

O/637/22

TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 3463867

BY NEXEN LIFT TRUCKS LIMITED

AND

OPPOSITION No. 420558

BY PUMA SE

Background and pleadings

1. This is an opposition by Puma SE (“the opponent”) to an application filed on 4th February 2020 (“the relevant date”) by Nexen Lift Trucks Limited (“the applicant”) to register **PUMA** as a trade mark in relation to:

Class 12: Fork lift trucks; pallet trucks; parts and fittings for the aforesaid goods

2. The opposition was filed on 25th June 2020. The opponent is the proprietor of the earlier registered trade marks shown below.

Trade mark	Filing/Registration dates	Goods
UK779443 Puma	04/07/1958 1960	Class 25: Articles of clothing, none being made of fur
UK874725 PUMA	25/01/1965 1966	Class 25: Shoes and parts thereof included in Class 25, all for use in sports and athletics
EU12579728 PUMA	06/02/2014 30/06/2014	Class 18: See Annex A (The specification covers a wide range of bags, cases, purses, wallets, belts, pouches as well as umbrellas, parasols and walking sticks) Class 25: Apparel, footwear, headgear

3. According to the opponent, the earlier marks have a reputation in the UK/EU. The opponent claims that PUMA is one of the world’s most recognised brands. The reputation began with sports clothing and retail, but now reaches wider from cosmetics to protective footwear. The earlier marks are said to be synonymous with quality, performance and celebrity. The application to register the contested mark covers goods which are likely to be used in relation to the opponent’s activities, namely manufacturing, distribution and protective footwear. Consumers will associate the

contested mark with the earlier mark. This link will endow the applicant's goods with the qualities associated with the earlier marks. The user of the contested mark will thus gain an unfair advantage.

4. The opponent further claims that use of the contested mark will be out of its control and that if it is used in relation to poor quality goods, this will cause detriment to the valuable reputation of the earlier marks.

5. The opponent also claims that use of the later mark will dilute the distinctive character by damaging its uniqueness and impairing the ability of the earlier marks to distinguish the goods for which they are registered.

6. The opponent denies the applicant has due cause to use the contested mark. Consequently, the opponent claims that registration of the contested mark would be contrary to section 5(3) of the Trade Marks Act 1994 ("the Act"), which at the relevant date was as follows:

"(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."



Clothing, footwear, headgear, sportsware (sic), leather goods, bags and accessories, manufacturing, transport, distribution, logistics, protective footwear and glasses.

8. According to the opponent, use of the contested mark would constitute a misrepresentation to the public that the goods sold under it are connected with the opponent, which would damage the opponent's goodwill.

9. The opponent therefore claims that use of the contested mark would be contrary to section 5(4)(a) of the Act, which at the relevant date was as follows:

10. Sections 5(4)(a) and 5(4A) state:

“(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) [...]

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.

(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

11. The applicant filed a counterstatement denying the claims made. I note, in particular that:

- (i) The opponent was put to proof of the use and reputation of the earlier registered trade marks;
- (ii) The applicant contended that the goods for which the earlier marks are registered in classes 18 and 25 are “*totally distinct*” from the goods in class 14 covered by the application;
- (iii) The opponent was put to proof of the goodwill claimed to exist under the unregistered marks;

- (iv) The applicant denied that use of the contested mark would constitute a misrepresentation to the public or damage the opponent's business;
- (v) The applicant claimed that the contested mark had been used in trade in relation to fork lift trucks for many years before the applicant bought the Taiwanese fork truck manufacturer L.S.Yang in 2009, since when the mark has been used, including in the UK, without any confusion with the opponent;
- (vi) The applicant claims that other third party PUMA marks co-exist on the register and in use alongside the opponent's earlier marks, showing that other PUMA marks can peacefully co-exist with the opponent's marks.

12. Both sides seek an award of costs.

Representation

13. The applicant is represented by Sandersons. The opponent is represented by Appleyard Lees IP LLP.

14. Neither party requested a hearing. Consequently, this decision is based on the evidence on file and the written arguments of the parties.

The evidence

15. The opponent's evidence consists of two witness (with 41 exhibits in total) by Daniel Bailey, who is a Chartered Trade Mark Attorney and Solicitor at Appleyard Lees. Mr Bailey gives evidence he has obtained from his internet research about the use and reputation of the opponent's earlier marks, and the goodwill generated under them. He also provides some evidence about co-existence agreements that exist between the opponent and some of the third party users of PUMA identified by the applicant.

