

O/1140/22

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

**IN THE MATTER OF
TRADE MARK APPLICATIONS NOS. 3489080, 3504389, 3505167, 3507725,
3514609
BY VETEMENTS GROUP AG
AND OPPOSITIONS THERETO UNDER NOS. 421316, 421317, 421597, 421598,
421599
BY VTMNS GROUP LIMITED**

AND

**IN THE MATTER OF
TRADE MARK APPLICATIONS NOS. 3474068, 3517257, 3527881 AND 3560772
BY VTMNS GROUP LIMITED
AND OPPOSITIONS THERETO UNDER NOS. 420604, 421967, 422673 AND
424160
BY VETEMENTS GROUP AG**

AND

**IN THE MATTER OF
TRADE MARK REGISTRATION NO. 3413818 IN THE NAME OF
VTMNS GROUP LIMITED
AND AN APPLICATION FOR INVALIDITY THERETO UNDER NO. 503256
BY VETEMENTS GROUP AG**

Background and pleadings

1. There are ten actions involved in these consolidated proceedings, namely (i) five oppositions brought by VTMNS GROUP LIMITED (“Party B”) against five trade mark applications filed by VETEMENTS GROUP AG (“Party A”); (ii) four oppositions brought by Party A against four trade mark applications filed by Party B and (iii) an application for a declaration of invalidity of a trade mark registration owned by Party B brought by Party A.

The first set of proceedings: the oppositions against Party A’s trade mark applications.

2. The details of the oppositions against Party A’s applications are as follows:

Trade Mark Application no. 3489080 (opposition no. 421316)

VETEMENTS

Filing date: 12 May 2020; Date of publication: 05 June 2020

Classes: 3, 9, 14, 18

Opposition filed on 03 September 2020 based on Section 5(2)(a) of the Trade Marks Act (“the Act”) with Party B relying on the three earlier marks shown below:

1. UK00003474068

VETEMENTS

Filing date: 11 March 2020

Class 35

2. UK00003413818

VETEMENTS

Filing date: 15 July 2019; Registration date: 06 December 2019

Class 25

3. UK00003517257

VETEMENTS

Filing date: 29 July 2020; Priority date: 09 March 2020

Classes 3, 14, 24

Trade Mark Application no. 3504389 (opposition no. 421317)

VETEMENTS

Filing date: 24 June 2020; Date of publication: 24 July 2020

Class 25

Opposition filed on 03 September 2020 based on Section 5(2)(a) of the Act with Party B relying on the same three earlier marks shown above.

Trade Mark Application no. 3505167 (opposition no. 421597)

VETEMENTS

Filing date: 26 June 2020; Date of publication: 31 July 2020

Classes 3, 9, 14, 18, 25, 35

Opposition filed on 25 September 2020 based on Section 5(2)(b) of the Act with Party B relying on the same three earlier marks shown above.

Trade Mark Application no. 3507725 (opposition no. 421598)

VETEMENTS
LIMITED
EDITION

Filing date: 03 July 2020; Date of publication: 17 July 2020

Classes: 3, 9, 14, 18, 25, 35

Opposition filed on 25 September 2020 based on Section 5(2)(b) of the Act with Party B relying on the same three earlier marks shown above.

Trade Mark Application no. 3514609 (opposition no. 421599)

VETEMENTS
HAUTE COUTURE

Filing date: 22 July 2020; Date of publication: 28 August 2020

Classes: 3, 9, 14, 18, 25, 35

Opposition filed on 25 September 2020 based on Section 5(2)(b) of the Act with Party B relying on the same three earlier marks shown above.

The second set of proceedings: the oppositions against Party B's trade mark applications.

3. Two of Party B's trade mark applications which are opposed by Party A (trade mark application nos. 3474068 and 3517257 shown below) are relied upon by Party B in the oppositions against Party A's trade mark applications (which are set out above). The details of the oppositions against Party B's trade mark applications are as follows:

Trade Mark Application no. 3474068 (opposition no. 420604)

VETEMENTS

Filing date: 11 March 2020; Date of publication: 27 March 2020

Class 35

Opposition filed on 26 June 2020 based on Sections 5(2)(a), 5(3), 5(4)(a) and 3(6) of the Act with Party A relying under Sections 5(2)(a) and 5(3) on the following earlier marks:

1. EU018094884

VETEMENTS

Filing date: 12 July 2019 (subject to pending opposition proceedings at EUIPO)

Class 18

2. EU018292087

VETEMENTS

Filing date: 12 July 2019; Registration date: 29 August 2020

Classes 3, 9, 14

Trade Mark Application no. 3517257 (opposition no. 421967)

VETEMENTS

Filing date: 29 July 2020

Priority date: 09 March 2020; Priority country: France; TM from which priority claimed: 4630920

Classes 3, 14, 24

Opposition filed on 5 November 2020 based on Sections 5(1), 5(2)(a), (5)(2)(b), 5(3), 5(4)(a) and 3(6) of the Act with Party A relying under Sections 5(1), 5(2)(a), (5)(2)(b) and 5(3) on the two earlier marks shown above.

Trade Mark Application no. 3527881 (opposition no. 422673)

VETEMENTS

Filing date: 28 August 2020; Date of publication: 16 October 2020

Classes 9 and 18

Opposition filed on 08 January 2021 based on Sections 5(1), 5(2)(a), (5)(2)(b), 5(3), 5(4)(a) and 3(6) of the Act with Party A relying under Sections 5(1), 5(2)(a), (5)(2)(b) and 5(3) on the two earlier marks shown above plus the following mark:

3. UK00003489080 (this is one of Party A's applications opposed by Party B as shown above)



Filing date: 12 May 2020; Date of publication: 05 June 2020
Classes 3, 9, 14, 18

Trade Mark Application no. 3560772 (opposition no. 424160)



Filing date: 26 November 2020; Date of publication: 29 January 2021
Classes 18, 25, 35

Opposition filed on 28 April 2021 based on Sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Act with Party A relying under Sections 5(2)(b) and 5(3) on the marks UK00003489080 and EU018094884 shown above plus the following marks:

3. UK00003504389 (this is one of Party A's applications opposed by Party B shown above)
4. UK00003532412
VETEMENTS
Filing date: 11 September 2020; Registration date: 04 March 2022
Classes 3, 9, 14, 18, 25, 35
5. EUTM 018298035

VETEMENTS

Filing date: 28 August 2020; Registration date: 20 July 2021

Class 35

The third set of proceedings: the invalidity action.

4. Party A also applied to invalidate Party B's trade mark registration no. UK00003413818 (invalidity no. 503256) based on Sections 5(2)(a), 5(3), 5(4)(a) and 3(6) of the Act relying on the trade marks EU018094884 and EU018292087 (shown above).

Multiplicity of pleadings and EUIPO proceedings

5. As it is apparent from the number of proceedings and the pleadings set out above, this is a complex case whereby each party relies on multiple grounds of opposition and invalidity in relation to ten trade marks.

6. The pleadings in the five oppositions brought by Party B against Party A's trade mark applications are based on the likelihood of confusion with three earlier UK trade marks, two of which are pending applications opposed by Party A; the other earlier mark is the subject of the invalidity proceedings which is part of these consolidated actions.

7. The pleadings in both the invalidity and the oppositions brought by Party A are that there is a likelihood of confusion with six earlier marks owned by Party A (some of these are pending applications), and that the registration of Party B's trade marks is contrary to the provisions of Sections 5(3) (trade marks with reputation), 5(4)(a) (passing off) and 3(6) (bad faith) of the Act.

8. Three of the earlier marks relied upon by Party A are registered marks, two are UK pending applications (opposed by Party B) and one is a pending application for a EUTM which is being opposed by Party B at EUIPO. The EUIPO opposition is currently

suspended pending an attack by Party B on the French trade mark relied upon by Party A in the EUIPO proceedings. During the course of these actions, Party B applied for a stay pending the outcome of the EUIPO proceedings, however, following a case management conference, I refused the request, and in the absence of a request for leave to appeal, that decision became final.

9. As I have said, both parties rely on Section 5(2) of the Act in their oppositions against each other's trade marks. In each of these claims, the relevant party in the action pleads that there is a likelihood of confusion because of the identity and/or similarity of the marks, and the identity and/or similarity of the goods and services.

10. In respect of the oppositions based on Section 5(3), Party A claims that as a result of the investment it has made in promoting its brand, the earlier marks have developed a substantial reputation in the industry and the name 'VETEMENTS' is associated with trusted high quality and luxury goods and services. Party A argues that use of the contested marks would take unfair advantage of the distinctiveness and reputation of the earlier marks, in addition to being detrimental to the same based on the potential for poor quality goods. Party A also claims that it has already been alerted to instances whereby consumers have been misled into thinking that Party B's goods originate from or are associated with Party A causing detriment to Party A's reputation and to the distinctiveness of its marks.

11. Under Section 5(4)(a), Party A claims goodwill in the sign 'VETEMENTS'. Party A claims that it first used the sign as early as August 2016 throughout the UK in relation to a wide range of goods including, *inter alia*, clothing, clothing accessories, footwear, headgear, perfumery, cosmetics, sunglasses, jewellery, bags, purses, phone cases, computer cases and related retail services.

12. Under Section 3(6), Party A claims that the applications to register the contested marks were filed in bad faith. Party A alleges that Party B's applications are instruments of fraud and were filed fraudulently by Party B to enable Party B to license/authorise a Chinese entity to use Party A's VETEMENTS mark (or variations of it) without Party A's consent. According to Party A *"this Chinese entity has subsequently opened stores in China bearing [Party A]'s mark to sell products over*

which [Party A] has no control, mimicking [Party A]'s business and brand in Asia” and Party A “is already experiencing significant instances of confusion as a result of this action”.

13. Both parties filed counterstatements denying the claims made. Party B’s defence to the allegations of bad faith is the same in each case and it is as follows:

“An overseas company within the same group as the Owner had made substantial use of the Trade Mark VETEMENTS overseas before [the relevant application] was filed and registered the Trade Mark VETEMENTS in China and overseas as early as 14 January 2016 (CN TM Reg 18889354 and 18889147). These overseas Registrations have since been assigned to the owner, who simply filed [the relevant application] to help protect its position in exploiting the Trade Mark VETEMENTS in the United Kingdom.

The Owner therefore contends that the filing of the [relevant application] was not a dishonest action and meets the standards of acceptable commercial behaviour that are observed by reasonable and experienced persons, and therefore the application was not made in bad faith. Hence, [the relevant application/registration] should not be refused [/invalidated] under Section 3(6) of the Trade Marks Act 1994 for any of the [goods and] services for which registration is sought”.

Representation and evidence

14. Party A is represented by Womble Bond Dickinson (UK) LLP. Party B is represented by IPEY Limited. Both parties filed evidence during the evidence rounds.

15. Party A’s evidence-in-chief consists of a witness statement by Guram Gvasalia, the co-founder, artistic director and CEO of Party A’s company. Mr Gvasalia’s witness statement is dated 24 September 2021 and is accompanied by 47 exhibits (GG1 to GG47). Party A also filed written submissions dated 22 November 2021.

Party B's evidence-in-chief consists of a witness statement by Chen Qui. Mr Qui is a manager of Party B's company. Mr Qui's witness statement is dated 24 September 2021 and is accompanied by 23 exhibits (CQ1 to CQ23). Party B also filed written submissions dated 20 January 2022.

16. After the evidence rounds were concluded, Party A sought permission to cross-examine Party B's witness, Mr Chen Qiu, or file additional evidence. The request was made on 3 May 2022, only three working days before the date of the hearing – which was originally appointed for 9 May 2022 – and was refused in a preliminary view email dated 4 May 2022. The matter was further discussed at a Case Management Conference (“CMC”) which was held on 25 June 2022 (upon Party A's request) at the end of which I reserved my decision. Having considered submissions from Party A's representative, Ms Jacqueline Reid of Counsel, I granted Party A permission to file additional evidence on the footing that the issues raised by Party A, namely the existence of a number of inconsistencies in the defence upon which Mr Qui relied compared with the defences filed in other proceedings, the alleged falsification of documents exhibited by Mr Qui and Mr Qui's credibility in relation to his stated professional role, were relevant to the claim of bad faith.

17. Party A filed the additional evidence in the form of a further witness statement by Mr Gvasalia dated 4 July 2022, accompanied by 13 exhibits (GG48-GG61). Party B was given the opportunity to file comments on the evidence filed by Party A, however, having requested (and having been granted) an extension of time to file its comments, it eventually elected not to file anything.

18. Eventually, a hearing took place on 7 October 2022 at which Party A was represented by Jacqueline Reid of Counsel, instructed by Womble Bond Dickinson (UK) LLP. Party B decided not to appear or to be represented at the hearing but filed submissions in lieu.

19. At the hearing Ms Reid conceded that, if successful, Section 3(6) would provide the best outcome for her client because Party A's oppositions and invalidity application would succeed in their entirety with the result that Party B's own oppositions against Party A's trade mark applications would fall away. However, Ms Reid maintained that

regardless of the outcome of the Section 3(6) grounds, her client would prefer the other grounds to be decided in order to avoid the risk of the case being remitted to the registry on appeal. Hence, I will initially focus on the Section 3(6) claim.

Relevance of the EU law

20. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

DECISION

Section 3(6)

21. Section 3(6) of the Act states:

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

22. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

23. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

24. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

25. As one of the consolidated proceedings is an application for invalidity of a registered trade mark, Section 47 of the Act is also relevant:

“47. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration). Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

[...]

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

[...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed.”

Party A's evidence-in-chief

26. The first part of Party A 's evidence set out the history of 'VETEMENTS' as a fashion brand. Mr Gvasalia says that he and his brother Demna are well-known and respected figures in the fashion industry. Mr Gvasalia worked for the famous brand Burberry whilst his brother is a renowned designer being the creative director of the famous brand Balenciaga. Various articles exhibited in evidence describe Demna Gvasalia as *"the most wanted man in fashion"* (The Times, 2016), *"BoF's Person of the Year for 2016 [and the] person who had the most impact on the global fashion industry"* (Business of Fashion, 2016), *"The world's hottest designer"* (The Guardian 2018), ranking him as one of the 10 most influential designers of the decade.¹

27. According to Mr Gvasalia, the brand 'VETEMENTS' was created in March 2014 by a collective of well-known and highly regarded fashion designers. In addition to Mr Gvasalia himself and his brother, the collective included some of the world greatest luxury fashion houses, such as Louis Vuitton and Balenciaga, and the Royal Academy of Fine Arts of Antwerp. The articles mentioned above confirm Mr Gvasalia's account that there is a direct connection between his brother and the brand 'VETEMENTS'; they in fact refer to Demna Gvasalia as *"the iconoclastic Vetements founder"*, *"Vetements and Balenciaga designer"* and the individual who launched the brand. An article dated 7 October 2015 also refers to the brand 'VETEMENTS' having made its debut *"just a handful of seasons ago"* which would confirm the timing of the launch in March 2014.

