

O/679/22

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3559663**

**BY MARTELLOR PTY LTD**

**TO REGISTER:**



**AS A TRADE MARK IN CLASSES 24 & 25**

**AND**

**IN THE MATTER OF THE OPPOSITION THERETO**

**UNDER NO. 424082 BY**

**THE ERGO BABY CARRIER, INC.**

## BACKGROUND AND PLEADINGS

1. Martellor Pty Ltd (“the applicant”) applied to register the mark shown on the front cover of this decision as a trade mark in the United Kingdom on 24 November 2020. The application was accepted and published on 22 January 2021 in respect of the following goods:

### Class 24

*Diaper changing cloths for babies; Table linen; Bath linen; Bed linen; Sleeping bags; Sleeping bags for babies; Quilt bedding mats; Quilted blankets [bedding]; Cot sheets; Cot blankets; Cot covers.*

### Class 25

*Clothing for babies; Maternity sleepwear; Sleepwear.*

2. On 19 February 2021, the application was opposed by The Ergo Baby Carrier, Inc. (“the opponent”). The opposition is based on sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns all the goods in the application.

3. Under section 5(2)(b), the opponent is relying on EU Trade Mark (“EUTM”) No. 6047261, **ERGObaby**, which was applied for on 21 June 2007 and registered on 15 April 2008 for goods in Classes 18, 25 and 28.<sup>1</sup> The goods the opponent relies on in these proceedings are the following:

### Class 18

*Carriers, carriers worn on the body and related products, namely straps, infant inserts, waist expanders, waist pouches, bags, tote bags, back sacks, travel bags.*

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<sup>1</sup> 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, SI 2019 No. 269, Schedule 5. Further information is provided in Tribunal Practice Notice 2/2020.

Class 25

*Clothing, footwear, headgear.*

4. The opponent claims that both marks contain the dominant element ERGO, which is separated from the descriptive word (“pouch”, “baby”) with which it has been joined by the way upper and lower case letters have been used. It further claims that the applicant’s Class 25 goods are identical to its Class 25 goods and that the applicant’s Class 24 goods are similar to the goods covered by the earlier mark. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

5. Under section 5(4)(a) the opponent claims to have used the sign **ERGO BABY** throughout the UK since 1 January 2007 for the following goods: *Baby strollers and accessories for baby strollers, babies clothing, headwear and footwear, baby carriers worn on the body.* The opponent claims to have acquired a substantial reputation and goodwill through the UK in this sign in relation to the aforementioned goods, and that the use of the contested mark would be a misrepresentation likely to cause confusion among the opponent’s customers and potential customers such that damage is likely to result.

6. The applicant filed a defence and counterstatement denying the claims made and putting the opponent to proof of use of the earlier mark.

**EVIDENCE**

7. Only the opponent filed evidence. This comes from Petty T. Rader, Chief Growth Officer of The Ergo Baby Carrier, Inc. Ms Rader’s witness statement is dated 15 September 2021 and goes to the use that has been made of the mark. I shall refer to her evidence where appropriate during the course of my decision.

8. Neither party requested a hearing or filed submissions.

## **REPRESENTATION**

9. In these proceedings the opponent is represented by Keltie LLP and the applicant by Regimark SIA.

## **DECISION**

### **Section 5(2)(b)**

#### ***Legislation***

10. Section 5(2) of the Act is as follows:

“A trade mark shall not be registered if because –

...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

11. An “earlier trade mark” is defined in section 6(1) of the Act as:

“(a) a registered trade mark, international trade mark (UK), a European Union trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) a European Union trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or

international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired,

(ba) a registered trade mark or international trade mark (UK) which –

(i) has been converted from a European Union trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.”

12. The registration upon which the opponent relies qualifies as an earlier trade mark under the above provision. The opponent is relying upon all the goods for which this earlier mark is registered. As the mark was registered more than five years before the date on which the application for the contested mark was made, it is subject to the use provisions in section 6A of the Act:

“(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 Union.

(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.”

13. Section 100 of the Act is also relevant and reads as follows:

“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.”