16. The applicant's evidence consists of a witness statement by James Sanderson with 8 exhibits. Mr Sanderson is also a Chartered Trade Mark Attorney. His evidence comes from his own internet research and from information given to him by the

applicant. Mr Sanderson gives such evidence about the use and registration of PUMA marks by other parties in relation to goods, such as fork lift trucks, cars and helicopters.

The section 5(3) ground of opposition

17. 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 Act relied upon in these proceedings are retained law from an EU Directive. That is why this decision continues to refer to EU trade mark law.

18. 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*, Case C383/12P, *Environmental Manufacturing LLP v OHIM* and Case C-125/14, *Iron & Smith kft v Unilever NV*. 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) For the purposes of establishing injury to the earlier mark, the relevant public is composed of consumers or potential customers for the parties goods/services in the territory where registration is sought; *Iron & Smith*.

(g) 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*.

(h) 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*.

(i) 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*.

(j) 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*).

19. The opponent's earlier trade marks had been registered for more than 5 years at the date the application to register the contested mark was filed. Consequently, by virtue of section 6A of the Act, the opponent is only entitled to rely on those marks for the purposes of this opposition to the extent that it has shown the marks were put to genuine use during the five year period ending on the relevant date. In the case of the earlier UK marks ('443 and '725), this means genuine use in the UK. In the case of the earlier EU mark ('728), this means genuine use in the EU. This is a necessary, but not sufficient condition for the opponent to be able to pursue its section 5(3) case. This is because the opponent must also show that the earlier marks had a reputation in the UK or EU (in the case of the earlier EU mark) at the relevant date in relation to the goods in classes 18 and 25 that it relies on. It is difficult to imagine circumstances in which a mark which has not been put to genuine use for the previous 5 years will nevertheless have a qualifying reputation. Therefore, I will start by assessing whether the earlier marks had a qualifying reputation at the relevant date. If, or to the extent that, they did, I will then confirm they had been put to genuine use during the relevant 5 year period. If, or to the extent that, the earlier marks have not been shown to have had a qualifying reputation at the relevant date, there will be no point in examining whether genuine use was made of the mark(s).

Reputation

20. Mr Bailey is a Trade Mark Attorney. His evidence about the use and reputation of the earlier marks appears to be based on his own research. Consequently, there is no direct evidence from the opponent itself, or from anyone else with first-hand knowledge of the facts identified in Mr Bailey's research. Hearsay evidence is admissible under the Civil Evidence Act 1995. However, the weight that can be attached to it depends on the matters set out in section 4 of that Act. One of these is whether it would have been reasonably practical for someone with first-hand knowledge of the facts to have

given evidence. The opponent has not explained why this did not happen. I will take this into account in deciding how much weight can be placed on Mr Bailey's evidence. Where the documents in evidence speak for themselves, I will give them appropriate weight. However, where there are gaps in the documentary evidence, or I have doubts about its probative value, I will be cautious about relying simply on Mr Bailey's hearsay narrative evidence.

21. I will also bear in mind that section 100 of the Act states that where 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. This means that the evidential burden is on the opponent to substantiate its claims as to the extent of the use made of the earlier marks.

22. Based on information taken from the opponent's website and Wikipedia entry, Mr Bailey says that the opponent is a German-based multinational company which has used the PUMA mark in relation to footwear since 1948, and in relation to clothing and headgear since 1950. The PUMA and leaping cat device shown in paragraph 7 above has been used since 1974.

23. Exhibits DB9 -13 to Mr Bailey's statement appear to consist of copies of historical webpages obtained from an internet archive site. They show use of the earlier marks between 2015 and 2021 (but mostly prior to the relevant date) in relation to sports footwear, sports clothes and headgear, sports equipment, such as cricket pads/bats, footballs, sports bags, golf belts and glasses. The PUMA brand is also claimed to have been used in relation to protective footwear and workwear. Exhibit DB26 shows that shoes and boots resembling training shoes were marketed by UK retailers between 2017 to 2019 under the earlier trade marks. The goods were marketed as safety footwear. I note the goods were priced in pounds sterling.

24. Mr Bailey cites exhibit DB27 as showing use of the earlier marks in relation to other goods, including workwear. I have been through that exhibit. There are no examples of PUMA workwear. The source of Mr Bailey's evidence about this matter is therefore unclear. Consequently, I attach no weight to this part of his evidence.