28. Following its launch in 2014, the brand 'VETEMENTS' became very successful and Party A company was incorporated in Switzerland on 14 June 2016.² The mark 'VETEMENTS' was first used in the EU in 2014 and in the UK in 2016 and has been used in both territories ever since.

29. There are various pieces of evidence which corroborate Mr Gvasalia's narrative of the brand's success, including an article from VOGUE PARIS from March 2018 which refers to the brand having achieved a significant renown. There are also numerous

¹ GG1

² GG2

articles from UK well-known newspapers and magazines, including an article from Evening Standard (January 2015) which describes 'VETEMENTS' as *"the most talked about label in Paris"*, an article from Marie Claire (April 2016) which describes 'VETEMENTS' as *"the fashion coolest label"*, two articles from Business of Fashion (from August 2017 and January 2018) which ranks 'VETEMENTS' as one of the top 5 selling brands in Q1 and Q2 (2017) and various articles from Vogue UK, Marie Claire, Glamour, Financial Times, The Guardian, Evening Standard, The Times, Daily Mail and Elle.³ There is also a letter from the Executive President of the Federation de la Haute Couture et de la Mode (this is the organization that coordinates the famous Paris Fashion Week) from July 2020 which states that 'VETEMENTS' is part of the official calendar of the Paris Fashion Week and it is considered *"one of the very creative and important brands in the global perspective"*.

30. In terms of sales, Mr Gvasalia states that in the period between 2016 and 2020 his company sold over 200,000 products under the mark 'VETEMENTS' in the UK for a retail value of £150million. The company also sold €1.3 million worth of goods in the EU in the period between 2014 and 2020. Examples of invoices and images of products featuring the brand 'VETEMENTS' are provided. These include items of clothing as well as items of footwear, hats, bags, and sunglasses.⁴

31. Mr Gvasalia also states that since the day of first use, Party A spent around €1.5 million a year on advertising its products in the UK and the EU. The majority of this expenditure was spent on brand development, third party collaborations, online marketing campaigns, websites, social media, store and window displays, and fashion shows. Party A and its predecessor (i.e. the collective) have owned the domain name www.vetementswebsite.com since 30 November 2013⁵ and the website at this domain name has been used to promote and sell 'VETEMENTS' branded products since the date of first use.⁶ At the date of Mr Gvasalia's witness statement, Party A's social media presence was as follows: Party A's Instagram page had 4 million followers worldwide, its YouTube page had over 14,000 subscribers and its Facebook page had over 14,000 followers and 13,000 likes.

³ GG19-20

⁴ GG21-22 and GG4

⁵ GG6

⁶ GG7

32. In addition to Party A's and third-party websites, 'VETEMENTS' branded goods are sold through a number of well-known UK and EU retailers, including amongst others, the luxury department stores Harrods and Selfridges (London).⁷ Party A has also opened 'VETEMENTS' branded stores in the UK and in the EU since 2016. There are various articles produced in evidence - including an article from British Vogue - which refer to a marketing campaign launched by 'VETEMENTS' which ran from 8 February to 2 March 2018 when it took over four Harrods windows filling them with discarded clothes. An image from the campaign is shown below:



33. The campaign was created to raise awareness of fashion overproduction and, given the number of articles exhibited, seems to have attracted a lot of attention in the press.⁸

34. Evidence of products featuring the brand 'VETEMENTS' and created in collaboration with other brands is also produced. This includes collaboration with famous brands such as Tommy Hilfiger, Levi's, Oakley, Reebok, Star Wars, McDonald, Wolford and many others.⁹ There is also evidence of 'VETEMENTS' clothes being worn by celebrities such as Rhianna, Key West, Taylor Swift and Beyoncé.¹⁰

35. Since 2016 the brand has presented its collection at Paris fashion week and its products have received extensive press coverage, including in the high-profile publications mentioned above. The brand won various awards including "The

7 GG10
8 GG11
9 GG17
10 GG18

International Urban Luxury Brand” at the British Fashion Award 2016, and was ranked as one of the most popular fashion brands in 2019 just after Saint Laurent and Nike (tributetomagazine.com), whilst a report from a global fashion research company from 2019 ranks ‘VETEMENTS’ as number 9 in a list of the fashion hottest brands.¹¹

36. Mr Gvasalia also refers to Party A’s efforts to protect the brand through numerous trade mark applications filed worldwide. The list includes over 100 trade mark applications and/or registrations for trade marks consisting of or incorporating the brand ‘VETEMENTS’.

37. Before moving to the evidence aimed at establishing bad faith, Mr Gvasalia refers to Party A’s use of the brand ‘VETEMENTS’ in Asia. He explains that given Party B’s actions (I will expand upon those actions in the course of this decision) and the fact that the directors of Party B are individuals based in China, such use is relevant because it sets the scene by referring to the connection between the reputation of the brand ‘VETEMENTS’ in Asia, the unauthorised use of the same brand by Party B in China and the reasons behind Party B’s applications to register trade marks incorporating the brand ‘VETEMENTS’ in the UK.

38. Mr Gvasalia says that Party A’s use of the mark in China largely mirrors that made in the UK and the EU as outline above with the mark being visible on products and attracting much attention.

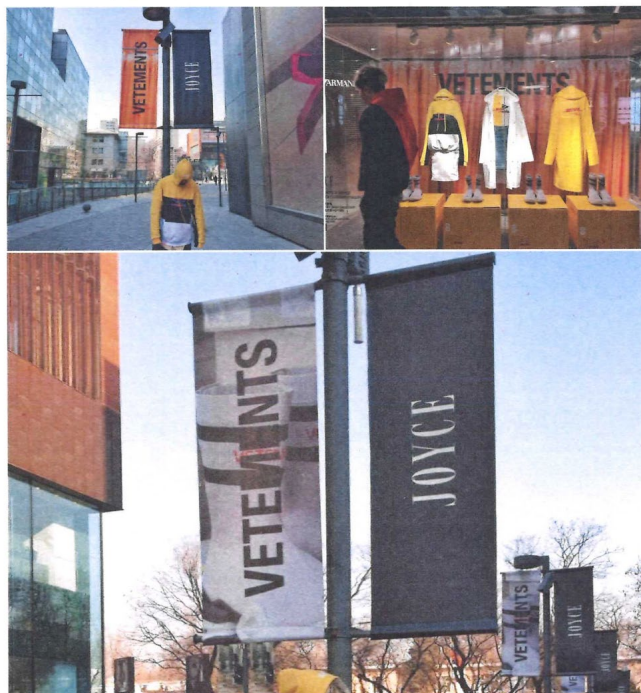
39. The evidence includes a copy of a VOGUE China profile (undated) reproducing images of the 2016-2019 ‘VETEMENTS’ collections and photographs of displays and window installations for stores and events in China, Hong Kong, Japan, Thailand and South Korea (dated between 2016 and 2019), examples of which are reproduced below:

¹¹GG25-26

VETEMENTS x JOYCE EVENT UN HONG KONG 2017
Hong Kong, China



VETEMENTS x JOYCE EXCLUSIVE CAPSULE POP UP - JANUARY-MARCH 2018
Beijing, China



40. The evidence also includes copy of search results (undated) from popular search engines in Asia demonstrating that when a search for the mark 'VETEMENTS' is conducted, Party A's website and social media pages appear at the top of the results.

Against this background, Mr Gvasalia states that in 2017 a Chinese company called Xiamen Vetements Brand Management (“Xiamen”) started filing various trade mark applications for the mark ‘VETEMENTS’ and also started producing and selling goods heavily inspired by Party A’s collections. These actions were indeed undertaken without Party A’s consent or knowledge, and Xiamen’s goods were sold directly to consumers via Chinese websites such as tmall.com and jd.com (these are said to be similar to other platforms like Amazon where goods are sold directly to consumers). In 2019, Xiamen opened stores to distribute goods featuring the mark ‘VETEMENTS’ in China and in other Asian countries, images of the which are shown below:

Stores opened by VGL and Xiamen in China



41. Mr Gvasalia also says that he was informed that some shopping malls and distributors in China asked for a contract (or some other evidence) to prove that Xiamen was the legal owner and/or approved distributor for the mark ‘VETEMENTS’ in China, as the proposed stores were to be located in prestigious shopping malls next

to stores for famous and legitimately operated brands such as Louis Vuitton and Prada. To fulfil this requirement, on 24 June 2019 Xiamen set up Party B in the UK under company number 12067174¹² with a view to applying to register the mark 'VETEMENTS' in other countries outside China. In support of the alleged connection between Party B and Xiamen, Mr Gvasalia produces, *inter alia*, evidence of a number of Chinese trade mark registrations which were assigned by Xiamen to Party B (the documents are dated 27 December 2019) as well as evidence that Zeng Ersong, a shareholder of Xiamen, was also a director of Party B until 2019.¹³ According to Mr Gvasalia, within two days of incorporation (on 26 June 2019) Party B applied to register the French trade mark 'VETEMENTS' that Party A applied to invalidate,¹⁴ followed by applying for the UK registration that is part of these consolidated proceedings on 15 July 2019. The evidence also shows that Party B's address, as listed at the UK Companies House, is the address for 76 different active companies.¹⁵ Mr Gvasalia also says that historically more than 800 companies have been registered to this address, which raises questions as to whether there are legitimate business operations being conducted at the address. Mr Gvasalia put Party B's case on bad faith as follows:

"It is my view that the sole purpose of [Party B's] applications and registration was to enable [Party B] to license/authorise a Chinese entity to use the mark without having to seek my company's consent. My company has become aware that this Chinese entity has subsequently been able to open brick-and-mortar establishments in China bearing the mark, which sell products mimicking the goods offered for sale by my company. My company understands that the Chinese entity has purposefully approached high-end boutiques and malls in China with whom it aligns itself, which my company believes is a critical tactic to emulate the allure of our own reputation and is a mean of directing competing with my company, in an attempt to divert customers".

¹² The company was originally called VETEMENTS GROUP LIMITED but following a decision issued by the company names adjudicator on 14 June 2021 to change its registered company name to a name that is not an offending name, the name was eventually changed to VTMNS GROUP LIMITED on 21 January 2022.

¹³ GG29 and GG30

¹⁴ GG30

¹⁵ GG32

42. In support of Party A's allegations, Mr Gvasalia produces the following evidence:

- Evidence of prior use by Party A of trade marks consisting of stylised versions of the word 'VETEMENTS' in various fonts and evidence that Party B applied for identical trade marks in China on dates that are subsequent to Party A's use.¹⁶ The relevant marks are reproduced below:

VETEMENTS vetements



- Copies of a webpage from chinassp.com promoting items allegedly being of 'VETEMENTS' 2019 collection (which Party A states were unauthorised) and containing reference to the surname Gvasalia as shown below:¹⁷

VETEMENTS

关注 收藏 申请代理

分享到: [Icons]

标签: 潮牌

品牌信息

品牌名称: VETEMENTS

行业类别: 潮牌

公司名称: Vetements中国区官方运营商-厦门市唯特萌品牌管理有限公司

联系电话: 0592-5071326

官方网站: vetements.jd.com

联系地址: 福建省厦门市思明区火炬(翔安)产业区翔星路96号建业楼B座6层

与VETEMENTS潮牌类似的相关品牌

- VIISHOW
- DRACONITE
- UNCLE.MO 墨大叔
- MSKOOK
- Norvincy 诺凡希
- NASTYPALM
- BeenTrill
- NUTHINK
- 初式
- shoot
- AIRWAY



VETEMENTS 品牌简介

VETEMENTS潮牌于2014年开始作为法国服装和鞋类“设计集体”品牌由格鲁吉亚时装设计师Demna Gvasalia和首席执行官Guram Gvasalia于2014年创立。世界上最火爆的当红潮牌Vetements由多位国际知名设计师共同创办。品牌玩世不恭的

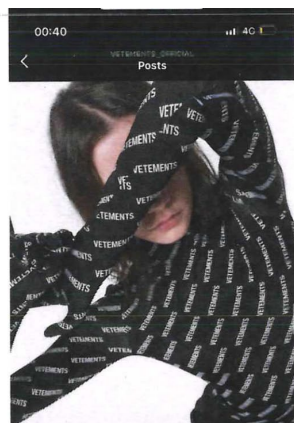
¹⁶ GG33

¹⁷ GG34

— VETEMENTS 品牌简介 —

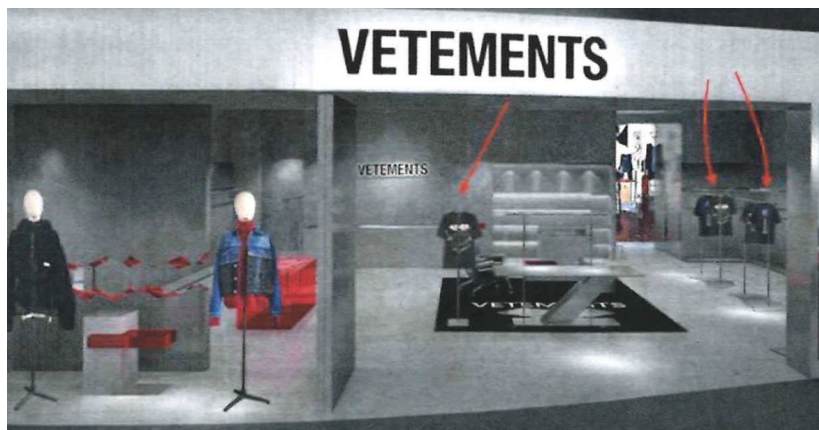
VETEMENTS潮牌于2014年开始作为法国册
官Guram Gvasalia于2014年创立。世界上最

- Evidence of fake (copy-cat) or unauthorised 'VETEMENTS' products sold in Chinese stores and on Chinese websites, examples of which are shown below (the evidence from the websites shows Party A's products on the left and the alleged Party B's products on the right, whilst the images of stores show original products – indicated by a red arrow – sold along fake products):¹⁸



¹⁸ GG35

Counterfeit VGL product sold on www.jd.com



- Evidence of a press release announcing the opening of the first 'VETEMENTS' official flagship store in China in June 2020. The articles mention Demna Gvasalia being the co-founder of the brand. Party A's allegations are also supported by evidence of an article from a Chinese website taking about a fake 'VETEMENTS' store open in Shanghai; the article states that this was *"a typical case of maliciously registering well-known fashion brand trademarks"* and that *"it is probably the pillar of shame in the fashion industry's [of] Chinese trade mark infringement case"*. The article explains how this system of Chinese trade mark squatting works:¹⁹

"[...] Because China's trade mark registration follow the principle of priority application, and there is no need to provide evidence of prior ownership and use when applying. [...]. Chinese people took the lead in submitting their brand name and logo applications to the Trademark Office before international brands. The simplest way to make profits from holding a trademark that has

¹⁹ GG37

been snatched is to extort the original brand holder a high price when he intends to enter the Chinese market [...]”;