### ***Proof of Use***

14. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“114. *The law with respect to genuine use.* 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 *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 Bundersvereinigung 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 Marken 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 *Reber Holding & Co KG v Office for Harmonisation in the Internal*

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

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

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

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

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

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



[20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

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

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

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

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

15. 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, although the UK has left the EU.

16. As the earlier mark is an EUTM, the relevant territory for my assessment is the EU. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union (“CJEU”) noted that:

“36. It should, however, be observed that ... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.

...

50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national mark.

...

55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)."

17. Ms Rader states that, because the proceedings relate to the UK, that is the geographical focus of the evidence.<sup>2</sup> In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited* [2016] EWHC 52, Arnold J (as he then was) reviewed the case law since *Leno* and concluded as follows:

"228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant's

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<sup>2</sup> Paragraph 3.

challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument is not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that 'genuine use in the Community will in general require use in more than one Member State' but 'an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State'. On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

18. The General Court ("GC") restated its interpretation of *Leno* in *TVR Automotive Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-398/13, paragraph 57. This case concerned national (rather than local) use of what was then known as a Community Trade Mark (now an EUTM). Consequently, in

trade mark opposition and cancellation proceedings the Registrar continues to entertain the possibility that use of an EUTM in an area of the EU corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods being limited to that area of the EU. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods at issue in the EU during the relevant five-year period. In making this assessment, I am required to consider all relevant factors, including:

- The scale and frequency of the use shown;
- The nature of the use shown;
- The goods and services for which use has been shown;
- The nature of those goods and services and the market(s) for them; and
- The geographical extent of the use shown.

19. The relevant period during which use must be shown is the five years ending with the date of application for the contested mark: 25 November 2015 to 24 November 2020.

20. Ms Rader states that that opponent was founded in the US in 2002, began trading in the EU and UK in 2007, and has traded continuously throughout the UK ever since. Annual turnover for the UK is shown in the table below:<sup>3</sup>

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<sup>3</sup> Paragraph 11.

<b>Year</b>	<b>Baby Carriers</b>	<b>Sleepwear (sleeping bags, swaddlers, sleep rompers)</b>
2021	US\$4,399,299 (£3,211,755)	US\$52,770 (£38,525)
2020	US\$4,846,551 (£3,537,931)	US\$108,767 (£79,400)
2019	US\$ 3,994,763 (£2,916,195)	US\$ 77,020 (£56,217)
2018	US\$3,949,107 (£2,882,491)	US\$63,983 (£46,701)
2017	US\$3,573,691 (£2,608,181)	US\$85,679 (£62,530)
2016 (from 1 March-31 December)	US\$1,541,146 (£1,124,507)	US\$16,457 (£12,007)

21. The goods were sold through the opponent's own website. The evidence contains screenshots from the UK, German, Spanish, French, Italian, Austrian, Dutch, Swedish, Irish, Belgian and EU versions of the website, although I note that these are undated.<sup>4</sup> They could also be purchased from Amazon, John Lewis, Mamas and Papas, JoJo Maman Bébé, and a variety of UK and Irish baby product online retailers.<sup>5</sup> Again, the screenshots from these websites are undated. The goods shown for sale are baby carriers, accessories such as carrier inserts and rain covers, teething and drool pads, nursing pillows and covers, sleeping bags, strollers and support bars for strollers, carry bags for use with strollers, changing bags, and sleep onesies.

22. A selection of five sample invoices in Exhibit PTR 7 shows sales of baby carriers to customers in the UK.

23. The table below contains figures for marketing expenditure within the UK.<sup>6</sup> Ms Rader states that they cover all the goods relied upon.

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<sup>4</sup> Exhibit PTR 1.

<sup>5</sup> Exhibits PTR 4-PTR 6.

<sup>6</sup> Paragraph 13.