25. According to Mr Bailey, the opponent's consolidated income as shown in the annual consolidated accounts for 2018 and 2019 records sales in "*Europe*" of over €1 Billion per annum. Mr Bailey can, of course, give no evidence as to the proportion of this income which was generated in the UK or EU (although it is safe to assume that a good proportion of the sales in Europe were to EU countries), or which goods account for these sales, or whether all the sales were made under the PUMA marks (although there is nothing to suggest the opponent trades under other marks).

26. Exhibit DB14 to Mr Bailey's statement consists of a copy of a report he found on the internet published in 2021 by an undertaking called Statista Research Department. According to this report, 24004 respondents in the UK aged over 15 took part in computer-assisted web interviews between 2013 and 2020. Extrapolating their answers, the report's authors conclude that between 1.28m and 1.98m people in the UK "*used*" PUMA sports shoes/trainers in each of these years, between 1.1m and 1.7m people "*used*" PUMA sports clothing, and between 235k and 415k people "*used*" PUMA sports accessories (whatever that means). I note the report defines "*used*" as meaning 'bought in the previous 12 months'. It is not clear how accurate these figures are. However, at the least, they suggest a lot of people in the UK bought PUMA sports shoes/trainers and sports clothing between 2013 - 2020.

27. Exhibit DB15 consists of pages downloaded from the YouGov website in October 2021. According to these pages, PUMA was the 11th most "*popular*" fashion and clothing brand in the UK with 55% approval and a "*fame*" rating of 96%. It is not entirely clear what the latter figure means, but it seems likely to relate to the proportion of people who knew of PUMA as a fashion and clothing brand.

28. Mr Bailey also provides a report from Statista.com purporting to show the opponent's worldwide marketing expenditure between 2013 – 2020.¹ The annual figures are huge (€540m to €1.1 Billion), but it is not clear how these figures were derived, or the proportion of this expenditure that relates to the UK or EU. Examples of pictures used in unspecified advertising campaigns run between 2015 and 2017 are

¹ See exhibit DB24

in evidence. They show use of the earlier marks in relation to sports shoes and sports clothing.²

29. According to Mr Bailey, the opponent's social media channels have millions of (worldwide) followers and 'likes' on Instagram and Facebook.

30. Mr Bailey says that the opponent sponsors a number of high profile football teams, footballers, athletes and other sports teams/people. The list he provides also includes some artists, including Rihanna, Paolo Nutini and Jay-Z.³ Pictures showing the nature of the collaboration with Rihanna are included as exhibit DB20. These appear to come from the asos.com website and date from 2016. They show the artist wearing a range of sports/leisure clothing described as the 'Rihanna Fenty X Puma range.' The quality of the pages is not very good. I cannot tell whether the goods were marketed in the UK/EU (as opposed to (say) the USA).

31. The opponent's evidence of use and reputation leaves much to be desired. However, taken as a whole I am prepared to accept that the opponent has established that the earlier marks were known to a significant part of the UK and EU public concerned with:

Class 25: Sports footwear; clothing and headgear for sports and leisure use.

32. I find that the opponent has also established genuine use of the earlier marks in relation to these goods. It follows that UK779443 is entitled to protection under section 5(3) in relation to *articles of clothing for sports and leisure use, none being made of fur*, that UK874725 is similarly entitled to protection in relation to *shoes and parts thereof included in Class 25, all for use in sports and athletics*, and EU12579728 is also entitled to protection in relation to *apparel, footwear, headgear for sports and leisure use*.

33. I acknowledge that there is evidence of use of the earlier marks in relation to some of the other goods for which they are registered, particularly sports bags and belts. However, there is no reliable evidence as to the extent of the use and promotion of

² See exhibit DB25

³ See exhibit DB2, which is a list downloaded from the opponent's Wikipedia site and which appears to show the position in February 2020, and exhibit DB16, which is just a list.

the marks in relation these goods. Further, the independent evidence the opponent relies on to show the reputation of the marks says nothing about the reputation extending to these goods.

34. I note that protective footwear and protective clothing fall in class 9, not class 25. Accordingly, to the extent that the section 5(3) case was based on the reputation of the earlier marks for these goods it was bound to fail. This is because absent a specific pleading that the earlier marks have the status of 'well-known marks' for these goods,⁴ section 5(3) can only be invoked in relation to goods for which the earlier marks are registered.⁵

The Link

35. As I 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

36. The earlier UK trade marks are identical to the contested mark. The letters making up PUMA in EU12579728 are slightly stylised. However, this difference may go unnoticed by average consumers. Consequently, I will treat all three earlier marks as identical to the contested mark.