- Copies of a declarations provided by Party B (as previously named) authorising Chinese companies to sell ‘VETEMENTS’ branded products, one of which is dated 20 May 2019 and is reproduced below:²⁰

VETEMENTS GROUP

DECLARATION
声明书

Paris, 20 May 2019

TO WHOM IT MAY CONCERN:
敬启者:

Xiamen Vetements Brand Management Co., Ltd., with its legal address at Unit 806, No. 73, Tainan Road, Siming District, Xiamen City, China, is authorized by VETEMENTS GROUP to be the owner of VETEMENTS trademark in China, and enjoys all the trademark rights and interests of VETEMENTS in the People’s Republic of China (excluding Hong Kong, Macao and Taiwan).
厦门市唯特萌品牌管理有限公司，法定地址为中国厦门市思明区台南路73号806单元，并经 VETEMENTS GROUP 授权，作为 VETEMENTS 商标在中国之所有者，享有 VETEMENTS 在中华人民共和国（不含港澳台）所有商标权益。

Xiamen Vetements Brand Management Co., Ltd., a subsidiary company of VETEMENTS GROUP, is mainly responsible for the brand promotion and operation of VETEMENTS brand in the market of the People’s Republic of China (excluding Hong Kong, Macao and Taiwan).
厦门市唯特萌品牌管理有限公司隶属于 VETEMENTS GROUP 下属子公司，主要负责 VETEMENTS 品牌在中华人民共和国（不含港澳台）市场的品牌推广与运营。

If any question should arise, please contact us at info@vetementsoffice.com
如有任何疑问请于我们联络 info@vetementsoffice.com

Best regards
致敬

Vetements Group Limited
-signed by CEO



Vetements Group Limited, Flat 107 25 Indescon Square
Email: info@vetementsoffice.com

According to Mr Gvasalia, these declarations were then used by the Chinese companies to present themselves to customers as approved distributors of the mark selling authentic products;

²⁰ GG39

- Copy of an unauthorised 'VETEMENTS' catalogue for 2020;²¹
- Copy of a webpage allegedly from vetementsoffice.com (the domain name is not visible) – this is Party B's website - stating that the mark 'VETEMENTS' is owned by Party B;²²
- Copies of emails dated from June 2020 onwards sent from third parties to Party A reporting about a Chinese celebrity wearing fake 'VETEMENTS' clothes and asking whether Party A had authorised stores in China. One of the emails reported that the author visited a Chinese shop selling fake 'VETEMENTS' clothes and another email reported that the author was under the impression that Xiemen Vetements was an official representative of Party A in China. There is also an email from a company that runs a shopping mall in Beijing reporting that they had been approached by a company called Vetements Hangzhou Trade Co Ltd who wanted to rent a shop in the mall and claimed to be authorised by Party A;²³
- Copy of a letter sent from the Swiss Embassy in China (Party A is a Swiss company) to the Chinese Trade Mark Office bringing the issue to their attention and asking them to suspend the examination of further trade mark applications for the mark 'VETEMENTS';²⁴
- Copies of decisions relating to parallel proceedings launched by Party A in other countries.²⁵ Although it is said that the decision from the South Korea Intellectual Property office (dated 8 July 2021) invalidated Party B's registration on the basis that it was applied in bad faith, the respondent appears to be Injun Cho. There is also a decision from the Intellectual Property Office of Singapore (dated 27 April 2021) confirming that an opposition against a trade mark application filed by Party B was not defended and the opposition was considered withdrawn;

²¹ GG40

²² GG42

²³ GG43

²⁴ GG44

²⁵ GG45

- Mr Gvasalia also explains that Party A was successful in an action before the Company Names Tribunal against Party B in 2020. The decision (dated 14 June 2021) ordered Party B to change its company name to one that was not an offending name however, as Party B did not respond to the order, on 4 August 2021 the name was changed *ex-officio* by UK Companies House to 12067174 LTD. Despite this, on 19 August 2021, Party B changed the name back to VETEMENTS GROUP LIMITED. Mr Gvasalia points out that this change was in contravention of the adjudicator’s order and that at the time of the witness statement, UK Companies House was aware of the breach. Since then, the name was changed for a second time by UK Companies House to 12067174 LTD on 20 October 2021 (upon request by Party A)²⁶ and it was eventually changed by Party B on 21 January 2022 to VTMNS GROUP LIMITED.²⁷
- Mr Gvasalia also states that Party B has made no use of the mark ‘VETEMENTS’ in the UK and produces copies Party B’s dormant accounts for 2020-2021.²⁸

Party B’s evidence-in-chief

43. Party B’s evidence is given by Chen Qiu, who describe himself as “*the manager*” of Party B’s company since October 2019. Mr Qiu admits that he also the manager of other companies within their group, including the Chinese company Xiamen Vetements Brand Management Co., Ltd. Mr Qui says that the trade mark VETEMENTS was devised by them in 2013 and proceeds to explain why the mark was chosen. He states:

“The trade mark VETEMENTS was devised by us in 2013 and is a word which was devised from a translation of the Chinese character “Wei Te Meng”. The meaning of the Chinese characters “Wei Te Meng”: “Wei” means “unique”, “te” means “special” and “meng” means “cute, positive”. It is a distinctive and good trade mark. VETEMENTS was selected for the transliteration of Chinese

²⁶ GG48

²⁷ GG46

²⁸ GG48

characters, which is easy to remember, recognise and read, and is readability. VETEMENTS is not a coined word created by Party A, but a ubiquitous public word. For such kind of common vocabulary, everyone has the right to associate and use. There is no malicious plagiarism in our trade mark: geographically our trade mark VETEMENTS was created in China and we are unaware of Party A's activities because they have not entered the Chinese market".

44. Mr Chen says that the first use of the mark 'VETEMENTS' in China started in 2016 and that the value of the goods sold is £30,000 in 2019, £50,000 in 2020 and £100,000 in 2021. He also states:

"Although we applied for the trade mark in the UK, it was solely to protect our trademark rights overseas"

45. The rest of Mr Qui's evidence consists of a number of exhibits introduced by the sentence *"in support of our assertion that we have made substantial use of the mark in China and thus not acting in bad faith or that we are using the mark VETEMENTS without due cause, there is now produced [...]"* showing use of the mark by Party B in China. The exhibits consist of the following:

- CQ1: is a copy of a webpage (undated) said to be from www.vetementsoffice.com (although the domain name is not visible) which is said to be Party B's official website;
- CQ2 - 3: are copies of two webpages written in Chinese and solely described as being from Party B's Weibo and WeChat accounts. Both webpages feature the mark VETEMENTS used in relation to clothes;
- CQ4: it consists of copies of two trade mark registrations from the Chinese Trade Mark Office. Mr Qui states that they were filed as early as January 2016 and predate any of Party A's trade marks.

- CQ5 - 6: are images (undated) from what are said to be Party B's VETEMENTS launch event and a fashion week event, both of which are said to have taken place in 2020;
- CQ7: are images (undated) of what are said to be some of Party B's shops in China allegedly taken between 2019 and 2021;
- CQ8 - 21: are images (undated) of what are said to be some of Party B's commercial posters allegedly from 2018, 2019 and 2020;
- CQ22 - 23: are images (undated) of what is said to be coverage on Xiaohongshu.com. It seems to be a collection of posts in Chinese characters which given the absence of any translation I am unable to understand.

Party A's evidence-in-reply

46. In his second witness statement, Mr Gvasalia provides the following evidence and makes the following points:

- The role of 'manager', as Mr Qui describes himself in his evidence, is ambiguous, since until June 2021, Party B has filed dormant accounts and had no employees and there has been no trading in the UK. At the time Mr Qui made his statement he was not a director or shareholder of Party B and had ceased to be a person with significant control on 2 September 2021,²⁹ about four months before he gave evidence;
- By the time Party B changed his company name to VTMNTS GROUP LIMITED on 20 January 2022, Party A already owned a number of trade mark applications and registrations for the mark VTMNTS.³⁰ The adoption of another name which is identical to other trade marks used by Party A is another indication of Party B's intent on continuing its fraudulent activities;

²⁹ GG49

³⁰ GG50

- The accounts given by Mr Qui in his witness statement about the creation of the brand VETEMENTS in China in 2013 and the use of the mark in China since 2016 were not included in the counterstatements and are inconsistent with the origin story given by Party B in other proceedings and on Party B’s website. A copy of a counterclaim dated December 2020 and filed by Party B in proceedings before the Hong Kong Trade Mark Office is exhibited.³¹ It states:

“According to [Party B the contested] Trademark has its original creation, with unique meaning and profound connotation. VETEMENTS, the brand comes from Irish. The wording consists of 3 parts: VETE, MENT, ENTS, which means “veto, mental, essence” respectively. [Party B]’s trade mark has its own brand story: VETEMENTS, currently headquartered in Europe, has integrated VETE (veto), MENT (mental), and ENTS (essence is the body) in the summer 2015 and redefined its meaning, intending the dual energy of spirit and body, so as to express a kind of catharsis and declaration of war against anyone and anything [...].”

Mr Gvasalia says that the date of 2015 does not match that of 2013 given here and that the earliest date identified in a counterstatement in these proceedings is 2016 (CA503256). He further states that its legal representative conducted a google search to verify the truthfulness of the above account which confirmed that the word “crosta” in Irish means “veto” but ‘the words “vete”, “ment” and “ents” do not appear to have any meaning in Irish.³² He also points out that the above account is inconsistent with the accounts given in these proceeding, and with that published on Party B’s website (GG42) which states that “VETEMENTS is derived from the Irish terms intending VETE (veto), MENT (spirit) and the ENTS (Entity) which is a blend of the three”. Finally, Mr Gvasalia presents evidence³³ to show that Party B has altered the story published on its website since Mr Qui’s statement, claiming now that the brand relates to a British design studio VETEMENTS DESIGN CREW, was created in England in

³¹ GG51

³² GG52

³³ GG53

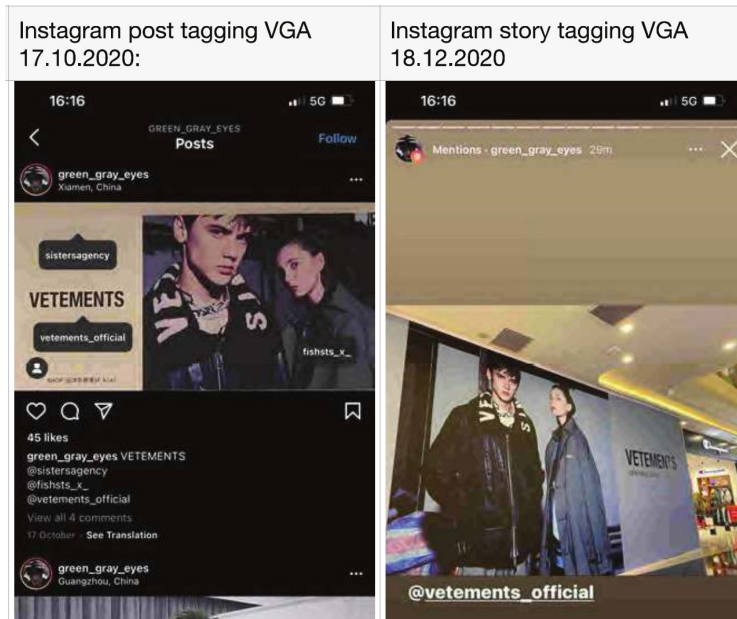
2013 and “consists of six words that represent its core spirit: venture, eyes, modern, network, tempo and show”.

Mr Gvasalia also criticise the vagueness of Mr Qui’s evidence insofar as it is not clear who devised the VETEMENTS mark, who commenced use of the mark in China in 2016 (this could not have been Party B because it was incorporated in 2019) and who are the other overseas companies (and what is the relationship between these companies and Party B) who have made use of the mark;

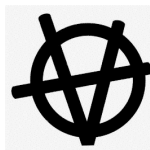
- In response to Mr Qui’s evidence that Party B was unaware of Party A’s activities because his company had not entered the Chinese market, Mr Gvasalia provides evidence to show that the brand VETEMENTS was promoted on Chinese social media and on online press as early as 2015-2016, including on VOGUE CHINA and ELLE CHINA, which have over 500,000 and 90,000 followers on Instagram respectively, with the latter also having 13 million followers on Weibo – this is said to be one of China’s biggest social media platforms;³⁴
- Mr Gvasalia provides further evidence of unauthorised products sold under the brand ‘VETEMENTS’ and says the detrimental impact of this behaviour is increased by the fact that various models who have worked for Party B have tagged Party A in social media posts promoting their work for Party B, an example of which is shown below.³⁵

³⁴ GG54

³⁵ GG56



- Mr Gvasalia provides further evidence that Party B applied for trade marks reproducing signs which were used by Party A. This includes the reverse anarchy logo shown below which is the subject of the trade mark registration no. UK00918010478³⁶ owned by Party A:



Party A's filing date for the above mark is 15 January 2019 and Mr Gvasalia produces evidence that the sign was also used by Party A as early as the filing date before Xiamen applied for the same mark in China on 18 September 2019.³⁷ There is also evidence of Xiamen applying for the signs shown below as a Chinese trade mark on 27 May 2020 and evidence that the same sign was used by Party A as early as June 2019:

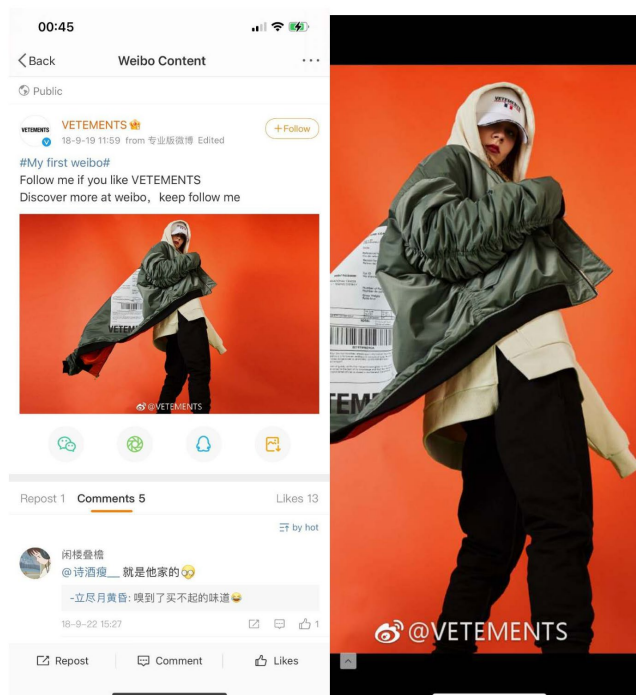


³⁶ GG50

³⁷

Mr Gvasalia states that in light of Party B's emulation of Party A's branding, products and product designs and the level of acclaim Party A has achieved in China, it is not credible that Party B was unaware of Party A;

- Mr Gvasalia says that the copies of two trade mark registrations exhibited by Mr Qui are not genuine because, as advised by Mr Gvasalia's legal representative, trade mark registrations issued by the Chinese Trade Mark Office are in Chinese and these are not (and neither document has been identified as an official translation) and the bar code numbers in the certificates are identical, which is impossible because each bar code is unique and correspond to the registration number;³⁸
- Mr Gvasalia produces evidence that the domain name vetementsoffice.com was registered only on 2 June 2018;³⁹
- Mr Gvasalia produces evidence that the first content of Party B's Weibo account dates from 19 September 2019 and that the cap shown on Party B's Weibo account is a copy of Party A's product as shown below:⁴⁰



³⁸ GG61

³⁹ GG58

⁴⁰ GG59

Bad faith: assessment

47. The relevant dates in these consolidated proceedings are the filing dates for the contested marks, namely 11 March 2020 (UK00003474068), 29 July 2020 (UK00003517257), 28 August 2020 (UK00003527881), 26 November 2020 (UK00003560772) and 15 July 2019 (UK00003413818).

