

O/577/22

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3434125
IN THE NAME OF JENNOCK LIMITED FOR THE TRADE MARK**



IN CLASS 25

AND

**THE OPPOSITION THERETO UNDER NUMBER 419898
BY BLACKS OUTDOOR RETAIL LIMITED**

Background and pleadings

1. On 4 October 2019, Jennock Limited (“the applicant”) filed an application for the trade mark shown on the cover page of this decision (number 3434125) in Class 25 for *Articles of clothing, footwear and headgear for cyclists; children’s clothing, footwear and headgear, in particular for cycling; light-reflecting clothing; waterproof clothing for cycling; mountain biking clothing.*

2. The application was published on 20 December 2019 and opposed by Blacks Outdoor Retail Limited on 19 March 2020 under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). Following amendment to its original notice of opposition, the opponent relies upon two earlier trade mark registrations for its section 5(2)(b) ground, as follows:

(i) European Trade Mark (“EUTM”) 018126222¹

BLACKS

Filing date: 19 September 2019; date of entry in register: 1 February 2020

Goods relied upon, in Class 25: *Articles of clothing, footwear and headgear; clothing, namely, T-shirts, shirts, sweatshirts, polo shirts, vests, pullovers, sweaters, fleece tops, trousers, shorts, sweatpants, leggings, skirts, coats, jackets, parkas, anoraks, wind-resistant jackets, down-filled jackets and coats; waterproof jackets, coats and kagouls, gilets, ski jackets, coveralls, thermal underwear, thermal tops and leggings, tops and leggings of wickable fabric, waterproof trousers, insulated trousers, socks, gloves, mittens, scarves, snoods, neck gaiters and belts; skirts, dresses; footwear, namely, training and sports shoes, trail-running shoes, climbing shoes, hiking shoes, slippers, boots, trekking boots, hiking boots, snowboots and sandals; headgear, namely, caps, hats, headbands, bandanas, earmuffs, balaclavas, visors, beanies.*

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

(ii) UK trade mark 2478401

This registration comprises a series of six trade marks, but the opponent relies only upon the second mark in the series in its notice of opposition:²



Filing date: 30 January 2008; date of entry in register: 24 October 2008

Services relied upon, in Class 35: *The bringing together, for the benefit of others, of clothing and camping goods, enabling customers to conveniently view and purchase those goods in a retail clothes and camping store, from an Internet website, by mail order, by means of telecommunications or from a clothing and camping specialist catalogue by mail order.*

3. Under section 5(2)(b) of the Act, the opponent claims that the parties' goods and services are identical or similar and the marks are visually, aurally and conceptually similar, leading to a likelihood of confusion.

4. The opponent also relies upon the above registrations for its section 5(3) grounds, but in respect of mark (i) it relies upon the following Class 35 services (i.e. not the class 25 goods):

The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail clothes and camping store or from an Internet website specialising in clothing and camping goods, by mail order, by means of telecommunications, or from a clothing and camping specialist catalogue by mail order; retail services in relation to outdoor and camping goods, namely torches and flashlights, cooking equipment, sleeping bags and liners, travel pillows, travel beds and mattresses, rucksacks and bags, walking poles, tents,

² The register records both six marks and ten marks in the series, but nothing turns on this. The opponent refers to the registration as being for a series of six marks.

travel towels, flasks, folding knives and folding multi-purpose tools, cups and food containers, sports and health-monitoring watches, tracking and gps watches and devices, wearable technology devices, compasses, maps and travel guides; retail services in relation to clothing, headgear, footwear and sunglasses for travel, outdoor sports and pursuits; retail services in relation to leisurewear clothing, clothing of fabrics adapted for travel, sport and outdoor use (thermal, insulated, wickable, cooling, breathable, waterproof, crease- and wrinkle-proof, fast-drying, insect-resistant), and smart wearable clothing; retail services in relation to cycling, namely clothing, headgear and footwear, protective helmets, locks, pumps and tyres; retail services in relation to climbing and mountaineering clothing and equipment; retail services, including physical retail store, mail order and electronic shopping retail services, all connected with outdoor sporting, leisure and travel activities, including back-packing, camping, caravanning, picnicking, festival-going, fishing, kayaking, climbing, cycling, rambling, running, walking, trekking, ski-ing, snow-boarding, and mountaineering.

5. Under section 5(3) of the Act, the opponent claims a reputation in its marks for the registered services set out above such that the relevant public will believe the applicant's mark is one of the opponent's marks or that of an undertaking linked to the opponent. The opponent also claims that use of the applicant's mark will erode the distinctiveness of the earlier marks, damage their repute if used in relation to goods of poor quality, and give an unfair advantage to the applicant by virtue of the reputation of the earlier marks.

6. The applicant filed a defence and counterstatement, denying the grounds of opposition. As earlier mark (ii) had been registered for more than five years on the filing date of the contested application, the opponent made a statement that it has used its earlier mark in relation to all the services relied upon, set out above. The applicant puts the opponent to proof of the same, under section 6A of the Act.

7. The opponent is professionally represented by Murgitroyd & Company. The applicant represents itself. Both parties filed evidence. Neither party requested a hearing, but the opponent filed written submissions in lieu of a hearing. I make this decision after a careful reading of all the papers, referring to them as necessary.

Evidence

8. The opponent has filed evidence from three witnesses. Two witness statements are from Jim McNamara, who is the opponent's Buying Director. He gives evidence about the opponent's business. Sharon Kirby is an attorney with the opponent's firm of professional representatives, also giving evidence about the opponent's business and providing a second witness statement in response to the applicant's evidence. Peter Luscombe is a director of a company involved in the 'outdoor industries'. He also gives evidence about the opponent.

