation to the sign "GOOD HAIR DAY, EVERY DAY" is expressly only since 2013). I acknowledge there is some evidence of third parties making the link between GHD and GOOD HAIR DAY, but this is mainly in the context of its rapidly emerging trade in hair straighteners. I again recall that GHD has provided no sales figures for sales of GHD wet goods, including shampoos and conditioners. I also bear in mind that GOOD HAIR DAY is a sign which is of low distinctive character for the goods at issue. It cannot, therefore, be assumed that those GHD customers and potential customers who understood that the letters stood for GOOD HAIR DAY would have expected shampoos and conditioners marketed under those words (and without GHD) to be connected with the company mainly known for its GHD hair straighteners. In this connection, I bear in mind that it is not passing off to cause some of the public merely to wonder whether or not the use of a sign indicates a connection with a particular undertaking.³⁰ In my view, use of the contested trade mark GOOD HAIR DAY would not in 2003 have been liable to have been prevented by the law of passing off. It follows that there would have been no passing off at the date of R & B's application either.

Phones 4u Ltd v Phone4u.co.uk. Internet Ltd [2006] EWCA 244 (Civ), Jacob L.J., at paragraphs 16-17.

30

92. OUTCOME: Accordingly, GHD's opposition against R&B's application fails on the basis of section 5(4)(a) of the Act.

R&B's claimed defence based on honest concurrent use

- 93. My conclusion at paragraph 47 above, is that GHD has successfully made out its grounds of opposition against R&B's application on the basis of section 5(2)(b) of the Act which is essentially that R&B's applied-for trade mark "GOOD HAIR DAY" is confusingly similar to GHD's Second Earlier Trade Mark "GOOD HAIR DAY, EVERY DAY" registered for identical goods.
- 94. However, R&B's position is that the application of the doctrine of honest concurrent use should defeat all of GHD's oppositions under section 5 of the Act. Mr Ivison accepted (paragraph 45 of his skeleton argument) that the Budweiser case (C-482/09) demonstrated that if honest concurrent use is established a party may obtain its own trade mark registration even in the face of opposition from the proprietor of an earlier registered trade mark (which may be identical).³¹
- 95. Honest concurrent use will be established where two traders have co-existed under the same (or similar) names for such a period and in such a manner that the later trader's use is no longer liable to affect the functions of the earlier trader's trade mark because the relevant public have been educated into the understanding that there is not one but two distinct businesses operating under that trade mark.
- 96. In view of my earlier findings and the limited grounds on which I have upheld the opposition, it seems to me that this R&B's defence is bound to fail for the following fundamental reason. It is not shown on the evidence that there has been use by GHD of the Second Earlier Trade Mark "GOOD HAIR DAY, EVERY DAY" in relation to the goods relied on by GHD at the hearing, namely *shampoos; hair conditioners* in such a way, or over a sufficient period of time, that the relevant public have been educated into the understanding that there is not one but two distinct businesses operating under that trade mark. There has not been concurrent use of the marks therefore. Despite the phrase GOOD HAIR DAY, EVERY DAY appearing on the website of GHD in the two years up to

31

Page **44** of **47**

Budejovicky Budvar NP v Anheuser-Busch Inc, Case C-482/09, the Court of Justice of the European Union I note, however, that paragraph 76 emphasises the exceptional circumstances of that case.)



early 2015 as part of the sign (and trade mark) of good hair day, every day as I noted earlier, Mr Harbottle accepted, by his position at paragraph 27 of his skeleton argument, that the evidence does not establish that the Second Earlier Trade Mark has been used in trade to designate origin, rather it has been used as a slogan ancillary to the ghd logo. In the absence of material concurrent use on both sides, a defence of honest concurrent use must inevitably fail.

97. **OUTCOME:** R&B is not able to rely on honest concurrent use to overcome the objection under sections 5(2)(b) that I have previously found. GHD's opposition on that ground accordingly succeeds and R&B's trade mark application No. 3373130 may not proceed to registration.

R&B's opposition to GHD's application

- 98. Having already set out the law under section 5(4)(a) and already considered the extent to which and ways in which both parties have goodwill associated with the sign "GOOD HAIR DAY", I can deal relatively briefly with the opposition by R&B against GHD's application to register as a trade mark "GHD GOOD HAIR DAY" in respect of Soaps; perfumery; essential oils; preparations for the skin, scalp, hair and body; hair lotions; shampoos; hair dyes; hair colourants; hair conditioners; hair styling products.
- 99. R&B has sold over 3 million units of shampoo, including the sign GOOD HAIR DAY. Many of these will have been as part of sets or provided free of direct charge in hotel bathrooms. In all instances the business goodwill "the attractive force which brings in custom" will be associated with the shared presence on those goods of the TEMPLESPA name (as well as logo). I do not accept that R&B had actionable goodwill founded on the weakly distinctive three-word phrase GOOD HAIR DAY in isolation. There is no inconsistency between this finding and my earlier finding that the start of R&B's behaviour that GHD complains about is 2003. This is because, as noted in *Casablanca*, it is not necessary to show that the defendant's use had resulted in the acquisition of actionable goodwill under the contested sign in order to establish the date for assessing a passing off claim brought against the user of that mark. By contrast, it is necessary for a party asserting a passing off right to establish that the sign on which they rely is distinctive of the goodwill in their business. In any event, I do not accept R&B's claim that use of the mark applied for by

GHD would be a misrepresentation leading to deception and damage – nor that use of the mark is likely to lead the public to believe that the goods offered are the goods of R&B or that the mark is used with the consent of R&B.

- 100. I note the following points of clarification and emphasis from Jacob J (as he then was): "I ... begin by identifying what is not the law. There is no tort of copying. There is no tort of taking a man's market or customers. Neither the market nor the customers are the plaintiff's to own. There is no tort of making use of another's goodwill as such. There is no tort of competition. At the heart of passing off lies deception or its likelihood, deception of the ultimate consumer in particular ... Never has the tort shown even a slight tendency to stray beyond cases of deception."32
- 101. In my view, at the relevant date 23 November 2018 when GHD filed its trade mark application, use of "GHD GOOD HAIR DAY" in respect of the goods sought in Class 3 would not have constituted a misrepresentation. The inclusion in the application of the three-letter initialism "GHD" ahead of "GOOD HAIR DAY" is enough to avoid any prospect that a substantial number of R&B's customers being misled into purchasing the GHD's goods in the belief that they are those of R&B.

Outcome

102. R&B's opposition based on section 5(4)(a) of the Act fails and GHD's trade mark application No. 3355743 may proceed to registration.

COSTS

32

103. Both parties have achieved a degree of success: R&B succeeded in its application for partial revocation of GHD's trade mark registration No. 2527066, but failed in its opposition against GHD's trade mark application No. 3355743, whereas GHD has succeeded in its opposition against R&B's trade mark application 3373130. The greater balance of success therefore lies with GHD. In the ordinary course of events, the party succeeding in proceedings (or having the greater measure of such success) is entitled to a contribution towards its costs, in line with the scale set out in Tribunal Practice Notice 2/2016. At the hearing, Mr Ivison, on behalf of GHD, asked that any decision on costs be delayed and that parties should be afforded a period of time to file written submissions on costs having first received the tribunal's decision on the substantive

claims. In the circumstances, I invite the representatives for Jemella Group Limited (GHD) to file submissions as to costs (with copy to the other side) within 14 days of this decision, and permit the representatives for Rhythm & Blue Inc. Limited 14 days from receipt of GHD's submissions to file its own submissions as to costs (with copy to the other side).

Dated this 5th day of October 2021

Matthew Williams

For the Registrar