48. It is clear from the caselaw that the burden of proving bad faith lies with the party who brings the claim, in this case Party A. Party B is not required to provide a positive case of good faith unless and until Party A has presented evidence from which ‘a *rebuttable presumption of lack of good faith*’ can be drawn. I will start therefore by examining whether Party A has provided such evidence.

49. In her skeleton argument, Ms Reid summarised Party A’s case on bad faith as follows:

“Party B is a shell company which saw the rise of a successful business in Europe and sought to trade off the reputation and goodwill of that business as it had done in China. This is done through the mechanism of creating a UK company with the same name as [Party A], so that its name and trade marks can be used as instruments of fraud to legitimise the copying of [Party A]’s brand in Asia, and in the future, it is assumed in the UK and EU. The use of the name of the Company and UKTM 3413818 (the only registered mark) is to enable trading off [Party A]’s name, goodwill and reputation in foreign markets and now here in the UK. This evidence has not been rebutted. [Party A] alleged that [Party B] did not intend to use the mark in the UK. [Party B]’s evidence does not state that [Party B] had an intention to use the mark in the UK at the date of application of the mark. [Party B] pleaded that the mark was applied for to protect its position in exploiting it in the UK. However, the evidence in in ¶14 WS Qiu [B/84] does not support the pleaded case, because (1) that evidence is that the trade mark was filed to obtain protection “solely” of overseas trade mark rights; and (2) at the time of the application there were no existing UK rights owned by [Party B] which could be protected by making the application. ¶14 WS Qiu appears to be an admission that there was never any intention to

use the mark in the UK, contrary to the declaration made on the application and pursuant to s.32(3) TMA.”

50. As Ms Reid correctly noted, Party B gave inconsistent accounts throughout the proceedings. In its first version of events, provided in the counterstatements, Party B stated that it filed the contested applications “to help protect [its] position in exploiting the Trade Mark VETEMENTS in the United Kingdom”, given the prior use of the mark ‘VETEMENTS’ by an overseas company within the same group. The second version of events is given at paragraph 4 of Mr Qui’s witness statement, and it is that although Party B “applied for the trade marks in the UK, it was solely to protect [their] trade mark rights overseas”. Admittedly, the counterstatement and the evidence of Party B’s witness give different explanations for why Party B applied for the contested marks, one being that it applied to exploit the marks in the UK, the other that it applied solely to protect the trade mark rights overseas. The extent of Party B’s closing submissions regarding the applications not being filed in bad faith were outlined as follows in its submissions in lieu:

“Party B submits that in light of its use of the mark in China from 2016 [...], it makes complete commercial logic to protect its mark in the United Kingdom and hence, Party B was not acting in bad faith and was not engaging in conduct which departs from accepted principles of ethical behaviour or honest commercial and business practices.

Party B maintains that the sign protected by Trade Mark Registration No. 3413818 was created by the Holder in 2013 and (amongst others) Chinese Trade Mark 27636463 (referenced on Page 17 of Exhibit GG33 (UKIPO Document # 43) to protect VETEMENTS marks and again it makes complete commercial logic to protect its mark in the United Kingdom and hence, Party B was not acting in bad faith and was not engaging in conduct which departs from accepted principles of ethical behaviour or honest commercial and business practices.

As established in case -law (e.g. by T-136/11, Pelikan, EU:T:2012:689, § 57), good faith should be presumed until proof to the contrary is adduced. The

Applicant has not proven that there was bad faith on the part of the Holder at the time of filing the Trade Mark Registration.”

51. Although Party B originally pleaded that it applied for the contested mark to protect its position in exploiting the mark in the UK, there is nothing to support Party B's claim that it ever intended to use the mark 'VETEMENTS' in the UK, or that it devised the mark 'VETEMENTS' independently in 2013, before the brand 'VETEMENTS' was created in March 2014 by Demna Gvasalia and the collective. Further, the account given by Mr Qui that the brand was created in 2013 and derives from the meaning of the Chinese characters "Wei Te Meng" which mean "unique", "special" and "cute, positive", does not tally with other accounts given by Party B itself in different settings, namely (a) in the parallel proceedings before the Hong Kong Trade Mark Office, where Party B claimed that 'VETEMENTS' was created in 2015 and derives from three Irish words which means "veto, mental, essence" and (b) on Party B's website, where it was stated that "VETEMENTS is derived from three Irish terms meaning "veto", "spirit" and "entity" – this account was subsequently altered, as the most recent evidence filed by Party A shows that the websites now claims that that the brand relates to a British design studio VETEMENTS DESIGN CREW, was created in England in 2013 and *"consists of six words that represent its core spirit: venture, eyes, modern, network, tempo and show"*. These are obviously thoroughly contradictory accounts and Part B has made no comments on this evidence.

52. In addition, the clear evidence from Party A that Party B applied in China to registered distinctive variations of the trade mark 'VETEMENTS' which are identical to trade marks in relation to which Party A demonstrates prior use or filed prior trade mark applications (outside China), supports Party A's allegations of plagiarism and make it hard to believe Party B's claims that it did not know of Party A's use of the brand 'VETEMENTS' and came up with the brand independently.

53. I also consider that Party B did not challenge and was unable to explain the evidence showing the unauthorised use of the mark 'VETEMENTS' on websites and in shopping malls in China. The same goes for the evidence showing a conduct of copying many aspects of Party A's garments and trade marks. I cannot accept that

use of identical products and identical signs is mere coincidence, particularly when no acceptable explanation was given.

54. It is true that some of the evidence does not go as far as establishing a direct link between Party B and the unauthorised use of the mark 'VETEMENTS' in China, however, Mr Qui himself confirmed that Party B is related to the Chinese company Xiamen Brand Management Co., Ltd which is the company identified by Party A as carrying out the infringement of the brand 'VETEMENTS' in China. Further, Mr Qui admitted use of the mark 'VETEMENTS' in China and Party A produced evidence of declarations made by Party B (at the time when Party B's company was called VETEMENTS GROUP LIMITED) saying that Xiamen Brand Management Co., Ltd is authorised by Party B to be the owner of the 'VETEMENTS' trade marks in China.

55. Finally, the Chinese online article produced by Party A, which refers to a fake 'VETEMENTS' store open in Shanghai, explains that conducts of misappropriation and infringement of famous brands in China have made headlines in recent years and that many foreign businesses have come unstuck because the Chinese trade mark system follows the first to file principle (which means that anyone can apply for a trade mark without the need to show any substantive right to apply). According to the same article the economic logic behind these commercial operations is to blackmail the legitimate owners of the brand when they enter the Chinese market.

56. Aside from claiming that they have used the mark 'VETEMENTS' in China, Party B has not responded to any of Party A's allegations. Further the evidence filed by Party A has in no way been countered or debated by Party B. The conduct alleged is that:

- i. Party B is part of a commercial operation whereby Party A's brand 'VETEMENTS' has knowingly been taken and used in China in a calculated misrepresentation with the deliberate intention of taking business away from Party A, preventing Party A from entering the Chinese market or expanding its business in China;
- ii. the registrations of trade marks incorporating the name 'VETEMENTS' in the UK by Party B has been carried out with a view to providing legitimate

documents demonstrating ownership of the trade mark 'VETEMENTS' for the purpose of misappropriating the same mark in China.

57. The evidence produced by Party A is sufficient in this case to establish that the alleged facts have occurred. Such facts amount, in my view, to bad faith. It is difficult to imagine how even the most naive businessman could believe that such course of action could be anything other than fraudulent. This in turn leads to inescapable motivations on the part of Party B as far as the filing of the contested trade mark applications is concerned.

58. Party A's bad faith claims in the oppositions nos. 420604, 421967, 422673, 424160 and the invalidity no. 503256 are, therefore, successful.

Section 5(3)

59. Section 5(3) states:

“(3) A trade mark which-

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

60. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected”.

61. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*,

Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

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

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

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

Reputation

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

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

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

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

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

63. The relevant dates to assess whether Party A has a reputation are the filing dates of the the contested applications as set out above.

64. Under Section 5(3), Party A claims the following earlier trade marks have a reputation for the goods/services listed below:

EU018094884

Class 18: *Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.*

EU018292087

Class 3: *Perfume; Perfumery; Cosmetics.*

Class 9: *Sunglasses; Spectacle frames; Spectacle frames.*

Class 14: *Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].*

UK00003489080

Class 3: *Perfume; Perfumery; Cosmetics.*

Class 9: *Sunglasses; Spectacle frames.*

Class 14: *Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].*

Class 18: *Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.*

UK00003504389

Class 25: *Clothing; footwear; headgear; belts; tops; t-shirts; shirts; blouses; crop tops; knitwear; sweaters; jumpers; cardigans; cashmere clothing; hoodies; coats; jackets; raincoats; trench coats; pants; trousers; sweatpants; leggings; jeans; shorts; dresses; tracksuits; suits; hats; caps; baseball caps; beanies; visors; scarves; gloves; skirts; shoes; boots; sneakers; trainers; sandals; flip-flops; socks; tights; hosiery; underwear; bras; sports bras; boxer shorts; beachwear; swimwear; swimsuits; swim shorts; swimming costumes; bikinis; waist belts.*

UK00003532412

Class 3: *Perfume; perfumery; cosmetics; hair care preparations; essential oils for aromatherapy.*

Class 9: *Sunglasses; spectacle frames; phone cases; headphones; laptop cases; smartphone cases.*

Class 14: *Clocks; wristwatches; jewels; bracelets; earrings; jewel chains; brooches [jewellery]; rings [jewellery]; ornaments [jewellery]; key chains.*

Class 18: *Casual bags; backpacks; shoulder bags; key bags; waist bags; clutch bags; tote bags; cross body bags; purses; travelling bags; suitcases; umbrellas; handbags; attaché cases; document cases of leather.*

Class 25: *Clothes; shirts; skirts; sweaters; coats; jackets; suits; caps; headwear; hats; hoods; visors; scarves; gloves; shoes; boots; waist belts; t-shirts; pants; trousers; blouses; dresses; footwear.*

Class 35: *Online retail services in relation to perfume; online retail services in relation to perfumery; online retail services in relation to cosmetics; online retail services in relation to sunglasses; online retail services in relation to spectacle frames; online retail services in relation to clocks; online retail services in relation to wristwatches; online retail services in relation to jewels; online retail*

services in relation to bracelets; online retail services in relation to earrings; online retail services in relation to jewel chains; online retail services in relation to brooches [jewellery]; online retail services in relation to rings [jewellery]; online retail services in relation to ornaments [jewellery]; online retail services in relation to casual bags; online retail services in relation to backpacks; online retail services in relation to shoulder bags; online retail services in relation to key bags; online retail services in relation to waist bags; online retail services in relation to clutch bags; online retail services in relation to tote bags; online retail services in relation to cross body bags; online retail services in relation to purses; online retail services in relation to travelling bags; online retail services in relation to suitcases; online retail services in relation to umbrellas; online retail services in relation to handbags; online retail services in relation to attaché cases; online retail services in relation to document cases of leather; online retail services in relation to clothes; online retail services in relation to shirts; online retail services in relation to skirts; online retail services in relation to sweaters; online retail services in relation to coats; online retail services in relation to jackets; online retail services in relation to suits; online retail services in relation to caps; online retail services in relation to headwear; online retail services in relation to hats; online retail services in relation to hoods; online retail services in relation to visors; online retail services in relation to scarves; online retail services in relation to gloves; online retail services in relation to shoes; online retail services in relation to boots; online retail services in relation to waist belts; online retail services in relation to t-shirts; online retail services in relation to pants; online retail services in relation to trousers; online retail services in relation to blouses; online retail services in relation to dresses; online retail services in relation to stationery; online retail services in relation to furniture; online retail services in relation to fabrics; online retail services in relation to cutlery; online retail services in relation to cookware; online retail services in relation to tableware; online retail services in relation to home textiles; online retail services in relation to footwear; online retail services in relation to bicycles; online retail services in relation to sporting goods; online retail services in relation to stationery supplies; online retail services in relation to festive decorations; online retail services in relation to wall coverings; online retail services in relation to floor coverings; online retail services in relation to

kitchen appliances; online retail services in relation to bicycle accessories; online retail services in relation to fashion accessories; online retail services in relation to clothing accessories; online retail services in relation to cups and glasses; online retail services in relation to hair care preparations; online retail services in relation to essential oils for aromatherapy use; online retail services in relation to candles; online retail services in relation to home furnishings; online retail services in relation to phone cases; online retail services in relation to towels; online retail services in relation to bed linens; online retail services in relation to reusable water bottles; online retail services in relation to keychains; online retail services in relation to bath linens; online retail services in relation to skateboards; online retail services in relation to headphones; online retail services in relation to laptop cases; online retail services in relation to smartphone cases; retail services in relation to perfume; retail services in relation to perfumery; retail services in relation to cosmetics; retail services in relation to sunglasses; retail services in relation to spectacle frames; retail services in relation to clocks; retail services in relation to wristwatches; retail services in relation to jewels; retail services in relation to bracelets; retail services in relation to earrings; retail services in relation to jewel chains; retail services in relation to brooches [jewellery]; retail services in relation to rings [jewellery]; retail services in relation to ornaments [jewellery]; retail services in relation to casual bags; retail services in relation to backpacks; retail services in relation to shoulder bags; retail services in relation to key bags; retail services in relation to waist bags; retail services in relation to clutch bags; retail services in relation to tote bags; retail services in relation to cross body bags; retail services in relation to purses; retail services in relation to travelling bags; retail services in relation to suitcases; retail services in relation to umbrellas; retail services in relation to handbags; retail services in relation to attaché cases; retail services in relation to document cases of leather; retail services in relation to clothes; retail services in relation to shirts; retail services in relation to skirts; retail services in relation to sweaters; retail services in relation to coats; retail services in relation to jackets; retail services in relation to suits; retail services in relation to caps; retail services in relation to headwear; retail services in relation to hats; retail services in relation to hoods; retail services in relation to visors; retail services in relation to scarves; retail services in relation to gloves;