9. Andrew Lloyd, a director of the applicant, gives evidence about the applicant's business and about the inspiration for the applicant's mark.

Proof of Use

10. I will begin by assessing whether, and to what extent, the evidence supports the opponent's statement that it has made genuine use of mark (ii) in relation to the services upon which it relies. The relevant period for this purpose is the five years ending on the filing date of the contested application: 5 October 2014 to 4 October 2019.

11. Section 6A of the Act states:

“(1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

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

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

(3) The use conditions are met if –

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

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

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

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

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

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office

of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

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

12. The onus is on the opponent, as the proprietor of the earlier mark, to show genuine use because Section 100 of the Act states:

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

13. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch), Arnold J (as he then was) summarised the law relating to genuine use, as follows:³

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

³ “CJEU” is the abbreviation for the Court of Justice of the European Union. 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.

[EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

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

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

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

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

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

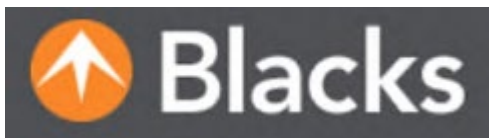
(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at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

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

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

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

14. Mr McNamara, in his first witness statement, states that the opponent's brand, Blacks, is over a century old.⁴ The opponent was bought by JD Sports Fashion Plc about ten years ago, the opponent's parent company. The opponent has a high street and an online retail business. Exhibit 2 comprises prints from the opponent's website showing mountain bikes and cycling clothing for sale. The prints were taken on 9 June 2021, sixteen months after the relevant date. Mark (ii) is shown on the banner at the top of the website pages. Better website examples from before the relevant date are shown in Exhibit JM2 6, which is exhibited to Mr McNamara's second witness statement.⁵ These are from the internet archive, the Wayback machine, and date from 2015 to 2017. The mark shown in the banner at the top of the web pages looks like this:



15. The tabs indicate that clothing for men, women and children, and equipment is sold. Pictures of men's cycling jackets and tops, children's T-shirts and camping gear are shown on the page.

16. Mr McNamara asserts that the mark is particularly known for outdoor activity clothing, camping goods, tents, sleeping bags, walking and trekking equipment. He estimates "that the BLACKS brand accounts for 12% of the outdoor retail market in the UK." Mr McNamara states that in 2019/20, the opponent's marketing spend (mainly digital) was over £1 million. However, he goes on to explain that this amount covers the BLACKS, MILLETS and ULTIMATE OUTDOORS brands. The amount is unparticularised as to the proportion spent on the opponent's marks relied upon in these proceedings. Mr McNamara describes Exhibit 3 as comprising examples of the opponent's "recent" marketing, via email, Facebook and Instagram. The contents of the exhibit, showing mark (ii), are undated. I note that the social media advertising posts are dated "7 June", "28 May", "26 May", "20 May", "7 May" and "12 April". Mr McNamara refers to the examples as being "recent", and his witness statement is dated 10 June 2021. The 12 April Instagram post includes "Today marks the day that

⁴ Witness statement dated 10 June 2021.

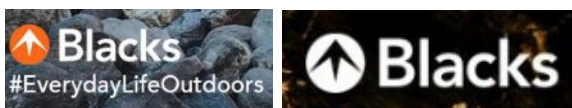
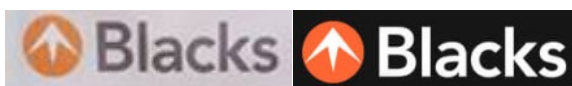
⁵ Witness statement dated 9 August 2021.

self-contained accommodation re-open [sic] in England, which means that many campsites are now open.” This reference to post-Covid-19 pandemic opening dates the Instagram post at 12 April 2021, 18 months after the relevant date.

17. Better social media examples from before the relevant date are shown in Exhibit JM2 4, which is exhibited to Mr McNamara’s second witness statement. These include posts on Instagram, about what is available to buy, from 2015, 2016 and 2017, showing a roundel, with the device above the word “Blacks”:



18. Facebook posts from 2017 and 2018 show the following versions of mark (ii):



19. Mr McNamara provides an extract from the opponent's accounts, from 3 February 2018 to 2 February 2019. The operating profit was £3.6 million, but this was for BLACKS, MILLETS and ULTIMATE OUTDOORS. Likewise, the turnover figure, £157,564,000, is unparticularised as to the proportion attributable to BLACKS as opposed to MILLETS and ULTIMATE OUTDOORS. More detail is provided in Exhibit 5, comprising extracts from the opponent's parent company's report for the financial years ending in 2018 and 2019. There were 57 and 56 BLACKS stores, respectively, in these years, with about 206,000 square foot of store space. I note that there were 100 and 99 MILLETS stores, and 7 and 6 ULTIMATE OUTDOORS stores. It might be possible to estimate that the operating profit and turnover figures for the BLACKS stores were proportionately about half of the combined figures given above. However, this is information that should have been given by the opponent, about which I say more below. For reasons which become clear, it makes no difference to the outcome of this decision whether or not I regard the evidence as showing approximately half the turnover for BLACKS.

20. In his second witness statement, Mr McNamara refers to plastic and paper carrier bags which are supplied to customers who have not brought their own bags when shopping in the opponent's retail stores. An Excel spreadsheet is shown in Exhibit JM2 1 for orders placed with a supplier of bags, and to which store they were supplied, from 2017 to 2019. The single example of a bag (from July 2019) is shown in a photograph on the bag manufacturer's website. It is part of a display of bags produced by the bag manufacturer. I can see the word 'Blacks' on the bag, but not the device which is part of mark (ii).