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

37. The clothing and footwear for which the opponent has shown the earlier marks to have a reputation are aimed at the general public and particularly associated with sports, leisure and fashion.

⁴ Per section 6(1)(c) of the Act

⁵ See *Tulliallan Burlington Ltd v EUIPO*, Case T-123/16 at paragraph 27 of the judgment

38. The fork lift and pallet trucks covered by the opposed application are powered machines used for transporting and loading goods in warehouses, factories and on/off lorries. Such goods are aimed at businesses who store and transport bulk goods.

39. In my view, there is no similarity whatsoever between the goods for which the earlier marks have a reputation and the goods covered by the application. This is because the goods for which the earlier marks have a reputation are entirely different in nature, purpose and method of use, to fork lift and pallet trucks. The respective goods are not in competition and they are not complementary in the sense described in the case law (or in any other way). The relevant public concerned with the respective goods is also, for the most part, very different. The most that can be said is that those responsible for selecting fork lift and pallet trucks for warehouses etc. are (when not at work) also members of the general public.

The strength of the earlier mark's reputation

40. Despite the difficulty with the opponent's evidence explained in paragraph 20 above, I am prepared to accept that the earlier marks have a high reputation in relation to *sports footwear; clothing and headgear for sports and leisure use*.

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

41. The word PUMA is not descriptive of the goods for which it has a qualifying reputation. However, it is not an invented or unusual word. Consequently, the earlier marks have an average or 'normal' degree of inherent distinctive character. The earlier marks appear to have been used in the UK for a significant period of time. I accept they have a strong reputation for the goods described in the previous paragraph. I also accept that they have become highly distinctive through use in relation to those goods.

Whether there is a likelihood of confusion

42. In my view, there is no likelihood of confusion on the part of the public. The goods are entirely different and have different markets. Further, the applicant's goods are likely to be selected by specialised consumers paying a high degree of attention during the selection process. In these circumstances, the distinctiveness of PUMA, although

high, is not so great that there is a risk that either the general public, or the specialised public concerned with the applicant's goods, may think that the parties using the marks at issue are economically connected.

Other factors

43. According to Mr Bailey:

25. The Puma brand extends beyond sport and clothing, often featured in conjunction with a range of alternative sectors, including manufacturing, logistics and distribution, fulfilment systems, aircraft, cargo bikes, bicycles and scooters, and specifically used in relation to varying goods, from workwear and protective footwear, to safety equipment and food and drink. Attached at Exhibit DB27 are examples of use of the Earlier Marks in relation to some of these goods and services.

26. Due to the size of Puma's business, it invests heavily in manufacturing, logistics and distribution. This investment has led to Puma operating the world's first intelligent warehouse, as detailed in Exhibit DB28. Images taken inside one of Puma's warehouses are attached at Exhibit DB29. These show use of the Puma brand on automated machinery, including forklift style trucks for carrying and picking inventory. In August 2019, Puma signed a 15 year lease for a newly built 24,000+ sqm warehouse in Yorkshire. Details of this announcement are in Exhibit DB30.

27. Brief details about logistics within Puma are enclosed at Exhibit DB31.

44. Exhibit DB28 consists of an online article dated 2017 from the website themanufacturer.com. The headline is that "*Multinational manufacturer of athletics and casual footwear, PUMA, has launched a pilot project to create what it describes as the world's first intelligent and decision-making warehouse.*" The article goes on to explain that a new intelligent warehouse robot dubbed 'TORU' was being tested at a PUMA warehouse in Germany. Pictures of the robots are shown. There is no visible branding on the robots. One of the pictures in exhibit DB29 taken inside "*one of Puma's warehouses*" shows robots bearing what may be a leaping cat device (but not the word PUMA). It is not clear where, or when, these pictures were taken, or by whom, or how Mr Bailey came across them. Exhibit DB30 shows that some limited publicity was given to the opening of PUMA's new UK warehouse in 2019.

45. Exhibit DB31 consists of an article from the website puma.com downloaded in 2021 (i.e. after the relevant date). It describes the opponent's logistics operation

through which it gets its goods to market. It includes a picture of robots used in one of its warehouses. I note that, unlike the robots shown in one of the pictures in exhibit DB29, the robots bear no branding.