retail services in relation to shoes; retail services in relation to boots; retail services in relation to waist belts; retail services in relation to t-shirts; retail services in relation to pants; retail services in relation to trousers; retail services in relation to blouses; retail services in relation to dresses; retail services in relation to stationery; retail services in relation to furniture; retail services in relation to fabrics; retail services in relation to cutlery; retail services in relation to cookware; retail services in relation to tableware; retail services in relation to home textiles; retail services in relation to footwear; retail services in relation to bicycles; retail services in relation to sporting goods; retail services in relation to stationery supplies; retail services in relation to festive decorations; retail services in relation to wall coverings; retail services in relation to floor coverings; retail services in relation to kitchen appliances; retail services in relation to bicycle accessories; retail services in relation to fashion accessories; retail services in relation to clothing accessories; retail services in relation to cups and glasses; retail services in relation to hair care preparations; retail services in relation to essential oils for aromatherapy use; retail services in relation to candles; retail services in relation to home furnishings; retail services in relation to phone cases; retail services in relation to towels; retail services in relation to bed linens; retail services in relation to reusable water bottles; retail services in relation to keychains; retail services in relation to bath linens; retail services in relation to skateboards; retail services in relation to headphones; retail services in relation to laptop cases; retail services in relation to smartphone cases; wholesale services in relation to perfume; wholesale services in relation to perfumery; wholesale services in relation to cosmetics; wholesale services in relation to sunglasses; wholesale services in relation to spectacle frames; wholesale services in relation to clocks; wholesale services in relation to wristwatches; wholesale services in relation to jewels; wholesale services in relation to bracelets; wholesale services in relation to earrings; wholesale services in relation to jewel chains; wholesale services in relation to brooches [jewelry]; wholesale services in relation to rings [jewellery]; wholesale services in relation to ornaments [jewellery]; wholesale services in relation to casual bags; wholesale services in relation to backpacks; wholesale services in relation to shoulder bags; wholesale services in relation to key bags; wholesale services in relation to waist bags; wholesale services in relation to clutch bags;

wholesale services in relation to tote bags; wholesale services in relation to cross body bags; wholesale services in relation to purses; wholesale services in relation to travelling bags; wholesale services in relation to suitcases; wholesale services in relation to umbrellas; wholesale services in relation to handbags; wholesale services in relation to attaché cases; wholesale services in relation to document cases of leather; wholesale services in relation to clothes; wholesale services in relation to shirts; wholesale services in relation to skirts; wholesale services in relation to sweaters; wholesale services in relation to coats; wholesale services in relation to jackets; wholesale services in relation to suits; wholesale services in relation to caps; wholesale services in relation to headwear; wholesale services in relation to hats; wholesale services in relation to hoods; wholesale services in relation to visors; wholesale services in relation to scarves; wholesale services in relation to gloves; wholesale services in relation to shoes; wholesale services in relation to boots; wholesale services in relation to waist belts; wholesale services in relation to t-shirts; wholesale services in relation to pants; wholesale services in relation to trousers; wholesale services in relation to blouses; wholesale services in relation to dresses; wholesale services in relation to stationery; wholesale services in relation to furniture; wholesale services in relation to fabrics; wholesale services in relation to cutlery; wholesale services in relation to cookware; wholesale services in relation to tableware; wholesale services in relation to home textiles; wholesale services in relation to footwear; wholesale services in relation to bicycles; wholesale services in relation to sporting goods; wholesale services in relation to stationery supplies; wholesale services in relation to festive decorations; wholesale services in relation to wall coverings; wholesale services in relation to floor coverings; wholesale services in relation to kitchen appliances; wholesale services in relation to bicycle accessories; wholesale services in relation to fashion accessories; wholesale services in relation to clothing accessories; wholesale services in relation to cups and glasses; wholesale services in relation to hair care preparations; wholesale services in relation to essential oils for aromatherapy use; wholesale services in relation to candles; wholesale services in relation to home furnishings; wholesale services in relation to phone cases; wholesale services in relation to towels; wholesale services in relation to bed linens; wholesale services in

relation to reusable water bottles; wholesale services in relation to keychains; wholesale services in relation to bath linens; wholesale services in relation to skateboards; wholesale services in relation to headphones; wholesale services in relation to laptop cases; wholesale services in relation to smartphone cases; promotion of goods and services through sponsorship of charity events, concerts, sporting events and art exhibitions; fashion show exhibitions for commercial purposes.

EUTM018298035

Class 35: *Online retail services in relation to Perfume; Online retail services in relation to Perfumery; Online retail services in relation to Cosmetics; Online retail services in relation to Sunglasses; Online retail services in relation to Spectacle frames; Online retail services in relation to Clocks; Online retail services in relation to Wristwatches; Online retail services in relation to Jewels; Online retail services in relation to Bracelets; Online retail services in relation to Earrings; Online retail services in relation to Jewel chains; Online retail services in relation to Brooches [jewelry]; Online retail services in relation to Rings [jewellery]; Online retail services in relation to Ornaments [jewellery]; Online retail services in relation to Casual bags; Online retail services in relation to Backpacks; Online retail services in relation to Shoulder bags; Online retail services in relation to Key Bags; Online retail services in relation to Waist bags; Online retail services in relation to Clutch bags; Online retail services in relation to Tote bags; Online retail services in relation to Cross body bags; Online retail services in relation to Purses; Online retail services in relation to Travelling bags; Online retail services in relation to Suitcases; Online retail services in relation to Umbrellas; Online retail services in relation to Handbags; Online retail services in relation to Attaché cases; Online retail services in relation to Document cases of leather; Online retail services in relation to Shoes; Online retail services in relation to Boots; Online retail services in relation to stationery; Online retail services in relation to furniture; Online retail services in relation to fabrics; Online retail services in relation to cutlery; Online retail services in relation to cookware; Online retail services in relation to tableware; Online retail services in relation to home textiles; Online retail services in relation to footwear; Online retail services in relation to bicycles; Online retail services in*

relation to sporting goods; Online retail services in relation to stationery supplies; Online retail services in relation to festive decorations; Online retail services in relation to wall coverings; Online retail services in relation to floor coverings; Online retail services in relation to kitchen appliances; Online retail services in relation to bicycle accessories; Online retail services in relation to cups and glasses; Online retail services in relation to hair care preparations; Online retail services in relation to essential oils for aromatherapy use; Online retail services in relation to candles; Online retail services in relation to home furnishings; Online retail services in relation to phone cases; Online retail services in relation to Towels; Online retail services in relation to Bed linens; Online retail services in relation to Reusable water bottles; Online retail services in relation to Keychains; Online retail services in relation to Bath linens; Online retail services in relation to Skateboards; Online retail services in relation to Headphones; Online retail services in relation to Laptop cases; Online retail services in relation to Smartphone cases; Retail services in relation to Perfume; Retail services in relation to Perfumery; Retail services in relation to Cosmetics; Retail services in relation to Sunglasses; Retail services in relation to Spectacle frames; Retail services in relation to Clocks; Retail services in relation to Wristwatches; Retail services in relation to Jewels; Retail services in relation to Bracelets; Retail services in relation to Earrings; Retail services in relation to Jewel chains; Retail services in relation to Brooches [jewelry]; Retail services in relation to Rings [jewellery]; Retail services in relation to Ornaments [jewellery]; Retail services in relation to Casual bags; Retail services in relation to Backpacks; Retail services in relation to Shoulder bags; Retail services in relation to Key Bags; Retail services in relation to Waist bags; Retail services in relation to Clutch bags; Retail services in relation to Tote bags; Retail services in relation to Cross body bags; Retail services in relation to Purses; Retail services in relation to Travelling bags; Retail services in relation to Suitcases; Retail services in relation to Umbrellas; Retail services in relation to Handbags; Retail services in relation to Attaché cases; Retail services in relation to Document cases of leather; Retail services in relation to Shoes; Retail services in relation to Boots; Retail services in relation to stationery; Retail services in relation to furniture; Retail services in relation to fabrics; Retail services in relation to cutlery; Retail services in relation to cookware; Retail

services in relation to tableware; Retail services in relation to home textiles; Retail services in relation to footwear; Retail services in relation to bicycles; Retail services in relation to sporting goods; Retail services in relation to stationery supplies; Retail services in relation to festive decorations; Retail services in relation to wall coverings; Retail services in relation to floor coverings; Retail services in relation to kitchen appliances; Retail services in relation to bicycle accessories; Retail services in relation to cups and glasses; Retail services in relation to hair care preparations; Retail services in relation to essential oils for aromatherapy use; Retail services in relation to candles; Retail services in relation to home furnishings; Retail services in relation to phone cases; Retail services in relation to Towels; Retail services in relation to Bed linens; Retail services in relation to Reusable water bottles; Retail services in relation to Keychains; Retail services in relation to Bath linens; Retail services in relation to Skateboards; Retail services in relation to Headphones; Retail services in relation to Laptop cases; Retail services in relation to Smartphone cases; Wholesale services in relation to Perfume; Wholesale services in relation to Perfumery; Wholesale services in relation to Cosmetics; Wholesale services in relation to Sunglasses; Wholesale services in relation to Spectacle frames; Wholesale services in relation to Clocks; Wholesale services in relation to Wristwatches; Wholesale services in relation to Jewels; Wholesale services in relation to Bracelets; Wholesale services in relation to Earrings; Wholesale services in relation to Jewel chains; Wholesale services in relation to Brooches [jewelry]; Wholesale services in relation to Rings [jewellery]; Wholesale services in relation to Ornaments [jewellery]; Wholesale services in relation to Casual bags; Wholesale services in relation to Backpacks; Wholesale services in relation to Shoulder bags; Wholesale services in relation to Key Bags; Wholesale services in relation to Waist bags; Wholesale services in relation to Clutch bags; Wholesale services in relation to Tote bags; Wholesale services in relation to Cross body bags; Wholesale services in relation to Purses; Wholesale services in relation to Travelling bags; Wholesale services in relation to Suitcases; Wholesale services in relation to Umbrellas; Wholesale services in relation to Handbags; Wholesale services in relation to Attaché cases; Wholesale services in relation to Document cases of leather; Wholesale services in relation to Shoes; Wholesale services in relation to Boots;

Wholesale services in relation to stationery; Wholesale services in relation to furniture; Wholesale services in relation to fabrics; Wholesale services in relation to cutlery; Wholesale services in relation to cookware; Wholesale services in relation to tableware; Wholesale services in relation to home textiles; Wholesale services in relation to footwear; Wholesale services in relation to bicycles; Wholesale services in relation to sporting goods; Wholesale services in relation to stationery supplies; Wholesale services in relation to festive decorations; Wholesale services in relation to wall coverings; Wholesale services in relation to floor coverings; Wholesale services in relation to kitchen appliances; Wholesale services in relation to bicycle accessories; Wholesale services in relation to cups and glasses; Wholesale services in relation to hair care preparations; Wholesale services in relation to essential oils for aromatherapy use; Wholesale services in relation to candles; Wholesale services in relation to home furnishings; Wholesale services in relation to phone cases; Wholesale services in relation to Towels; Wholesale services in relation to Bed linens; Wholesale services in relation to Reusable water bottles; Wholesale services in relation to Keychains; Wholesale services in relation to Bath linens; Wholesale services in relation to Skateboards; Wholesale services in relation to Headphones; Wholesale services in relation to Laptop cases; Wholesale services in relation to Smartphone cases; Promotion of goods and services through sponsorship of charity events, concerts, sporting events and art exhibitions.

65. Mr Gvasalia states that in the period between 2016 and 2020, Party A sold over 200,000 products under the mark 'VETEMENTS' in the UK for a retail value of £150million; it also sold €1.3 million worth of goods in the EU in the period between 2014 and 2020. The company invested a great deal in establishing the brand, spending around €1.5 million a year on advertising its products in the UK and the EU since 2016. The brand was promoted through third party collaborations and online marketing campaigns, and was advertised on websites, social media, in store and at fashion shows. Despite having been launched only 5-6 years before the relevant dates, the brand received widespread UK press coverage and there is plenty of evidence which supports the claim that the brand quickly achieved a significant renown and was ranked as one of the top 5 selling brands in 2017. In this connection, although

the evidence does not clearly state that the ranking refers to the UK market, it is clear from the sale figures that the UK is Party A's primary market, so I am content to accept that the ranking of 'VETEMENTS' as a top selling brand refers to the UK. In terms of goods, the sale figures are not broken down by products, but most of the evidence, including the invoices, relate to the sale of clothes, shoes and caps. Although the evidence points towards 'VETEMENTS' being, mainly, a fashion brand and a clothing and footwear company, there are some invoices which show sales of bags (they are indeed only examples) and there are images which show use of the mark 'VETEMENTS' on bags; in addition to this, the evidence include copy of a webpage from Party A's website at vetementswebiste.com⁴¹ - the webpage appears to be dated 31 August 2018 – which lists the categories of goods offered for sale and includes 'bags' as an independent category of goods, along with 'clothing' and 'accessories'.

66. The test under Section 5(3) is whether the mark was known to a significant part of the UK and EU public. On balance, I consider that the evidence filed is sufficient for me to conclude that the mark 'VETEMENTS' was known to a significant part of the relevant UK public for clothing, footwear, headwear and had a qualifying reputation for the purposes of Section 5(3) in relation to these goods. I also find that the mark had a qualifying reputation (but smaller) for bags. I am not convinced, on the evidence filed, that the other earlier trade marks which designate goods and services in classes 3, 9, 14 and 35 were known to a significant part of the public of the relevant markets at the relevant dates.

67. The earlier marks which cover goods in class 25 and bags in class 18 are the following: (i) EU018094884 (this mark covers *Casual bags; Travelling bags* and *Handbags* in class 18), (ii) UK00003489080 (this mark covers *Casual bags* and *Travelling bags* in class 18); (iii) UK00003504389 (this mark covers *Clothing; footwear* and *headgear* in class 25) and UK00003532412 (this mark covers *Casual bags; backpacks; shoulder bags; key bags; waist bags; clutch bags; tote bags; cross body bags; travelling bags* and *handbags* in class 18 as well as *Clothes; headwear and footwear* in class 25). These marks are relied upon by Party A in the following oppositions:

⁴¹ GG7



- Opposition no. 420604 (EU018094884);
- Opposition no. 421967 (EU018094884);
- Opposition no. 422673 (EU018094884 and UK00003489080);
- Opposition no. 424160 (EU018094884, UK00003489080, UK00003504389, UK00003532412);
- Invalidity no. 503256 (EU018094884)

Link

68. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks. The competing marks are as follows:

Party B's trade marks	Party A's trade marks
Opposition no. 420604 (trade mark no. UK00003474068) VETEMENTS	VETEMENTS
Opposition no. 421967 (trade mark no. UK00003517257) VETEMENTS	(UK00003504389) (UK00003489080) (EU018094884)
Opposition no. 422673 (trade mark no. UK00003527881) VETEMENTS	VETEMENTS (UK00003532412)
Opposition no. 424160 (trade mark no. UK00003560772)	

 <p data-bbox="300 365 836 454">Invalidity no. 503256 (trade mark no. UK00003413818)</p> 	
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Party B's contested trade marks nos. UK00003474068, UK00003517257, UK00003527881 and UK00003413818 consist of the word 'VETEMENTS' presented in a standard (or slightly stylised) font). These marks are self-evidently identical to Party A's earlier marks nos. UK00003504389, UK00003489080 and EU018094884 which consists of the same word presented in the same font. They are also identical to Party A's word mark no. UK00003532412, because registration of a word mark covers use in all typefaces and fonts.