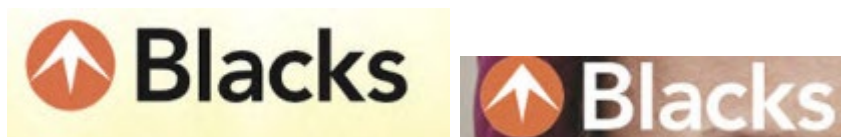
21. Exhibit JM2 2 comprises images of the opponent's stores advertising sale events. These all date from after the relevant date. Mr McNamara states that the opponent cannot easily reproduce evidence of the displays advertising sale events from earlier years, but confirms that such events are held regularly, which I assume means that they were held regularly prior to the relevant date, as well as afterwards. The shop fronts show mark (ii) above the doorway. Exhibit JM2 3 contains twelve pages of orders for sales-related stationery between 2017 and 2019, such as swing tickets. I can see that Blacks appears many times; however, the examples of stationery are limited to a 'buy one get one half price' swing tag which does not appear to show the

mark (or mark (i)) and a customer experience card which does show mark (ii) but for which I cannot find a reference on the lists of stationery ordered.

22. An example of a flyer advertising the opening of the Sheffield store in 2017 is shown in Exhibit JM2 5, and also a print from the opponent's online blog about the store opening, showing the following mark on the blog page and also on the store front:



23. I can see from the photographs of the inside of the store that clothing, tents, footwear and watches/fitness trackers were for sale. Discount flyers are shown from 2018 for use in relation to the Dundee and Leeds stores, displaying the following marks:



24. The Leeds flyer from 2018 advertises a 20% discount on camping equipment.

25. Mr McNamara describes the contents of Exhibit JM2 7 as "images of items currently for sale through our online store." "Currently" means that this evidence is after the relevant date. Mr McNamara does not state, for example, that these items were available prior to the relevant date. Exhibit JM2 8 comprises copies of emailed

order acknowledgements sent to customers who had placed online orders. McNamara explains that there are no dates on the prints as a result of the way in which the acknowledgments are stored on the opponent's system. He states that the acknowledgments have been stored as PDFs showing the year and that the exhibit includes a screenshot showing a screen with the PDFs and the year listed. I cannot see this anywhere in the evidence. However, I do note that Mr McNamara states that the opponent now has a new system in place and as from 2019 onwards the opponent can show the dates in the emails. I infer from this that the emails in this exhibit date from prior to 2019. The goods ordered comprise men's and women's clothing, footwear and gaiters, a travel bag, a tent, a windbreak, a holdall, tent pegs, a camp bed, a folding table, a cool box, an inflatable chair and a pump.

26. Mr McNamara exhibits the result of a Google search for "Blacks Mountain Bike". This appears to have been conducted at around the time that Mr McNamara made his second witness statement because the search result print is dated 29 July 2021. Although Mr McNamara states that the opponent has "long-held use of BLACKS for retail services which includes sales of outdoor gear, and bikes and cycling clothing", this evidence is well after the relevant date and there is no evidence elsewhere of bikes being sold prior to the relevant date: the only evidence is from the website prints which are dated 9 June 2021, referred to at paragraph 14 of this decision.

27. Mr Luscombe's evidence appears to have been filed as evidence from the trade, since he is the director of a company which deals with employment and business data in relation to the outdoor industry. His statement is dated 4 August 2021, 22 months after the relevant date. Mr Luscombe states that he has been asked to give a summary about the opponent for a trade mark matter. His evidence gives details about the long history of the opponent and the various acquisitions with which it has been involved over several decades, but most of this evidence does not relate to the relevant five year period. I note he states that the opponent sells mountain bikes, but gives no further details. Exhibit PNL2 is an image of mark (ii) which is said to be what appears on the opponent's stores, website and carrier bags. It is just an image of the mark, without there being anything to date it within the relevant period. Mr Luscombe states that the opponent sells outdoor clothing, footwear and equipment, rucksacks, sleeping bags, tents and accessories. There are no exhibits to support this statement. Such

evidence should be within the opponent's own capability to produce; it is, after all, what Mr McNamara states that the opponent sells. The final part of Mr Luscombe's statement contains information about a survey carried out in 2010, at least four years prior to the relevant period for proof of use and nine years prior to the relevant date, in which about 3,000 respondents were asked, "Thinking of your last few purchases, which of the following outlets were they purchased from?" Not only is this evidence outside of the relevant period, it is survey evidence and there has been no permission sought to file it. In any event, it carries no weight because, apart from being old, it does not comply with the requirements of Tribunal Practice Notice 2/2012 as to methodology (or permission to file it).

28. The opponent's evidence is not well-marshalled. A considerable part of it is undated. However, there is enough, when pieced together, to form an overall picture of use of mark (ii) through over fifty stores and online sales during the relevant period.⁶ The Wayback machine website prints are from the relevant period and show the mark relied upon, as do the social media posts from the relevant period and the evidence about the Sheffield, Dundee and Leeds stores. Mr McNamara's statement that the opponent has an estimated 12% share of the outdoor retail market is unchallenged. Furthermore, the applicant's evidence includes statements which appear to accept that the opponent is a retailer of outdoor leisure goods, because Mr Lloyd states at paragraph 9 of his witness statement of 10 January 2022 that the opponent "...retail[s] a variety of brands across the price/quality spectrum, from premium brands such as RAB, Montane and Mountain Equipment to budget brands such as Peter Storm and Regatta." Mr Lloyd goes on to say, at paragraph 18:

"The provenance of our BLACK MOUNTAIN brand and logo gives a strong conceptual hook to our mark which creates a stark difference from Blacks who use a one-word plural form and who have a reputation for being a retailer of brands, rather than a product brand themselves."