46. The weakness of the evidence about PUMA using robots (included PUMA branded robots) in its warehouses does not matter. This is because it is clear that PUMA is not trading in warehouse robots. It is using them internally to store and transport its own stock of sports shoes etc. This is no more relevant than showing that the warehouses use computers, provides toilet facilities and have canteens. They are all irrelevant because they will not create a link in the mind of the public between on the one hand, sports footwear and clothing and, on the other hand, fork lift trucks.

47. Exhibit DB27 consists of copies of webpages showing that PUMA sold bikes and pushchairs in 2020/21. It appears from one of the pages that a PUMA bike was first launched in 2010. However, it is not clear where the goods were marketed (although I note that some of the prices are in Euros), or on what scale. Consequently, there is no evidence that the UK public already associate PUMA sports footwear and clothing with bicycles. Exhibit DB27 shows no use of PUMA in relation to any other goods.

48. I have already noted that exhibit DB26 shows some limited use of PUMA in relation to safety footwear apparently marketed in the UK between 2017 - 2019. However, the extent of such use is not established. I am not prepared to accept that a significant part of the UK public already associate PUMA with protective footwear on the basis of such flimsy evidence.

Conclusion on link

49. Taking all of the above into account, I find that no part of the UK public will make a link between the earlier marks with their reputation for *sports footwear; clothing and headgear for sports and leisure use* in class 25, and the contested mark when used in relation to *fork lift trucks; pallet trucks; parts and fittings for the aforesaid goods* in class 12.

50. This means that the opponent's case of unfair advantage/detriment is bound to fail. However, in case I am wrong about the public not making a link between the

marks, I will also briefly consider the other aspects of the opponent's section 5(3) case. In doing so I must necessarily assume, contrary to my primary finding, that a part of the UK public will make a link between the marks.

Unfair advantage

51. The opponent claims that the earlier marks are synonymous with "*quality, performance and celebrity*" and that a link will result in these qualities transferring to the goods sold under the contested mark. This echoes the case-law set out above which indicates that an unfair advantage is liable to arise, in particular, where as a result of the "*transfer of the image of the [earlier] mark or of the characteristics which it projects to the goods identified by the [contested mark], there is clear exploitation on the coat-tails of the mark with a reputation.*"

52. According to the applicant's representative, the contested mark was registered in 1986 by Grant Handling Limited, which distributed fork lift trucks made in Taiwan by L.S. Yang Co. Ltd. Mr Sanderson submits that:

- (i) These goods were sold in the UK for many years without any confusion or conflict;
- (ii) The applicant acquired title to the assets of L.S. Yang Co. Ltd in 2011;
- (iii) The original registration of the mark was allowed to lapse in 2017 because the applicant was not aware it existed;
- (iv) The established co-existence of the marks shows there will be no unfair advantage to the applicant, but there would be no unfair advantage even without taking that into account.

53. Mr Sanderson's evidence shows that:

- (i) Second hand Puma Yang fork lift trucks were being offered for sale in the UK in 2021/22;
- (ii) Insofar as it is possible to make out from the evidence when these were manufactured, it appears to have been in the late 1990s;

(iii) PUMA was registered in 1986 as a trade mark for fork lift trucks in the name of Grant Handling Ltd; the registration expired in 2017 through non-renewal.

54. There is no evidence as to the extent or length of the use of PUMA in the UK in relation to fork lift trucks by Grant Handling Ltd or L.S. Yang Co. Ltd. Mr Sanderson does not explain the basis on which he gives evidence that such use caused no confusion or conflict with the earlier marks, other than to say that his evidence includes information given to him by the applicant. This is hearsay evidence (probably multiple hearsay). The applicant has not filed any evidence supporting its claim to have acquired title to the assets of L.S. Yang Co. Ltd, or explained how this included a trade mark registered in the name of Grant Handling Ltd. I note that the applicant does not even appear to have been aware of the previous registration of this mark. In these circumstances, I cannot attach any weight to Mr Sanderson's evidence that some unidentified person in the applicant's business has told him that use of the previously registered mark by one or other of the above-named entities, over whatever period of time they used it, caused no confusion or conflict with the opponent's marks.