Party B's contested trade mark no. UK00003560772 consists of the word 'VETEMENTS' placed above three dots containing Chinese characters. Although some UK consumers might be familiar with the Chinese language, this will not represent a significant proportion of the UK average consumers and so for the UK average consumers the Chinese characters incorporated in the contested mark will have no meaning. The most distinctive and dominant component of Party B's mark is the word 'VETEMENTS', which is larger in size and will be perceived as an invented word or a word of French origin meaning 'clothes'. Party A's marks consists of the word 'VETEMENTS' presented in a standard and slightly stylised font, respectively. Neither the stylisation, font nor casing of Party A's marks detract from the word itself and therefore I consider that the overall impression of the marks resides in the totality of the words. The competing marks are visually similar to a high degree and aurally identical. Conceptually, most consumers will perceive the word 'VETEMENTS' as an invented word with no meaning (in which case a conceptual comparison is not possible) whilst some – those who speak French- might be aware that it is a

French word meaning clothes (in which case the marks are conceptually identical).

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public. I found that the earlier marks have a qualifying reputation for clothing, footwear and headwear and a smaller - but still qualifying – reputation for bags. The specifications of the contested trade marks are as follows:

Opposition no. 420604

Class 35: *Auctioneering; Appraisals (Business -); Business acquisitions; Auditing of accounts; Exhibitions for commercial or advertising purposes; Advisory services and information in business organization and management; The bringing together, for the benefit of others, of a variety of telecommunications services, enabling consumers to conveniently compare and purchase those services; Retail purposes (Presentation of goods on communication media, for -).*

Opposition no. 422673

Class 9: *Computer software applications, downloadable; Pedometers; Spectacle frames; Scales; Spectacle lenses; Pince-nez; Navigational instruments; Tape recorders; Cameras [photography]; Sunglasses.*

Class 18: *Card cases [notecases]; Bags; Leather, unworked or semi-worked; Pocket wallets; Handbags; Trunks [luggage]; Bags for sports; Umbrellas; Walking sticks; Backpacks.*

Opposition no. 421967

Class 3: *Make-up; Facial cleansers; Soaps; Detergent soap; Detergents; Lipsticks; Perfumes; Sunscreen preparations; Eyebrow pencils; Toothpastes; Cosmetics; Air fragrancing preparations.*

Class 14: *Ingots of precious metal; Jewelry rolls; Jade [jewellery]; Bracelets; Articles of jewellery; Necklaces [jewelry]; Watches; Earrings; Rings [jewelry].*

Class 24: *Woven fabrics; Woven silk fabrics; Canvas; Hemp fabric; Woollen fabrics; Labels of textile; Towels of textile; Cloths; Cloths for washing the body*

[other than for medical use]; Sleeping bags; Curtains; Door curtains; Sheets [textile]; Woven felt.

Opposition no. 424160

Class 18: *Pocket wallets; Backpacks; Leather, unworked or semi-worked; Clothing for pets; Slings for carrying infants; Umbrellas; Reins for guiding children; Leather trimmings for furniture; Trunks [luggage]; Bags.*

Class 25: *Children's clothing; Clothing; Underwear; Gloves [clothing]; Hats; Hosiery; Leather belts [clothing]; Scarfs; Shoes; Knitwear [clothing].*

Class 35: *Presentation of goods on communication media, for retail purposes; On-line advertising on a computer network; Provision of an online marketplace for buyers and sellers of goods and services; Sales promotion for others; Personnel management consultancy; Data search in computer files for others; Accounting; Sponsorship search; Organization of trade fairs for commercial or advertising purposes; Retail or wholesale services for pharmaceutical, veterinary and sanitary preparations and medical supplies.*

Invalidity no. 503256

Class 25: *Clothing; Layettes [clothing]; Swimsuits; Shoes; Hats; Hosiery; Gloves [clothing]; Scarfs; Girdles; Wedding dresses.*

I find that Party A's *clothing, footwear and headwear* in class 25 of the earlier trade mark nos. UK00003504389 and UK00003532412 are identical to Party B's goods in class 25 in the oppositions no. 424160 (in which both UK00003504389 and UK00003532412 are relied upon).

I find that Party A's *bags* in class 18 of the earlier trade marks nos. EU018094884, UK00003489080 and UK00003532412 are either identical or similar to at least a low degree to some of Party B's goods in class 18 in the oppositions nos. 422673 (in which EU018094884 and UK00003489080 are relied upon) and 424160 (in which EU018094884, UK00003489080 and UK00003532412 are relied upon), namely *Card cases [notecases]; Bags; Pocket wallets; Handbags; Trunks [luggage]; Bags for sports; Umbrellas; Walking sticks; Backpacks* (in opposition no. 422673) and *Pocket wallets; Backpacks; Umbrellas; Trunks [luggage]; Bags* (in opposition no. 424160)

because the goods share a similar nature and purpose or are at least likely to be offered through the same trade channels.

I also find that Party A's bags in class 18 of the earlier trade mark no. EU018094884 are aesthetically complementary - in the sense of bags etc being designed to match a clothing item - to Party B's goods in class 25 in the invalidity no. 503256 (in which EU018094884 is relied upon).

Finally, I find that Party A's goods in classes 18 and 25 are one step removed from Party B's remaining goods and services in classes 3, 9, 14, 18, 24 and 35, which are marketed through wholly different sectors of trade and have nothing in common.

The strength of the earlier mark's reputation. For the reasons I have already given, I find that Party A's evidence shows that its earlier marks had a moderate reputation in the UK at the relevant date as a relatively new fashion brand for clothes, footwear and headwear and a smaller reputation for bags.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use. As I have said above, the word 'VETEMENTS' will be perceived by most UK average consumers as an invented word whilst some may be aware that it is a French word meaning clothes. In the first scenario, the mark will have a high degree of distinctive character. In the second, the descriptiveness of the word in the context of goods which are articles of clothes is counterbalanced by the fact that it is a word of foreign origin that is not particularly well-known or used in the UK so overall the mark will still retain a medium degree of distinctive character.

Whether there is a likelihood of confusion. Given the facts that the marks share the identical distinctive word 'VETEMENTS' and that there are no other verbal elements which are clearly perceivable by the UK public – the Chinese characters being perceived as ornamental – I find that there would be a likelihood of confusion in relation to the goods which I found to be similar.

69. Taking all of the above into account, including the reputation of the element 'VETEMENTS' (which is identically present in both marks) and its distinctiveness, I find that the relevant public will make a mental link between the contested marks and the earlier marks, even when different goods and services are involved.

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

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

71. Evidence of an intention to take advantage of an earlier mark is relevant to the issue of whether the later mark takes unfair advantage of the earlier mark. In this case I have found that Party B had knowledge of Party A's trade marks and applied for similar marks in bad faith to take advantage of Party A's reputation. Accordingly, I also find that use of Party B's trade marks would take advantage of the reputation of Party A's marks.

72. Party A's claims based on Section 5(3) in the oppositions nos. 420604, 421967, 422673, 424160 and the invalidity no. 503256 are, also, successful in their entirety.

73. As the issue of the validity of Party A's trade mark no. EU018094884 is currently being contested at the EUIPO, this decision under Section 5(3) is a provisional decision pending the outcome of the EUIPO proceedings in respect of registration no. EU018094884.

74. I will now turn to consider the grounds based on Sections 5(1) and 5(2).

Section 5(1), 5(2)(a) and 5(2)(b)

75. Section 5 of the Act is as follows:

“5(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services 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”. [...]

(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”.

76. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the

trade mark is applied for, the application is to be refused in relation to those goods and services only.”

77. The following principles 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.

(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 might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

78. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

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

79. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] RPC 281. At [296], he identified the following relevant factors:

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

80. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa.

81. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The GC clarified the meaning of “complementary” goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

“[...] there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking.”

82. The goods and services to be compared are as follows:

Party B's contested goods and services	Party A's goods and services
<p>Opposition no. 420604</p> <p>Class 35: <i>Auctioneering; Appraisals (Business -); Business acquisitions; Auditing of accounts; Exhibitions for commercial or advertising purposes; Advisory services and information in business organization and management; The bringing together, for the benefit of others, of a variety of telecommunications services, enabling consumers to conveniently compare and purchase those services; Retail purposes (Presentation of goods on communication media, for -).</i></p>	<p>EU018094884</p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p> <p>EU018292087</p> <p>Class 3: <i>Perfume; Perfumery; Cosmetics.</i></p> <p>Class 9: <i>Sunglasses; Spectacle frames; Spectacle frames.</i></p> <p>Class 14: <i>Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].</i></p>
<p>Opposition no. 421967</p> <p>Class 3: <i>Make-up; Facial cleansers; Soaps; Detergent soap; Detergents; Lipsticks; Perfumes; Sunscreen preparations; Eyebrow pencils; Toothpastes; Cosmetics; Air fragrancing preparations.</i></p> <p>Class 14: <i>Ingots of precious metal; Jewelry rolls; Jade [jewellery]; Bracelets; Articles of jewellery; Necklaces [jewelry]; Watches; Earrings; Rings [jewelry].</i></p> <p>Class 24: <i>Woven fabrics; Woven silk fabrics; Canvas; Hemp fabric; Woollen fabrics; Labels of textile; Towels of</i></p>	<p>EU018094884 (opposes class 24 based on the following goods in class 18)</p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p> <p>EU018292087 (opposes classes 3 and 14 based on the following goods in classes 3 and 14)</p> <p>Class 3: <i>Perfume; Perfumery; Cosmetics.</i></p>

<p><i>textile; Cloths; Cloths for washing the body [other than for medical use]; Sleeping bags; Curtains; Door curtains; Sheets [textile]; Woven felt.</i></p>	<p>Class 14: <i>Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].</i></p>
<p>Opposition no. 422673</p> <p>Class 9: <i>Computer software applications, downloadable; Pedometers; Spectacle frames; Scales; Spectacle lenses; Pince-nez; Navigational instruments; Tape recorders; Cameras [photography]; Sunglasses.</i></p> <p>Class 18: <i>Card cases [notecases]; Bags; Leather, unworked or semi-worked; Pocket wallets; Handbags; Trunks [luggage]; Bags for sports; Umbrellas; Walking sticks; Backpacks.</i></p>	<p>EU018094884</p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p> <p>EU018292087 (opposes all goods in classes 9 and 18 based on the following goods in classes 9 and 14):</p> <p>Class 9: <i>Sunglasses; Spectacle frames; Spectacle frames.</i></p> <p>Class 14: <i>Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].</i></p> <p>UK00003489080 (opposes all goods in classes 9 and 18 based on the following goods in classes 9, 14 and 18):</p> <p>Class 9: <i>Sunglasses; Spectacle frames.</i></p> <p>Class 14: <i>Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)];</i></p>

	<p><i>Earrings; Jewel chains; Brooches [jewellery].</i></p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p>
<p>Opposition 424160</p> <p>Class 18: <i>Pocket wallets; Backpacks; Leather, unworked or semi-worked; Clothing for pets; Slings for carrying infants; Umbrellas; Reins for guiding children; Leather trimmings for furniture; Trunks [luggage]; Bags.</i></p> <p>Class 25: <i>Children's clothing; Clothing; Underwear; Gloves [clothing]; Hats; Hosiery; Leather belts [clothing]; Scarfs; Shoes; Knitwear [clothing].</i></p> <p>Class 35: <i>Presentation of goods on communication media, for retail purposes; On-line advertising on a computer network; Provision of an online marketplace for buyers and sellers of goods and services; Sales promotion for others; Personnel management consultancy; Data search in computer files for others; Accounting; Sponsorship search; Organization of trade fairs for commercial or advertising purposes; Retail or wholesale services for pharmaceutical, veterinary and sanitary preparations and medical supplies.</i></p>	<p>EU018094884</p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p> <p>UK00003489080 (opposes all goods and services in classes 18, 25 and 35 based on the following goods in classes 18):</p> <p>Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets.</i></p> <p>UK00003504389</p> <p>Class 25: <i>Clothing; footwear; headgear; belts; tops; t-shirts; shirts; blouses; crop tops; knitwear; sweaters; jumpers; cardigans; cashmere clothing; hoodies; coats; jackets; raincoats; trench coats; pants; trousers; sweatpants; leggings; jeans; shorts; dresses; tracksuits; suits; hats; caps; baseball caps; beanies; visors; scarves; gloves; skirts; shoes; boots; sneakers; trainers; sandals; flip-flops; socks; tights; hosiery; underwear;</i></p>

bras; sports bras; boxer shorts; beachwear; swimwear; swimsuits; swim shorts; swimming costumes; bikinis; waist belts.