⁶ An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each piece of evidence shows use by itself: see *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, General Court of the European Union, Case T-415/09.

29. This brings me to the next task, which is to determine in relation to which retail services earlier mark (ii) has been used. If that use is not in relation to everything within the registered specification or a reasonable range of services within the specification, I need to decide upon a reduced, fair specification represented by the use. In so doing, I am guided by *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*, in which Mr Justice Carr summed up the law relating to partial revocation as follows:⁷

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

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

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

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

⁷ [2016] EWHC 3103 (Ch).

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

30. The applicant states that the opponent retails other party’s brands. Exhibit 5, page 34, to Mr McNamara’s first witness statement comprises extracts from the opponent’s 2019 Annual Report and Accounts, which says:

“Blacks is a long established retailer of specialist outdoor apparel, footwear and equipment. Blacks primarily stock more technical products from premium brands such as Berghaus and The North Face, helping Outdoor participants, from weekend family users to more avid explorers, reach their goals, no matter how high.”

31. This accords with my own impression of the evidence, where images of goods are shown bearing third-party brands such as Fox, Sprayway, North Face, Garmin, Columbia, Brasher and Jack Wolfskin. Mr McNamara asserts that the opponent’s mark is known for outdoor activity clothing, camping goods, tents, sleeping bags, walking and trekking equipment. The evidence about the Sheffield store includes images of the inside of the store, selling clothing, tents, footwear and watches/fitness trackers. The Leeds flyer advertises a 20% discount on camping equipment. The email order acknowledgments cover men’s and women’s clothing, footwear and gaiters, a travel bag, a tent, a windbreak, a holdall, tent pegs, a camp bed, a folding table, a cool box, an inflatable chair and a pump. The registered specification is *The bringing together, for the benefit of others, of clothing and camping goods, enabling customers to conveniently view and purchase those goods in a retail clothes and camping store, from an Internet website, by mail order, by means of*

telecommunications or from a clothing and camping specialist catalogue by mail order. Although there is no catalogue/mail order evidence, it seems to me that online ordering is a modern form of ordering from a catalogue. It would be pernickety to exclude it. The specification is a fair description of the use made of mark (ii). The opponent may rely upon mark (ii) for these services for its opposition under sections 5(2)(b) and 5(3) of the Act (the latter section also dependent upon a qualifying reputation, which I assess later in this decision).

32. One further point needs addressing. The opponent attached a new witness statement from Ms Kirby to its written submissions in lieu of a hearing. No details were given about why it was not filed earlier and the Tribunal neither admitted it nor refused it: no contact with either party was made. As it is, the ‘new evidence’ makes no difference to my decision regarding genuine use. It states that the proportion of turnover attributable to the opponent is just under half of the combined turnover for BLACKS, MILLETS and ULTIMATE OUTDOORS. As said earlier, whether or not I regard Mr McNamara’s evidence as providing a reasonable inference that this is so makes no difference to the outcome of this decision, as I now go on to explain.

Section 5(2)(b) of the Act

33. Section 5(2)(b) states:

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

(a) ...

(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.”

34. Section 5A states:

“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.”

35. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are gleaned from the decisions of the CJEU in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(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

36. The parties' competing goods and services are shown in the table below:

The opponent's goods and services	The applicant's goods
<p>Mark (i), in Class 25: <i>Articles of clothing, footwear and headgear; clothing, namely, T-shirts, shirts, sweatshirts, polo shirts, vests, pullovers, sweaters, fleece tops, trousers, shorts, sweatpants, leggings, skirts, coats, jackets, parkas, anoraks, wind-resistant jackets, down-filled jackets and coats; waterproof jackets, coats and kagouls, gilets, ski jackets, coveralls, thermal underwear, thermal tops and leggings, tops and leggings of wickable fabric, waterproof trousers, insulated trousers, socks, gloves, mittens, scarves, snoods, neck gaiters and belts; skirts, dresses; footwear, namely, training and sports shoes, trail-running shoes, climbing shoes, hiking shoes, slippers, boots, trekking boots, hiking boots, snowboots and sandals; headgear, namely, caps, hats, headbands, bandanas, earmuffs, balaclavas, visors, beanies.</i></p> <p>Mark (ii), in class 35: <i>The bringing together, for the benefit of others, of clothing and camping goods, enabling customers to conveniently view and purchase those goods in a retail clothes</i></p>	<p><i>Class 25: Articles of clothing, footwear and headgear for cyclists; children's clothing, footwear and headgear, in particular for cycling; light-reflecting clothing; waterproof clothing for cycling; mountain biking clothing.</i></p>

<i>and camping store, from an Internet website, by mail order, by means of telecommunications or from a clothing and camping specialist catalogue by mail order.</i>	
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37. The law requires that goods/services be considered identical where one party's description of its goods/services encompasses the specific goods/services covered by the other party's description (and vice versa).⁸ Mark (i) has cover for *articles of clothing, footwear and headgear* which is a wide term encompassing all of the applicant's goods, which are therefore identical.

38. The services relied upon for mark (ii) are not identical to the applicant's goods, requiring an assessment to be made as to whether the respective services and goods are similar and, if they are, how similar. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

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

39. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

⁸ *Gérard Meric v OHIM*, Case T-33/05, General Court

40. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court of the European Union (“GC”) stated that “complementary” means:

“82 ... there is a close connection between [the goods], 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...”.

41. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods and services.

42. Goods and services are different in nature, purpose, and method of use. The GC, in *Oakley, Inc v OHIM*, stated that retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, making them similar to a degree.⁹

43. In *Tony Van Gulck v Wasabi Frog Ltd (“Miss Boo”)*, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, cautioned that “selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35”.¹⁰ The objective of retail services, as set out in *Oakley*, “includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction” and “those services play, from the point of view of the relevant consumer, an important role when he comes to buy the goods offered for sale.” On the basis of the European courts’ judgments in *Sanco SA v OHIM*, and *Assembled Investments (Proprietary) Ltd v. OHIM*, upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd*, Mr Hobbs concluded that:¹¹

i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the

⁹ Case T-116/06.

¹⁰ BL O/391/14.

¹¹ Case C-411/13P; Case T-105/05, at paragraphs [30] to [35] of the judgment; and, Case C-398/07P.

consumer's point of view, they are unlikely to be offered by one and the same undertaking;

ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;

iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;

iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

44. I take from these authorities that, in comparing retail services against goods, there may be some similarity based upon complementarity and shared trade channels; the goods do not have to be identical to the subject goods of the retail service; and, that the level of similarity may be weak depending on the presence or absence of the other *Canon* factors.

45. The applicant's goods are self-evidently different in nature to retail services. The intended purpose of the goods is for wear. The intended purpose of retail services is to encourage the sale of goods, which means that the purpose of the goods/services is different. The goods are not in competition with the services and their method of use also differs.

46. As said above, the intended purpose of the opponent's retail services is to encourage the sale of goods, including the goods for which the applicant has cover. I find that the opponent's retail services are complementary to the applicant's goods because the applicant's goods are (amongst others) specified as the subject of the retail services. In other words, the applicant's goods are identical to the subject goods

of the retail service. The goods are indispensable to the retail services relating to them. In addition to the complementary relationship between the goods and the retailing thereof, there is an overlap in the trade channels through which the goods and services reach the average consumer. I find that there is a medium degree of similarity between the applicant's goods and the opponent's class 35 services as far as they relate to clothing.

The average consumer and the purchasing process

47. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the parties' goods and services and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."¹² 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*.

48. The average consumer for the parties' goods is a member of the general public. Whilst I bear in mind that there may be an aural aspect to the purchase, it is important what clothes look like, causing the selection, or purchasing process, to be predominantly visual. The purchase could be from physical shelves, from a website or from a catalogue, all of which entail visual perception. The same is true of the opponent's retail services in relation to clothing: the use of the services is primarily visual, entailing being in a physical shop or browsing online. The average consumer will consider, for example, cost, size, colour, fabric and suitability for an occasion or use. The goods are not infrequent purchases or those which require particular consideration, and the same is true of the services. This all means that the average consumer will pay a normal, or medium, degree of attention to the purchase of the goods and the retailing thereof.

¹² *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).



Comparison of marks

49. 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 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.”

50. 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.

51. The marks to be compared are:

The opponent's marks (i) and (ii)	The applicant's mark
<p data-bbox="496 1547 624 1581">BLACKS</p> 	

52. The overall impression of earlier mark (i) rests in the single element of which it is comprised: BLACKS. Earlier mark (ii) is a composite mark comprising the word 'Blacks' in white letters, preceded by an orange and white circular device. The device is marginally higher and lower than the letters making up the word, but the word takes up a larger proportion of the mark and it is to the word that the eye is drawn in the first place. As a result, the word Blacks is more dominant than the device. Both the word and the device are presented on a black rectangle which carries little weight in the overall impression, being a background for the word and device.

53. The contested mark is also a composite mark, comprising the word BLACK over the word MOUNTAIN, with the 'AIN' of MOUNTAIN extending past the letters making up the word BLACK. There is a triangular device preceding the words which is as tall as the words. The eye is drawn to the phrase BLACK MOUNTAIN, which dominates the overall impression of the mark.

54. BLACK is the only similar element between earlier mark (i) and the applicant's mark. Earlier mark (i) has an 'S' on the end of BLACK. Given the additional elements in the applicant's mark (the device and MOUNTAIN) and their size, there is a low to medium degree of visual similarity between earlier mark (i) and the application.

55. There is less visual similarity between earlier mark (ii) and the application. I put the level at low. Unlike earlier mark (i), as well as the word BLACKS, there is also a device in earlier mark (ii) which does not have a visual counterpart in the application. Although both devices have a pointed apex aspect to them, the opponent's device also has three equidistant prongs, whilst the applicant's device is comprised of diagonal lines and diagonal gaps. They are visually very different.

56. The only element of the parties' marks which has aural similarity is BLACK. The opponent submits that any aural description of the opponent's device would be as a mountain. It is unclear to me why average consumers would aurally describe the device in the opponent's earlier mark (ii) when there is a word to which they can and will refer. I am firmly of the view that the devices in the parties' marks will not be articulated. MOUNTAIN will be articulated, as will the S at the end of BLACKS. BLACKS and BLACK consist of a single syllable, whilst MOUNTAIN has two syllables.

Taking into account the differing number of syllables, the additional S, and that BLACK will be heard first in the applicant's mark, there is a medium level of aural similarity between the parties' marks.

57. The applicant's mark creates an obvious concept of a black mountain. The device is very stylised and, without the words to reinforce the idea of a (black) mountain, it is not obviously a mountain. The applicant's evidence includes content relating to the fact that the Black Mountains are peaks in Monmouthshire.¹³ Whether or not the average consumer for the parties' goods knows of the specific geographical reference, the words in the mark convey the meaning of a black mountain. Black is the adjective which describes the mountain.