55. However, I accept the applicant's submission that the opponent's case of unfair advantage fails, even without evidence of peaceful co-existence. This is because even if I were to accept that the opponent's claim that the earlier marks are known for "*quality, performance and celebrity,*" this would be in the context of *sports footwear; clothing and headgear for sports and leisure use*. It does not seem at all likely that such characteristics are liable to transfer to PUMA fork lift and pallet trucks. I doubt many consumers or potential consumers for fork lift and pallet trucks (who are the relevant public for the purpose of assessing unfair advantage) would be influenced by the image of celebrity associated with the opponent's sports footwear and clothing, or by the performance of those goods. After all, fork lift and pallet trucks are valued because of their ability to transfer loads between places that would too heavy for humans to lift and/or awkward for them to reach. They are not goods associated with speed and style. Similarly, although I do not doubt that the opponent's marks have a reputation for good quality sports footwear and clothing, I do not see how this image would transfer to a mark used for fork lift and pallet trucks. This is because these goods depend on entirely different materials, methods of construction, and are used for very different purposes. No other basis has been established for the opponent's claim of

unfair advantage. Therefore, this part of the opponent's case would have failed, even if it had established the required 'link'.

Detriment to the reputation of the earlier marks

56. The opponent points out that registration of the contested mark in the applicant's name will mean that the use of that mark will be outside the opponent's control. If the contested mark were to be used in relation to poor quality goods, this could tarnish the reputation of the earlier marks.

57. In *Unite The Union v The Unite Group Plc*,⁶ Ms Anna Carboni as the Appointed Person considered whether a link between an earlier mark with a reputation and a later mark with the capacity to create a negative association because of the potential relative inferiority of its goods/services, was sufficient to found an opposition under section 5(3) of the Act. After reviewing the authorities she said:

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

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant "context" in assessing the risk of detriment to repute of an earlier trade mark. But I would hesitate to decide an opposition on that basis without

⁶ Case BL O/219/13

having had confirmation from a higher tribunal that it would be correct to take such matters into account.”

58. This aspect of the opponent’s section 5(3) case is purely speculative. Therefore, I would have rejected it, even if the opponent had established that the general public (who for this purpose are the consumers for the goods for which the earlier marks have a reputation) would make the required link with the contested mark.

Detriment to the distinctive character of the earlier marks

59. The opponent claims that registration and use of the contested mark will dilute the distinctive character of the earlier marks by damaging their uniqueness and impairing their ability to distinguish the goods for which they are registered.

60. The applicant claims that PUMA is not unique to the opponent as things currently stand. It says that use of the contested mark will make no difference to the distinctiveness of the earlier marks in relation to the goods for which they are entitled to protection. In this connection, the applicant has provided information showing that PUMA is registered by various other parties in class 12. I attach no weight to this. The mere registration of marks in the names of third parties does not establish those marks are present in the market and thus capable of affecting the public’s perception of the degree of distinctiveness of the opponent’s earlier trade marks. The applicant’s representative has also provided some limited evidence showing that:

- (i) PUMA has been used in the UK since 1997 in relation to motor cars;⁷
- (ii) PUMA has been used in Europe since 1978 in relation to military helicopters;⁸
- (ii) PUMA was in use in the UK in 2019 in relation to second hand tractors;⁹

⁷ See exhibit JS3

⁸ See exhibit JS4

⁹ See exhibit JS5

(iv) PUMA is used by the German and Italian armies in relation to a type of tank;¹⁰

(v) PUMA was in use in the UK in early 2022 (i.e. after the relevant date) in relation to electric wheelchairs.¹¹

61. In reply, Mr Bailey filed heavily redacted copies of co-existence agreements between the opponent and some of these parties. It is not necessary to go into them in any detail. They do not change the fact that the opponent is not the only user of PUMA as a trade mark. Admittedly, most of the goods listed above are in niche markets and/or used outside the UK. However, at least so far as motor cars are concerned, the general public is likely to be aware of at least one other user of PUMA.

62. In any event, it is now well established that in order to succeed in a case based on dilution, evidence is required showing 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. This can be based on logical deductions and probabilities, but not speculation.¹² I can see no logical basis for finding that consumers of the sports footwear and clothing marketed under the earlier marks would be any less likely to select those goods if they found out about the simultaneous use of PUMA by another party in relation to fork lift and pallet trucks. In my view, the opponent's dilution complaint is entirely speculative and theoretical. I would have rejected it even if the opponent had convinced me that the general public would make a mental link between its marks and the contested mark.