UK00003532412 (opposes all goods and services in classes 18, 25 and 35 based on the following goods and services in classes 18, 25 and 35):

Class 18: *Casual bags; backpacks; shoulder bags; key bags; waist bags; clutch bags; tote bags; cross body bags; purses; travelling bags; suitcases; umbrellas; handbags; attaché cases; document cases of leather.*

Class 25: *Clothes; shirts; skirts; sweaters; coats; jackets; suits; caps; headwear; hats; hoods; visors; scarves; gloves; shoes; boots; waist belts; t-shirts; pants; trousers; blouses; dresses; footwear.*

Class 35: *Online retail services in relation to perfume; online retail services in relation to perfumery; online retail services in relation to cosmetics; online retail services in relation to sunglasses; online retail services in relation to spectacle frames; online retail services in relation to clocks; online retail services in relation to wristwatches; online retail services in relation to jewels; online retail services in relation to bracelets; online retail services in relation to earrings;*

	<p><i>online retail services in relation to jewel chains; online retail services in relation to brooches [jewellery]; online retail services in relation to rings [jewellery]; online retail services in relation to ornaments [jewellery]; online retail services in relation to casual bags; online retail services in relation to backpacks; online retail services in relation to shoulder bags; online retail services in relation to key bags; online retail services in relation to waist bags; online retail services in relation to clutch bags; online retail services in relation to tote bags; online retail services in relation to cross body bags; online retail services in relation to purses; online retail services in relation to travelling bags; online retail services in relation to suitcases; online retail services in relation to umbrellas; online retail services in relation to handbags; online retail services in relation to attaché cases; online retail services in relation to document cases of leather; online retail services in relation to clothes; online retail services in relation to shirts; online retail services in relation to skirts; online retail services in relation to sweaters; online retail services in relation to coats; online retail services in relation to jackets; online retail services in relation to suits; online retail services in relation to caps; online</i></p>
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	<p><i>retail services in relation to headwear; online retail services in relation to hats; online retail services in relation to hoods; online retail services in relation to visors; online retail services in relation to scarves; online retail services in relation to gloves; online retail services in relation to shoes; online retail services in relation to boots; online retail services in relation to waist belts; online retail services in relation to t-shirts; online retail services in relation to pants; online retail services in relation to trousers; online retail services in relation to blouses; online retail services in relation to dresses; online retail services in relation to stationery; online retail services in relation to furniture; online retail services in relation to fabrics; online retail services in relation to cutlery; online retail services in relation to cookware; online retail services in relation to tableware; online retail services in relation to home textiles; online retail services in relation to footwear; online retail services in relation to bicycles; online retail services in relation to sporting goods; online retail services in relation to stationery supplies; online retail services in relation to festive decorations; online retail services in relation to wall coverings; online retail services in relation to floor coverings; online retail services in</i></p>
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	<p><i>relation to kitchen appliances; online retail services in relation to bicycle accessories; online retail services in relation to fashion accessories; online retail services in relation to clothing accessories; online retail services in relation to cups and glasses; online retail services in relation to hair care preparations; online retail services in relation to essential oils for aromatherapy use; online retail services in relation to candles; online retail services in relation to home furnishings; online retail services in relation to phone cases; online retail services in relation to towels; online retail services in relation to bed linens; online retail services in relation to reusable water bottles; online retail services in relation to keychains; online retail services in relation to bath linens; online retail services in relation to skateboards; online retail services in relation to headphones; online retail services in relation to laptop cases; online retail services in relation to smartphone cases; retail services in relation to perfume; retail services in relation to perfumery; retail services in relation to cosmetics; retail services in relation to sunglasses; retail services in relation to spectacle frames; retail services in relation to clocks; retail services in relation to wristwatches; retail</i></p>
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	<p><i>services in relation to jewels; retail services in relation to bracelets; retail services in relation to earrings; retail services in relation to jewel chains; retail services in relation to brooches [jewellery]; retail services in relation to rings [jewellery]; retail services in relation to ornaments [jewellery]; retail services in relation to casual bags; retail services in relation to backpacks; retail services in relation to shoulder bags; retail services in relation to key bags; retail services in relation to waist bags; retail services in relation to clutch bags; retail services in relation to tote bags; retail services in relation to cross body bags; retail services in relation to purses; retail services in relation to travelling bags; retail services in relation to suitcases; retail services in relation to umbrellas; retail services in relation to handbags; retail services in relation to attaché cases; retail services in relation to document cases of leather; retail services in relation to clothes; retail services in relation to shirts; retail services in relation to skirts; retail services in relation to sweaters; retail services in relation to coats; retail services in relation to jackets; retail services in relation to suits; retail services in relation to caps; retail services in relation to headwear; retail</i></p>
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	<p><i>services in relation to hats; retail services in relation to hoods; retail services in relation to visors; retail services in relation to scarves; retail services in relation to gloves; retail services in relation to shoes; retail services in relation to boots; retail services in relation to waist belts; retail services in relation to t-shirts; retail services in relation to pants; retail services in relation to trousers; retail services in relation to blouses; retail services in relation to dresses; retail services in relation to stationery; retail services in relation to furniture; retail services in relation to fabrics; retail services in relation to cutlery; retail services in relation to cookware; retail services in relation to tableware; retail services in relation to home textiles; retail services in relation to footwear; retail services in relation to bicycles; retail services in relation to sporting goods; retail services in relation to stationery supplies; retail services in relation to festive decorations; retail services in relation to wall coverings; retail services in relation to floor coverings; retail services in relation to kitchen appliances; retail services in relation to bicycle accessories; retail services in relation to fashion accessories; retail services in relation to clothing accessories; retail</i></p>
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	<p><i>services in relation to cups and glasses; retail services in relation to hair care preparations; retail services in relation to essential oils for aromatherapy use; retail services in relation to candles; retail services in relation to home furnishings; retail services in relation to phone cases; retail services in relation to towels; retail services in relation to bed linens; retail services in relation to reusable water bottles; retail services in relation to keychains; retail services in relation to bath linens; retail services in relation to skateboards; retail services in relation to headphones; retail services in relation to laptop cases; retail services in relation to smartphone cases; wholesale services in relation to perfume; wholesale services in relation to perfumery; wholesale services in relation to cosmetics; wholesale services in relation to sunglasses; wholesale services in relation to spectacle frames; wholesale services in relation to clocks; wholesale services in relation to wristwatches; wholesale services in relation to jewels; wholesale services in relation to bracelets; wholesale services in relation to earrings; wholesale services in relation to jewel chains; wholesale services in relation to brooches [jewelry]; wholesale services in relation to rings [jewellery]; wholesale services in relation</i></p>
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	<p><i>to ornaments [jewellery]; wholesale services in relation to casual bags; wholesale services in relation to backpacks; wholesale services in relation to shoulder bags; wholesale services in relation to key bags; wholesale services in relation to waist bags; wholesale services in relation to clutch bags; wholesale services in relation to tote bags; wholesale services in relation to cross body bags; wholesale services in relation to purses; wholesale services in relation to travelling bags; wholesale services in relation to suitcases; wholesale services in relation to umbrellas; wholesale services in relation to handbags; wholesale services in relation to attaché cases; wholesale services in relation to document cases of leather; wholesale services in relation to clothes; wholesale services in relation to shirts; wholesale services in relation to skirts; wholesale services in relation to sweaters; wholesale services in relation to coats; wholesale services in relation to jackets; wholesale services in relation to suits; wholesale services in relation to caps; wholesale services in relation to headwear; wholesale services in relation to hats; wholesale services in relation to hoods; wholesale services in relation to visors; wholesale services in relation to scarves; wholesale services in relation to</i></p>
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	<p><i>gloves; wholesale services in relation to shoes; wholesale services in relation to boots; wholesale services in relation to waist belts; wholesale services in relation to t-shirts; wholesale services in relation to pants; wholesale services in relation to trousers; wholesale services in relation to blouses; wholesale services in relation to dresses; wholesale services in relation to stationery; wholesale services in relation to furniture; wholesale services in relation to fabrics; wholesale services in relation to cutlery; wholesale services in relation to cookware; wholesale services in relation to tableware; wholesale services in relation to home textiles; wholesale services in relation to footwear; wholesale services in relation to bicycles; wholesale services in relation to sporting goods; wholesale services in relation to stationery supplies; wholesale services in relation to festive decorations; wholesale services in relation to wall coverings; wholesale services in relation to floor coverings; wholesale services in relation to kitchen appliances; wholesale services in relation to bicycle accessories; wholesale services in relation to fashion accessories; wholesale services in relation to clothing accessories; wholesale services in relation to cups and glasses; wholesale services in</i></p>
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relation to hair care preparations; wholesale services in relation to essential oils for aromatherapy use; wholesale services in relation to candles; wholesale services in relation to home furnishings; wholesale services in relation to phone cases; wholesale services in relation to towels; wholesale services in relation to bed linens; wholesale services in relation to reusable water bottles; wholesale services in relation to keychains; wholesale services in relation to bath linens; wholesale services in relation to skateboards; wholesale services in relation to headphones; wholesale services in relation to laptop cases; wholesale services in relation to smartphone cases; promotion of goods and services through sponsorship of charity events, concerts, sporting events and art exhibitions; fashion show exhibitions for commercial purposes.

EUTM018298035

Class 35: *Online retail services in relation to Perfume; Online retail services in relation to Perfumery; Online retail services in relation to Cosmetics; Online retail services in relation to Sunglasses; Online retail services in relation to Spectacle frames; Online retail services in relation to Clocks;*

	<p><i>Online retail services in relation to Wristwatches; Online retail services in relation to Jewels; Online retail services in relation to Bracelets; Online retail services in relation to Earrings; Online retail services in relation to Jewel chains; Online retail services in relation to Brooches [jewelry]; Online retail services in relation to Rings [jewellery]; Online retail services in relation to Ornaments [jewellery]; Online retail services in relation to Casual bags; Online retail services in relation to Backpacks; Online retail services in relation to Shoulder bags; Online retail services in relation to Key Bags; Online retail services in relation to Waist bags; Online retail services in relation to Clutch bags; Online retail services in relation to Tote bags; Online retail services in relation to Cross body bags; Online retail services in relation to Purses; Online retail services in relation to Travelling bags; Online retail services in relation to Suitcases; Online retail services in relation to Umbrellas; Online retail services in relation to Handbags; Online retail services in relation to Attaché cases; Online retail services in relation to Document cases of leather; Online retail services in relation to Shoes; Online retail services in relation to Boots; Online retail services in relation to stationery;</i></p>
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	<p><i>Online retail services in relation to furniture; Online retail services in relation to fabrics; Online retail services in relation to cutlery; Online retail services in relation to cookware; Online retail services in relation to tableware; Online retail services in relation to home textiles; Online retail services in relation to footwear; Online retail services in relation to bicycles; Online retail services in relation to sporting goods; Online retail services in relation to stationery supplies; Online retail services in relation to festive decorations; Online retail services in relation to wall coverings; Online retail services in relation to floor coverings; Online retail services in relation to kitchen appliances; Online retail services in relation to bicycle accessories; Online retail services in relation to cups and glasses; Online retail services in relation to hair care preparations; Online retail services in relation to essential oils for aromatherapy use; Online retail services in relation to candles; Online retail services in relation to home furnishings; Online retail services in relation to phone cases; Online retail services in relation to Towels; Online retail services in relation to Bed linens; Online retail services in relation to Reusable water bottles; Online retail services in relation to</i></p>
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	<p><i>Keychains; Online retail services in relation to Bath linens; Online retail services in relation to Skateboards; Online retail services in relation to Headphones; Online retail services in relation to Laptop cases; Online retail services in relation to Smartphone cases; Retail services in relation to Perfume; Retail services in relation to Perfumery; Retail services in relation to Cosmetics; Retail services in relation to Sunglasses; Retail services in relation to Spectacle frames; Retail services in relation to Clocks; Retail services in relation to Wristwatches; Retail services in relation to Jewels; Retail services in relation to Bracelets; Retail services in relation to Earrings; Retail services in relation to Jewel chains; Retail services in relation to Brooches [jewelry]; Retail services in relation to Rings [jewellery]; Retail services in relation to Ornaments [jewellery]; Retail services in relation to Casual bags; Retail services in relation to Backpacks; Retail services in relation to Shoulder bags; Retail services in relation to Key Bags; Retail services in relation to Waist bags; Retail services in relation to Clutch bags; Retail services in relation to Tote bags; Retail services in relation to Cross body bags; Retail services in relation to Purses; Retail services in relation to Travelling bags;</i></p>
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	<p><i>Retail services in relation to Suitcases;</i> <i>Retail services in relation to Umbrellas;</i> <i>Retail services in relation to Handbags;</i> <i>Retail services in relation to Attaché cases;</i> <i>Retail services in relation to Document cases of leather;</i> <i>Retail services in relation to Shoes;</i> <i>Retail services in relation to Boots;</i> <i>Retail services in relation to stationery;</i> <i>Retail services in relation to furniture;</i> <i>Retail services in relation to fabrics;</i> <i>Retail services in relation to cutlery;</i> <i>Retail services in relation to cookware;</i> <i>Retail services in relation to tableware;</i> <i>Retail services in relation to home textiles;</i> <i>Retail services in relation to footwear;</i> <i>Retail services in relation to bicycles;</i> <i>Retail services in relation to sporting goods;</i> <i>Retail services in relation to stationery supplies;</i> <i>Retail services in relation to festive decorations;</i> <i>Retail services in relation to wall coverings;</i> <i>Retail services in relation to floor coverings;</i> <i>Retail services in relation to kitchen appliances;</i> <i>Retail services in relation to bicycle accessories;</i> <i>Retail services in relation to cups and glasses;</i> <i>Retail services in relation to hair care preparations;</i> <i>Retail services in relation to essential oils for aromatherapy use;</i> <i>Retail services in relation to candles;</i> <i>Retail services in relation to home furnishings;</i> <i>Retail services in relation to</i></p>
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	<p><i>phone cases; Retail services in relation to Towels; Retail services in relation to Bed linens; Retail services in relation to Reusable water bottles; Retail services in relation to Keychains; Retail services in relation to Bath linens; Retail services in relation to Skateboards; Retail services in relation to Headphones; Retail services in relation to Laptop cases; Retail services in relation to Smartphone cases; Wholesale services in relation to Perfume; Wholesale services in relation to Perfumery; Wholesale services in relation to Cosmetics; Wholesale services in relation to Sunglasses; Wholesale services in relation to Spectacle frames; Wholesale services in relation to Clocks; Wholesale services in relation to Wristwatches; Wholesale services in relation to Jewels; Wholesale services in relation to Bracelets; Wholesale services in relation to Earrings; Wholesale services in relation to Jewel chains; Wholesale services in relation to Brooches [jewelry]; Wholesale services in relation to Rings [jewellery]; Wholesale services in relation to Ornaments [jewellery]; Wholesale services in relation to Casual bags; Wholesale services in relation to Backpacks; Wholesale services in relation to Shoulder bags; Wholesale services in</i></p>
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relation to Key Bags; Wholesale services in relation to Waist bags; Wholesale services in relation to Clutch bags; Wholesale services in relation to Tote bags; Wholesale services in relation to Cross body bags; Wholesale services in relation to Purses; Wholesale services in relation to Travelling bags; Wholesale services in relation to Suitcases; Wholesale services in relation to Umbrellas; Wholesale services in relation to Handbags; Wholesale services in relation to Attaché cases; Wholesale services in relation to Document cases of leather; Wholesale services in relation to Shoes; Wholesale services in relation to Boots; Wholesale services in relation to stationery; Wholesale services in relation to furniture; Wholesale services in relation to fabrics; Wholesale services in relation to cutlery; Wholesale services in relation to cookware; Wholesale services in relation to tableware; Wholesale services in relation to home textiles; Wholesale services in relation to footwear; Wholesale services in relation to bicycles; Wholesale services in relation to sporting goods; Wholesale services in relation to stationery supplies; Wholesale services in relation to festive decorations; Wholesale services in relation to wall coverings;

	<p><i>Wholesale services in relation to floor coverings; Wholesale services in relation to kitchen appliances; Wholesale services in relation to bicycle accessories; Wholesale services in relation to cups and glasses; Wholesale services in relation to hair care preparations; Wholesale services in relation to essential oils for aromatherapy use; Wholesale services in relation to candles; Wholesale services in relation to home furnishings; Wholesale services in relation to phone cases; Wholesale services in relation to Towels; Wholesale services in relation to Bed linens; Wholesale services in relation to Reusable water bottles; Wholesale services in relation to Keychains; Wholesale services in relation to Bath linens; Wholesale services in relation to Skateboards; Wholesale services in relation to Headphones; Wholesale services in relation to Laptop cases; Wholesale services in relation to Smartphone cases; Promotion of goods and services through sponsorship of charity events, concerts, sporting events and art exhibitions.</i></p>
<p>Invalidity no. 503256 Class 25: <i>Clothing; Layettes [clothing]; Swimsuits; Shoes; Hats; Hosiery; Gloves</i></p>	<p>EU018094884 Class 18: <i>Casual bags; Purse; Travelling bags; Suitcases; Umbrellas;</i></p>

<p><i>[clothing]; Scarfs; Girdles; Wedding dresses.</i></p>	<p><i>Handbags; Attaché cases; Documents wallets.</i></p> <p>EU018292087</p> <p>Class 3: <i>Perfume; Perfumery; Cosmetics.</i></p> <p>Class 9: <i>Sunglasses; Spectacle frames; Spectacle frames.</i></p> <p>Class 14: <i>Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery].</i></p>
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83. Party B's claims in its submissions in lieu that Party A cannot rely on EU018094884, because an opposition was pending at the time of the UK's withdrawal from the EU. The submission is incorrect. UKIPO proceedings that commenced prior to 31 December 2020 continue to be dealt with under the law that applied prior to that date. This means EUTMs continue to be treated as earlier rights in such pending proceedings. Hence, I dismiss Party B's submission.