58. Mr McNamara refers to the device in earlier mark (ii) as a mountain logo. At paragraph 2 of his first witness statement, he describes the device as "a mountain with a white snow covered peak on an orange background." I think it highly unlikely that the device will be interpreted in this way by the average consumer. I see it as a white arrow on an orange circle and I consider this to be the way that average consumers will see it. There is no conceptual similarity between the device elements or between the device and word elements of the parties' marks.

59. Grammatically, BLACKS is the plural of black. However, what is much more likely is that BLACKS will be seen as the possessive form of the surname BLACK. Consumers are accustomed to surnames being used as trade marks and also to the prevalence of grammatically incorrect language; e.g. in social media posts. Notwithstanding the lack of an apostrophe, they are likely to consider that the mark indicates goods and services provided by a person or undertaking using the surname Black. Alternatively, consumers may not appreciate the effect of the presence or absence of the possessive apostrophe. The presence of the S on the end of BLACK also points away from BLACKS being an adjective, all the more so because there is no other word which it qualifies, unlike the use of BLACK in the applicant's mark, which qualifies MOUNTAIN. BLACKS and BLACK do not have the same or a similar meaning in the parties' marks. I find that there is no conceptual similarity between the

¹³ Exhibits AL02, AL03 and AL04 to Andrew Lloyd's witness statement.

marks. If I am wrong about that and BLACKS, even though perceived as a surname, has a semantic quality derived from the colour, the marks are conceptually similar to no more than a low level. This is because there is no other word which BLACKS qualifies, unlike the unitary nature of BLACK MOUNTAIN.

Distinctive character of the earlier marks

60. 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.¹⁴ I will begin by considering the inherent distinctive character of the earlier marks.

61. Although BLACKS does not describe or allude to the goods and services, it is not an invented term because it will be seen as a surname. I find that BLACKS has a medium degree of inherent distinctive character. Earlier mark (ii) also contains a device element which is not descriptive or allusive of the goods and services. However, this is of less relevance because the level of distinctive character of the earlier marks is only likely to increase the likelihood of confusion to the extent that it resides in the elements of the marks that are identical or similar to the applicant's mark; i.e. BLACKS.¹⁵

62. Distinctive character is a measure of how strongly the earlier mark identifies the goods or services for which it is registered, determined, according to *Lloyd Schuhfabrik Meyer & Co.*, partly by assessing the proportion of the relevant public which, because of the mark, identify the goods or services as originating from a particular undertaking. At paragraph 23, of its judgment, the CJEU stated:

“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

¹⁴ *Sabel BV v Puma AG*, Case C-251/95.

¹⁵ *Kurt Geiger v A-List Corporate Limited*, Mr Ian Purvis QC, sitting as the Appointed Person, BL O/075/13.

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).

63. I have assessed the majority of the opponent's evidence about its use of earlier mark (ii) in this decision. Whilst this evidence could also be relevant to whether the distinctiveness of BLACKS has been enhanced owing to the use of the composite earlier mark (ii), the two earlier marks cover different goods and services. Earlier mark (i) covers only class 25 goods; earlier mark (ii) only class 35 services. The evidence does not support a claim to enhanced distinctive character for the goods in class 25; i.e. earlier mark (i). I have taken note of Ms Kirby's first witness statement and it does not improve matters. The evidence does not relate to clothing and is mostly quite old, dating from between about ten and twenty years ago, or consists of recent, post-pandemic reviews, which are after the relevant date.

64. Although the evidence has not been particularised as to the proportion of goods or services which comprise the turnover figures, the evidence points strongly to the opponent's business being that of a retailer of third party brands, i.e. retail services. The turnover figures are substantial and Mr McNamara states that the opponent has an estimated 12% market share in the retail sector in which it operates. I find that the distinctive character of earlier mark (ii) was enhanced to a high level at the relevant date.

Likelihood of confusion

65. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. In this case, the parties' goods are identical in respect of earlier mark (i), and their goods and services are similar to a medium degree in respect of earlier mark (ii), which are points

in the opponent's favour. Another point in the opponent's favour is the medium degree of distinctive character of earlier mark (i), for identical goods, and the high degree for mark (ii), for similar services.

66. However, there are also points going in the applicant's favour, in particular, the level of similarity between the marks. The marks are similar to a low to medium degree visually, to a medium degree aurally, and are not similar conceptually, or only to a low degree. The medium degree of aural similarity carries less weight in the global assessment because the purchasing process is primarily visual for the goods and services at issue.¹⁶ The opponent's written submissions refer to the potential for confusion if a 'Black/s mountain bike' is referred to: "For example, I've just bought a BLACKS Mountain Bike, versus, I want to buy a BLACK MOUNTAIN Bike".¹⁷ The applicant does not have cover for bikes, or for the retail of bikes. Even if this hypothesis was extended to 'mountain bike clothing', it is more speculation than likelihood and, as already found, the purchase is primarily visual. The parties' marks will be seen. In *Industria De Diseno Textil, S.A. (INDITEX, S.A.) v Hilary-Anne Christie*, BL O/040/20, Mr Daniel Alexander QC, sitting as the Appointed Person, observed, at paragraph 25:

"...it does not follow from the fact that it is possible to envisage situations in which confusion might arise in such imagined scenarios, that this suffices for a conclusion that confusion on the part of the average consumer is likely. Consideration must be given also to how realistic or likely such situations are as well as how typical of the normal manner in which the marks in question would be encountered."