63. I therefore reject the ground of opposition based on section 5(3) of the Act.

¹⁰ See exhibit JS6

¹¹ See exhibit JS7

¹² See paragraphs 42 and 43 of the judgment of the CJEU in *Environmental Manufacturing LLP v OHIM*, Case C-383/12P

The section 5(4)(a) ground of opposition

64. In *Discount Outlet v Feel Good UK*,¹³ 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).”

Relevant date

65. The applicant has not filed any evidence supporting its claim to be the successor in title to the assets of L.S. Yang Co. Ltd, or explained how this included the PUMA trade mark said to have been used by Grant Handling Ltd. Consequently, there is no basis on which the applicant can say that its use of PUMA commenced prior to the date of the opposed trade mark application, i.e. 4th February 2020. Therefore, the matter must be assessed at this date.

Goodwill



¹³ [2017] EWHC 1400 IPEC

Clothing, footwear, headgear, sportswear, leather goods, bags and accessories, manufacturing, transport, distribution, logistics, protective footwear and glasses.

67. I have already found that **PUMA** has a reputation in the UK in relation to *sports footwear; clothing and headgear for sports and leisure use*. Additionally, I found the mark had been used in the in relation to *sports bags and belts, safety footwear and glasses*. I also found that the earlier marks were not known to a significant part of the relevant public in relation to some of these goods. Nevertheless, I am satisfied that the opponent was likely to have had a more-than-trivial number of UK customers for all the aforementioned goods at the relevant date.

68. There is no evidence that the opponent's goodwill extends to any of other goods listed in the pleading. For example, there is no evidence of use of the signs in relation to *leather goods* (other than sports bags and belts). Further, the opponent's evidence does not establish that it had customers at the relevant date for *manufacturing, transport, distribution, logistics* services. Consequently, the opponent's goodwill does not extend to these services either. I therefore find that the opponent had acquired goodwill at the relevant date in relation to:

Sports footwear; clothing and headgear for sports and leisure use; sports bags and belts, safety footwear and glasses.

Misrepresentation

69. The parties' marks are identical (or effectively so). However, their commercial fields of activity appear to be far apart. In *Harrods Limited v Harrodian School Limited*,¹⁴ Millet L.J. noted that there is no requirement in passing-off law for the defendant to be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. However, he continued that:

¹⁴ [1996] RPC 697 (CA)

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the Lego case Falconer J. likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In Stringfellow v. McCain Foods (G.B.) Ltd. [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on

plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

70. In the same case Stephenson L.J. said:

“...in a case such as the present the burden of satisfying Lord Diplock's requirements in the Advocaat case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the Advocaat case, be substantial.”

71. The customers for the goods marketed under the opponent's signs are, for the most part, likely to be general public. By contrast, the customers and potential customers for the goods covered by the application are businesses running warehouses and transport businesses. The only slight overlaps between the respective groups of consumers and fields of commercial activity are that (a) when not at work, those responsible for buying fork lift and pallet trucks for businesses may also be consumers for sports footwear and clothing, and (b) both fork lift/pallet trucks and safety footwear may sometimes be purchased by warehouse and transport businesses. Even this does not represent a complete overlap of customers/potential customers because safety footwear may also be purchased directly by workers in such businesses, who are most unlikely to also be potential customers for fork lift and pallet trucks.

72. Further, although I am prepared to accept that the opponent's goodwill extends to safety footwear, this appears to be a very small part of the opponent's goodwill, which is primarily comprised of its trade in sports footwear and sports clothing. In my view, this is relevant to the likely of misrepresentation. It is one thing for a business trading

primarily in sports footwear to diversify into safety footwear, quite another for such a business to be perceived as having further diversified into fork lift and pallet trucks. This is because the materials, expertise, manufacturing, and marketing skills that are used to make and sell footwear are very different to those required to make and sell fork lift and pallet trucks.

73. I have no doubt that in nearly all circumstances unrelated undertakings could use the same mark in respect of both types of goods without anyone being deceived into believing that the parties are connected. In the well-known *Lego* case¹⁵ Falconer J. granted an injunction against the defendant, which was a company selling irrigation equipment, including garden sprays and sprinklers constructed wholly or substantially of coloured plastic material. It used the same mark as the plaintiff - LEGO. However, LEGO was an invented word with a strong reputation for plastic construction kits. It was therefore a mark with the highest level of distinctiveness. Further, there was at least a scintilla of apparent similarity between the goods in that both products were made from brightly coloured plastic material. PUMA is not as inherently distinctive as an invented word, like LEGO, and it is not a unique mark on the UK market. Further, there is no apparent similarity whatsoever between footwear (or any of the other goods covered by the opponent's goodwill) and fork lift and pallet trucks.