84. In her submissions, Ms Reid argued that since Party B has admitted and asserted that the same goods and services which are involved in the proceedings against Party A's marks are similar, it cannot approbate and reprobate. The principle relied upon by Ms Reid is based on the maxim '*quod approbo non reprobo*' (which translates to 'that which I approve, I cannot disapprove') and is akin to the equitable doctrine of election by which a person accepting rights under a contract (or will) must accept the whole of the instrument.⁴² Whilst the doctrine of approbation and reprobation might have other applications, it does not seem to me to be relevant in relation to the issues arising from the consistency of pleadings in consolidated trade mark proceedings, and Ms Reid did not refer me to any authority which establishes that a party who has pleaded that the

⁴² Brown v. Gregson [1920] AC 860, at 868

goods and services are similar in one case is precluded from pleading that the goods and services are dissimilar in another consolidated case.

Opposition no. 420604

85. In this opposition, I cannot detect any meaningful similarity between Party B's services *Auctioneering; Appraisals (Business -); Business acquisitions; Auditing of accounts; Exhibitions for commercial or advertising purposes; Advisory services and information in business organization and management; The bringing together, for the benefit of others, of a variety of telecommunications services, enabling consumers to conveniently compare and purchase those services* and any of Party A's goods in class 18. In particular I do not consider the term *Retail purposes (Presentation of goods on communication media, for -)* to cover retail services; rather, I interpret the term as referring to advertising services for retail purposes. **These services are dissimilar.**

Opposition no. 421967

86. In this opposition, Party B's *Perfumes* in class 3 are self-evidently identical to Party A's *Perfume; Perfumery*. Party B's *Cosmetics, Make-up, Lipsticks, Eyebrow pencils* are identical to Party A's *Cosmetics*. Party B's remaining goods in class 3, namely *Facial cleansers; Soaps; Detergent soap; Detergents; Sunscreen preparations; Toothpastes; Air fragrancing preparations* are similar to a low to medium degree to Party A's goods as they are sold through the same channels and have a similar purpose. **These goods are identical or similar.**

87. Party B's *Jewelry rolls; Jade [jewellery]; Bracelets; Articles of jewellery; Necklaces [jewelry]; Watches; Earrings; Rings* in class 14 are identical to Party A's *[jewelry] Clocks; Wristwatches; Ornaments [jewellery, jewelry (Am.)]; Jewels; Rings [jewellery, jewelry (Am.)]; Bracelets [jewellery, jewelry (Am.)]; Earrings; Jewel chains; Brooches [jewellery]* in the same class. Party B's *Ingots of precious metal* is at least similar to a low degree to Party's A's goods, because the goods are made of the same precious metal and are sold through the same channels. **These goods are identical or similar to a low degree.**

88. Party A also opposes Party B's goods in class 24, namely *Woven fabrics; Woven silk fabrics; Canvas; Hemp fabric; Woollen fabrics; Labels of textile; Towels of textile;*

Cloths; Cloths for washing the body [other than for medical use]; Sleeping bags; Curtains; Door curtains; Sheets [textile]; Woven felt based on its EU018094884 which covers Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags; Attaché cases; Documents wallets. I cannot detect any meaningful similarity between these goods, the purpose, nature and methods of use of the goods is different and the goods are neither complementary nor in competition. **These goods are dissimilar.**

Opposition no. 422673

89. In this opposition, Party B's *Sunglasses* and *Spectacle frames* in class 9 are **identical** to Party A's *Sunglasses* and *Spectacle frames* in the same class and are **highly similar** to Party B's *Spectacle lenses*, as the goods have a similar nature and purpose (they are either finished goods or they are used to make bespoke sunglasses), are highly complementary and are sold through the same channels. However, Party B's remaining goods in class 9, namely *Computer software applications, downloadable; Pedometers; Scales; Pince-nez; Navigational instruments; Tape recorders; Cameras [photography]* have nothing in common with Party A's *Sunglasses; Spectacle frames; Spectacle frames* and are **dissimilar**.

90. Party B's *Bags; Pocket wallets; Handbags; Trunks [luggage]; Bags for sports; Umbrellas; Backpacks* are **self-evidently identical (or highly similar)** to Party A's *Casual bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags*. Party B's *Card cases [notecases]* are either **identical or highly similar** to Party A's *Attaché cases; Documents wallets* the only difference being the size of the goods, one being used to carry larger documents, the other to carry cards. Party B's *Walking sticks* is **similar to at least a low degree** to Party A's goods in class 18, because although the nature and purpose of the goods is different, the goods are normally sold through the same trade channels. Finally, *Leather, unworked or semi-worked* are raw material which is used to make finished goods and are normally purchased by manufacturers of goods; I cannot detect any meaningful similarity between these goods and Party A's finished goods in class 18 which I consider to be **dissimilar**.

Opposition 424160

91. In this opposition, Party B's goods in class 18, namely *Pocket wallets; Backpacks; Umbrellas; Trunks [luggage]; Bags* are **identical or highly similar** to Party A's *casual*

bags; Purse; Travelling bags; Suitcases; Umbrellas; Handbags in the same class. Party B's *Leather, unworked or semi-worked; Leather trimmings for furniture* are similar to **a low degree** to Party A's *online retail services in relation to fabrics* because leather is a natural material and there is clear case law which establishes that goods and retail services connected with the sale of the same goods are similar.⁴³ Finally, I cannot find any meaningful similarity between Party A's goods and Party B's *Clothing for pets; Slings for carrying infants; Reins for guiding children*. The goods have different nature and purpose, they are neither complementary or in competition and would be sold through different trade channels. **These goods are dissimilar.**

92. Party B's goods in class 25 namely *Children's clothing; Clothing; Underwear; Gloves [clothing]; Hats; Hosiery; Leather belts [clothing]; Scarfs; Shoes; Knitwear [clothing]* are **identical or highly similar** to Party A's goods in the same class.

93. I cannot detect any meaningful similarity between Party B's services in class 35, namely *Presentation of goods on communication media, for retail purposes; On-line advertising on a computer network; Provision of an online marketplace for buyers and sellers of goods and services; Sales promotion for others; Personnel management consultancy; Data search in computer files for others; Accounting; Sponsorship search; Organization of trade fairs for commercial or advertising purposes* and Party A's retail services in the same class. **These services are dissimilar.** This is because Party B's services are advertising and promotional services offered to other businesses to promote their goods and services, whilst Party A's specification in class 35 covers only retail services which have a different nature and purpose and are sold through different channels. As regards Party B's *Retail or wholesale services for pharmaceutical, veterinary and sanitary preparations and medical supplies*, although the goods the subject of the respective retail services are different, the nature of the services is the same, i.e. they are both retail services, and I find that they **are similar to a low degree.**

⁴³ Oakley, Inc v OHIM, Case T-116/06

Invalidity no. 503256

94. In this invalidation, I find that the contested *Clothing; Layettees [clothing]; Swimsuits; Shoes; Hats; Hosiery; Gloves [clothing]; Scarfs; Girdles; Wedding dresses* in class 25 are dissimilar to Party A's goods in classes 3, 9 and 14. The nature, intended purpose and method of use of the goods at issue are different, because items of clothing, footwear and headgear in Class 25 are manufactured to cover, conceal, protect and adorn the human body whilst sunglasses are primarily produced to protect the eyes from the sun, watches are primarily produced to measure and indicate the time, jewellery has a purely ornamental function, and cosmetics and perfumes are used for beautification purposes. Further the goods are not in competition with each other and are not complementary in the sense that one is indispensable or important for the use of the other so that consumers may think that the same undertaking is responsible for the production of both goods.

95. However, I find that there is a degree of similarity between Party A's *Casual bags; Purse; Travelling bags; Handbags* and Party B's *Clothing; Layettees [clothing]; Swimsuits; Shoes; Hats; Hosiery; Gloves [clothing]; Scarfs; Girdles; Wedding dresses*, because the goods can be aesthetically complementary and are often sold in the same specialist sales outlets, a fact which is likely to facilitate the perception by the relevant consumer of the close connections between them and support the impression that the same undertaking is responsible for the production of those goods. **These goods are similar to a low degree.**

Average consumer

96. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

97. The average consumer of the goods and retail services at issue is a member of the general public. The goods and services are likely to be selected visually from the shelves of a shop (or their online equivalent), from signage on the high street, or from the pages of a catalogue. Visual considerations are therefore dominant. That said, I do not overlook the opportunity for word-of-mouth recommendations, for example, and the relevance of the marks’ aural impressions. Overall, the goods and services are likely to be purchased relatively frequently; nevertheless, considerations will be given to factors such as style, colour, material or suitability of the products, demanding at least a medium degree of attention.

Comparison of marks

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

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

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

100. I have set out the parties' trade marks above. With the exception of Party B's trade mark no. 3560772 which includes three dots with Chinese characters, all of the competing marks consists of the word 'VETEMENTS' presented in standard letters or in a slightly stylised identical font. The marks are all either identical or, in the case of the trade mark no. 3560772, highly similar visually and aurally with the conceptual position being one of identity or neutrality.

Distinctive character of earlier mark

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

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

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

originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

102. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

103. All of Party A’s earlier marks consists of the word ‘VETEMENTS’. As I have said above, the word ‘VETEMENTS’ will be perceived by most average consumers as an invented word with a high degree of distinctive character. The fact that Party A has used the mark in the UK and enjoys a moderate reputation might have increased the distinctiveness of the mark to a slight extent, however, given that the marks are already inherently distinctive to a high degree, that is not going to make any difference.

Likelihood of confusion

104. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

105. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where Iain Purvis Q.C. as the Appointed Person explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

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

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

106. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

107. As some degree of similarity of goods and services is essential, Party A's oppositions under Section 5(1) and 5(2) fail in relation to the goods and services which I have found to be dissimilar:

- **Opposition no. 420604:** this opposition fails in its entirety;
- **Opposition no. 421967:** this opposition fails in relation to the contested goods in class 24;
- **Opposition no. 422673:** this opposition fails in relation to the following goods:
 - Class 9:** *Computer software applications, downloadable; Pedometers; Scales; Pince-nez; Navigational instruments; Tape recorders; Cameras [photography].*
 - Class 18:** *Leather, unworked or semi-worked*
- **Opposition 424160:** this opposition fails in relation to the following goods:
 - Class 18:** *clothing for pets; Slings for carrying infants; Reins for guiding children.*
 - Class 35:** *Presentation of goods on communication media, for retail purposes; On-line advertising on a computer network; Provision of an online marketplace for buyers and sellers of goods and services; Sales promotion for others; Personnel management consultancy; Data search in computer files for others; Accounting; Sponsorship search; Organization of trade fairs for commercial or advertising purposes.*

108. In relation to the goods which I found to be similar, taking into account the identity or highly similarity of the marks at issue and the high distinctive character of the earlier marks, my conclusion is that there is a likelihood of direct confusion in relation to all of

the goods and services which I found to be similar (which are those other than the ones listed in the previous paragraph).

109. Party A's claims based on Section 5(1) and 5(2) are partially successful.

Section 5(4)(a)

110. Section 5(4)(a) states:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

(b) [...]

(c)

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

111. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

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

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants' customers or potential customers are deceived, but

it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

112. I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation *requires* “a substantial number of members of the public are deceived” rather than whether the “average consumer are confused”. However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. Certainly, I believe that this is the case here. Whilst I accept that Party A has a moderate reputation in relation to clothing, footwear, headwear and a smaller reputation for bags, the claims under Section 5(4)(a) do not provide a better outcome for Party A for the goods which I found to be dissimilar (that I also found to be dissimilar to the goods for which Party A has goodwill).

OUTCOME

113. Party A’s oppositions nos. 420604, 421967, 422673, 424160 and invalidity no. 503256 have been successful in their entirety under Sections 3(6) and 5(3) of the Act. It follows that Party B’s trade mark applications nos. 3474068, 3517257, 3527881, 3560772 will be refused registration and Party B’s trade mark no. 3413818 will be deemed invalid.

114. As the oppositions filed by Party B against Party A’s trade mark application nos. 3489080, 3504389, 3505167, 3507725, 3514609 are based on two applications I have refused (3474068 and 3517257) and one trade mark registration I have declared invalid (03413818) Party B’s oppositions fall away. It follows that Party A’s trade mark applications nos. 3489080, 3504389, 3505167, 3507725, 3514609 will proceed to registration.

COSTS

115. At the hearing Ms Reid stated that Party A seeks its costs of these applications off the scale because of these proceedings have been necessitated by Party B’s

abuses of the trade mark system and in support of the fraudulent activities carried out elsewhere. Tribunal Practice Notices (“TPN”) 2/2000 and 4/2007 are relevant. TPN 2/2000 recognises that the Tribunal has the ability to award costs off the scale, approaching full compensation, to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour although it acknowledges that it would be impossible to indicate all the circumstances in which a hearing officer could or should depart from the published scale of costs.

116. Whilst I found that Party B has acted in bad faith, I am not convinced that the circumstances of the case are exceptional nor had the applicants’ conduct been vexatious or an abuse of process. Consequently, I will awards costs on the top end of the scale to reflect my finding of bad faith:

Official fees: £200 (x5)	£1,000
Preparing a statement and considering the other side’s statement: £650 (x10)	£6,500
Preparing evidence and considering and commenting on the other side’s evidence	£2,200
Preparing for and attending a hearing	£1,600
Total	£11,300

117. I therefore order VTMNS GROUP LIMITED to pay Vetements Group AG the sum of £11,300. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 29th day of December 2022

Teresa Perks
For the Registrar