67. Mr Alexander went on to say, at paragraph 28:

"...a tribunal must carry out a global assessment and evaluate whether even if one kind of confusion (which in this case has particularly focussed on aural) is

¹⁶ GC, *New Look v. OHIM*, Joined Cases T-117/03 to T-119/03 and T-171/03.

¹⁷ Paragraph 21 of written submissions in lieu of a hearing.

possible, that it is really likely in the light of the fact that goods of the kind in question are predominantly selected by reference to visual or other criteria.”

68. Having pointed out at paragraph 43 that “a tribunal is justified in avoiding excessive speculation as to possible sources of confusion”, Mr Alexander said:

“44. It is also important to bear in mind that many situations in which there is some aural use are likely to be ones in which perception of the mark will not be exclusively aural and that there will also be visual appreciation of the marks from which the difference would be clearly apparent.

69. I am unpersuaded by the opponent’s submissions regarding either aural description of the devices in the parties’ marks or the scenario outlined above in paragraph 66 of this decision.

70. In *Grey Global Group (UK) Ltd v Roseonly Co. Ltd.*, Mr Iain Purvis QC, sitting as the Appointed Person, considered an opposition to the mark GREYBOX for advertising services, on the basis of an earlier mark, GREY, registered for identical services.¹⁸ Observing that the average consumer would understand the concept of GREYBOX as relating to a box which is grey, Mr Purvis rejected the opponent’s argument that the average consumer would see the word GREY as indicating a box belonging to a Mr or Ms Grey. The only obvious meaning of GREY in the contested mark was as a colour, not a surname. He said, at paragraph 31:

The word ‘Origin’ in Whyte & Mackay had the same linguistic meaning in both ‘Jura Origin’ and ‘Origin’. The word ‘BECKER’ had the same meaning (a surname) whether attached to the first name BARBARA or not. The issue being raised by Arnold J was a more subtle one, namely whether the earlier mark has lost its independent distinctive significant when subsumed into the ‘unit’ which is the composite mark. In such a case its meaning is ‘*qualified*’ by the unit as a whole. Here that is plainly the case. Rather than the abstract concept ‘GREY’ with its potential multiplicity of applications [colour, surname or meaning dull],

¹⁸ BL O/106/20

the word is now simply indicating a particular characteristic of something else – a BOX.”

71. The logic of this applies *a fortiori* to the present case. In the GREYBOX case, the earlier mark, GREY could be seen as a surname or a colour. In the present case, it is hard to make sense of the plural of a colour, BLACKS; it will be made sense of as a surname, or the possessive form thereof. This puts considerable distance between the parties’ marks and greatly reduces any risk of imperfect recollection. The device in the applicant’s mark also points away from the marks being mistaken for each other. The purchase will be primarily visual and the whole of the marks will be seen in the purchasing process. Even allowing for an aural aspect to the purchase, the MOUNTAIN component will not be overlooked. The applicant’s mark will not be directly confused with either of the opponent’s marks.

72. Direct confusion is one way in which a likelihood of confusion arises; the other is where the average consumer is ‘indirectly’ confused. This type of confusion was explained by Mr Purvis, sitting as the Appointed Person, in *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10:

“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).”

73. That the three categories in that case are non-exhaustive was confirmed by the Court of Appeal in *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others*.¹⁹ Arnold LJ said, of the explanation given about how indirect confusion arises in *LA Sugar*:

“12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition. For example, one category of indirect confusion which is not mentioned is where the sign complained of incorporates the trade mark (or a similar sign) in such a way as to lead consumers to believe that the goods or services have been co-branded and thus that there is an economic link between the proprietor of the sign and the proprietor of the trade mark (such as through merger, acquisition or licensing).”

¹⁹ [2021] EWCA Civ 1207

74. I find that the marks are unlikely to be indirectly confused. As pointed out by Mr James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Limited v Ashish Sutaria*, “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”, before observing that the differences between marks which are the reason why there is no likelihood of direct confusion might also be the reason why there is no indirect confusion.²⁰ In the present case, the different concepts or, at best, low degree of conceptual similarity, do not suggest a brand evolution, a sub-brand or co-branding. In *Duebros Limited v Heirler Cenovis GmbH*, Mr Mellor, sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element.²¹

75. The opponent submits that the device element in the application and earlier mark (ii) are both ‘mountain’ devices. I have already rejected the argument that the opponent’s device would be seen as a mountain. That disposes of one strand of the opponent’s submissions, that consumers would regard one device as an update of the other device. Even if consumers would see the opponent’s device as a mountain, it is an entirely different device and not an obvious brand development to the applicant’s device (or vice versa). In *Dirtybird Restaurants Ltd v. Salima Vellani*, Mr Hobbs, sitting as the Appointed Person, said:²²

“18. There is no rule or presumption to the effect that the concurrent use of a trade mark and one of its components for identical or similar goods or services will always or necessarily give rise to the perception that the goods or services concerned come from the same or economically linked undertakings. That might or might not be the case. In order to determine whether it is, the decision taker must give as much or as little significance to the visual, aural and conceptual differences and similarities between the marks in issue as the relevant average consumer would have attached to them at the relevant point in time (which in this case was July/August 2015). It is axiomatic that the relevant average consumer is to be regarded as reasonably well-informed and

²⁰ BL O/219/16

²¹ BL O/547/17

²² BL O/413/18

reasonably observant and circumspect. However, (s)he is not to be regarded as a person who normally engages in extended thought processes for the purpose of pairing and matching trade marks or actively considering how they might be developed or appropriated for use as siblings of other marks. Indirect confusion of the kind described by Mr Iain Purvis QC in paras. [16] and [17] of his decision in L.A. Sugar is a matter of instinctive reaction to precipitating factors rather than the result of detailed analysis, as emphasised by Mr James Mellor QC sitting as the Appointed Person in Duebros Ltd v Heirler Cenovis GmbH (BL O/547/17; 27 October 2017) at para. 81.”