74. I therefore find that use of the contested mark by the applicant will not result in "a *substantial number*" of the opponent's customers or potential customers being deceived into believing that the parties are connected. Consequently, use of the contested mark will not amount to a misrepresentation to the public.

75. Further, even if I am wrong about that, I would have rejected the opponent's case because it has not shown a likelihood of any real damage to its goodwill. The opponent relies on the likelihood of (a) damage to its reputation under PUMA, if the applicant's goods were perceived as being of relatively poorer quality than its goods, and (b) injury through dilution of its goodwill.

76. However, even if there was a small amount of confusion as to whether the parties were connected, damage to the opponent's goodwill cannot simply be inferred. This

¹⁵ 1983 FSR 155

is because (a) there is a substantial distance between the opponent's primary field of commercial activity and the trade in fork lift/pallet trucks, and (b) the types of goods marketed under their marks are very different. In these circumstances, it is hard to imagine many people being put off from buying (say) PUMA footwear because they have heard that PUMA fork lifts are poor quality, even if they think the opponent may be connected with both products. Similarly, it is hard to imagine PUMA becoming less distinctive of the opponent's goods because it is also known as a trade mark for fork lift trucks. This is not to say that use of PUMA in relation to fork lift and pallet trucks is incapable of damaging the opponent's goodwill. Rather, it is for the opponent to tender evidence showing that there is likelihood of more-than-minimal damage to its goodwill. It has not done so.

77. The opponent's section 5(4)(a) case therefore fails because the opponent has not established that use of the contested mark would constitute a misrepresentation to the public and/or that use of that mark would cause any real damage to its goodwill.

Overall outcome

78. The opposition fails. The contested mark will therefore be registered for the goods covered by the application.

Costs

79. The applicant has been successful and is entitled to a contribution towards its costs. I assess these as follows:

£400 for considering the Notice of Opposition and filing a counterstatement;

£1400 for considering the opponent's evidence and filing evidence in response;

£400 for filing written submissions in lieu of a hearing.

80. I therefore order PUMA SE to pay Nexen Lift Trucks Limited the sum of £2200. This sum must 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 (subject to any order of the appellate tribunal).

Dated 27th July 2022

Allan James

For the Registrar

Annex A

Class 18: Leather and imitations of leather, and goods made of these materials, namely briefcases, bags, bags for clothing, holdalls, weekend bags, multipurpose bags, all-purpose athletic bags, all-purpose sports bags, work bags, attaché cases, shopping bags, two-wheeled shopping bags, souvenir bags, bags (envelopes, pouches), for packaging, tote bags, handbags, small clutch purses, sling bags, Gladstone bags, ladies' handbags, gentlemen's handbags, bags for men, hip bags, evening handbags, evening bags, beach bags, bags for sports, courier bags, changing bags, tool bags, bags for campers, belt bags and hip bags, pouches, gym bags, shoe bags, satchels, school book bags, school bags, shoulder belts and straps, shoulder bags, haversacks, camping bags, boston bags, casual bags, sling bags for carrying infants, diplomatic bags, document cases, folders, document wallets, boxes, luggage, travel luggage, trunks for travel purposes, baggage, flight bags, trunks and travelling bags, travel bags, flight bags, wheeled shopping bags, travelling handbags, vanity cases, not fitted, garment carriers, suit carriers, travel garment covers, duffel bags, rucksacks, bags for climbers, bags for campers, nappy bags; Bags and pouches, included in class 18, and small goods of leather, namely luggage tags, Luggage label holders, Bags for men, Baggage, Coin purses, Coin purses, Pocket wallets, Wallets, Coin purses, Card holders, Card holders, Briefcases, Credit-card holders, Credit-card holders, Credit-card holders, Business card cases, Driving licence cases, Key bags, Key bags, Fanny packs, Clutch bags, Small pouches, Toiletry bags, Cosmetic purses, Cosmetic purses, Make-up bags, Cosmetic purses, Cosmetic purses, Cosmetic purses, Tie cases, Laces; Wallets, pocket wallets, key cases, handbags, briefcases, shopping bags, satchels, carrier bags, travelling bags, sports bags, included in class 18, duffel bags, rucksacks, school bags, belt bags, toiletry bags, trunks and travelling bags; Umbrellas, parasols and walking stick.

Class 25: Apparel, footwear, headgear.