76. For the average consumer to reach a conclusion that the undertakings responsible for the marks are linked, they would need to analyse the marks more than a reasonably observant and circumspect person would normally do and conclude instinctively that the presence of BLACK, although used entirely differently linguistically, is a brand extension, house brand, brand evolution or brand collaboration. This is inherently unlikely. There is no likelihood of confusion, either directly or indirectly, for either earlier mark.

77. As I have found that the section 5(2)(b) ground fails, there is no need to consider the applicant’s evidence about the use it has made of its mark.

Section 5(2)(b) outcome

78. The section 5(2)(b) ground of opposition fails.

Section 5(3) of the Act

79. 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.

(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.”

80. The relevant case law in relation to section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

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

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

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph

68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

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

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

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

81. For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier marks; a link between the marks (the earlier marks will be brought to mind on seeing the later mark); and one (or more) of the claimed types of damage (unfair advantage and/or detriment to distinctive character and/or detriment to the repute of the earlier mark). It is not necessary that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the relevant public will make a link between the marks.

82. The first condition of some degree of similarity between the marks is satisfied, as found earlier in this decision.

83. The next condition is reputation. Reliance upon this ground requires evidence of a reputation amongst a significant part of the relevant public, as stated in *General Motors*:

“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.”

84. Earlier in this decision, I found that earlier mark (ii) benefits from an enhanced degree of distinctive character. The use which had been made of earlier mark (ii) includes earlier mark (i) as part of the mark. I bear in mind that in *Société des Produits Nestlé SA v Mars UK Ltd*, Case C-353/03, the CJEU held that a mark may acquire a distinctive character as a result of it being used as part of, or in conjunction with, another mark. The CJEU stated in *Specsavers v Asda* Case C-252/12, at paragraph 23, that it is necessary that “the relevant class of persons actually perceive the product or service at issue as originating from a given undertaking.” BLACKS is the more dominant part of earlier mark (ii) which enjoys a substantial level of turnover and market share and it is a separate element in the mark. I find that the distinctive character of BLACKS has been enhanced through its use as part of earlier mark (ii), also to a high level. Earlier mark (ii) had a sufficient reputation in the UK at the relevant date for the pleaded services, which are those for which I found proof of genuine use. Earlier mark (i) relies on a wider range of retail services in class 35. The evidence that earlier mark (i) has a reputation, which is a knowledge threshold, for all the retail services in the specification is not compelling (for example, for cycling goods, skiing, snow-boarding and fishing goods).²³ However, it does not matter: (i) for the reasons given below; (ii) the applicant appears to accept that the opponent has a reputation “for being a retailer”; and, (iii) the opponent’s best case lies with retail services in relation to clothing, for which it does have a reputation.

85. As noted in the caselaw summary above, my assessment of whether the public will make the required mental ‘link’ between the earlier marks and the application must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

86. I found earlier that there is a low to medium degree of visual similarity, medium aural similarity, and no or only a low level of conceptual similarity.

²³ See the judgment of HH Judge Hacon in *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC 35 (IPEC) at paragraph 69: “(6) Reputation constitutes a knowledge threshold, to be assessed according to a combination of geographical and economic criteria.”

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

87. The applicant's goods and the opponent's services are similar to a medium degree and are aimed at the general public.

The strength of the earlier mark's reputation

88. The evidence shows that both earlier marks had a qualifying reputation in the UK for the most relevant of the pleaded services at the relevant date. I put the level of reputation at a high level.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

89. The earlier marks have a medium degree of inherent distinctive character, enhanced through use to a high level.

Whether there is a likelihood of confusion

90. There is no likelihood of confusion in relation to mark (ii), as found earlier in this decision. There is also no likelihood of confusion in relation to mark (i) for retail services, for essentially the same reasons: the differences between BLACKS and the application are too great, even where the distinctive character is enhanced.

91. Although a likelihood of confusion is not necessary to find that there is a link, I find that there will be no link.²⁴ The differences between the parties' marks are too great for the opponent's marks to be brought to mind when the applicant's mark is encountered. Even if I were to be wrong about that, any bringing to mind of the opponent's marks would be so fleeting in nature that no damage would follow. The section 5(3) ground fails.

²⁴ *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, CJEU

Section 5(3) outcome

92. The section 5(3) ground fails.

Overall outcome

93. The opposition fails. The application may proceed to registration.

Costs

94. The applicant has been successful and is entitled to a contribution towards its costs, based upon the published scale.²⁵ As the applicant is unrepresented, at the conclusion of the evidence rounds the tribunal invited it to indicate whether it intended to make a request for an award of costs and, if so, to complete a pro-forma indicating a breakdown of the applicant's actual costs, including providing accurate estimates of the number of hours spent on a range of given activities relating to the prosecution of the opposition. It was made clear to the applicant that if the pro-forma was not completed that "costs, other than official fees arising from the action...may not be awarded".²⁶

95. Since the applicant did not respond to that invitation within the timescale allowed (nor has any response been received from the applicant prior to the date of the issuing of this decision), and as the applicant has not incurred any official fees in defending this application, I make no order as to costs.

Dated this 6th day of July 2022

Judi Pike

For the Registrar

²⁵ Tribunal Practice Notice 2/2016.

²⁶ By way of a letter dated 25 March 2022.