Year	Expenditure
2021	US\$204,522 (£170,435) to date
2020	US\$276,583 (£230,485)
2019	US\$294,352 (£245,293)
2018	US\$449,034 (£415,860)
2017	US\$314,609 (£262,174)
2016	US\$139,363 (£116,135)

24. Exhibit PTR 8 contains tables listing the publications, blogs and websites which have featured articles or advertisements for each of the years 2016 to 2020 along with a selection of them. At the start of the period, the focus is on blogs, websites and publications aimed at new parents, but by the end there are review articles in *The Sun* (3 June 2019), inews.co.uk (6 August 2019), *The Mirror* (30 December 2019), *Hello!* (21 January 2020) and Mail Online (18 February 2020). Most of the articles feature baby carriers, although there are some on the compact stroller. Ms Rader also states that the opponent works with influencers in the UK baby product sector, has given its products to certain celebrities and TV personalities, and has promoted its goods at trade shows every year since 2016.<sup>7</sup>

25. Finally, Exhibit PTR 11 contains an extract from a *Which?* article dated 3 August 2021 which refers to a survey conducted in 2018 which found that 5% of 951 parents owned one of the opponent's baby carriers. However, no further information on the scope of this survey, its geographical coverage, or the questions asked, is given. The baby carriers were also reviewed by *Which?* in July 2018. The article ends by informing the reader how to buy the carriers or contact the opponent and warns the consumer to "*Watch out for fake Ergobaby carriers. It being a popular brand, there's a higher risk of them being reproduced and sold illegally (usually online).*"<sup>8</sup>

#### *Variant use*

26. The mark that the opponent has used in connection with its goods is not identical to the mark as registered. I note that its presentation throughout the evidence is

<sup>7</sup> Exhibits PTR 9 and PTR 10 contain photographs taken at trade shows.

<sup>8</sup> Exhibit PTR 11, page 6.

consistent. It appears in the following format on the website and on the goods themselves:



27. In *Colloseum Holdings AG v Levi Strauss & Co*, Case C-12/12, the CJEU held that:

“32. ... the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

...

35. Nevertheless, ... a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1).”

28. The word “ergobaby” as used in the variant shown above would be perceived as indicating the origin of the product. The superscript letters “TM” would be seen by the consumer as a sign that the undertaking responsible for the goods is claiming some intellectual property rights over the mark, so they do not make any contribution to the distinctiveness of the mark.

29. The way the variant is written differs from the registered form: ergobaby and ERGObaby respectively. In *Groupement Des Cartes Bancaires v China Construction Bank Corporation*, BL O/281/14, Iain Purvis QC, sitting as the Appointed Person, stated:

“It is well established that a ‘word mark’ protects the word itself, not simply the word presented in the particular font or capitalisation which appears in the Register of Trade Marks. See for example *Present-Service Ullrich*



*GmbH & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-66/11 at [57]. A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or hand-writing as opposed to print) from that which appears in the Register while remaining ‘identical’ to the registered mark.”<sup>9</sup>

30. The registered mark consists of a word that has been coined by joining two other words. This is clear from the mark as registered, as the first word is in upper case, while the second is in lower case. In my view, the consumer will identify the two individual words in the all-lower case variant that has been used, given the descriptive nature of the second word “BABY” in the context of the goods for which I found this mark had been used. The changed capitalisation does not alter the distinctive character of the mark. I also find that the mark would be perceived as indicative of the origin of the goods when used with the device. Consequently, the mark shown in paragraph 26 above is an acceptable variant of the mark as registered.

*Has there been genuine use of this mark?*

31. Although I note that the evidence of use in the EU but outside the UK is very limited, I consider that the volume of sales achieved consistently through the relevant period and the marketing in specialist and generalist media are sufficient to show that the mark has been genuinely used within the EU in relation to baby carriers. I find that use has not been shown for the other goods relied on in Class 18.

32. The remaining goods for which I have sales figures are *Sleepwear (sleeping bags, swaddlers, sleep rompers)*. They are considerably lower and, while I acknowledge that even small levels may be genuine, I also bear in mind that I must consider all the relevant factors. The evidence I have shows goods answering to this description for sale via a range of online stores, but these print outs are, as I have already noted, undated.<sup>10</sup> While a number of articles and promotional pieces are listed in the tables in Exhibit PTR 8 for the years 2017-2020, I have not been given the full text of these

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<sup>9</sup> Paragraph 21.  
<sup>10</sup> Exhibit PTR 4.

articles and so cannot see the context in which they were mentioned or how the mark was used in connection with them. The following weblinks (which, in line with Registry practice, I have not accessed) suggest that the mark was used in the article:

- <http://mojomums.co.uk/review-of-ergobaby-sleeping-bag-swaddle-set>  
23 February 2017, Mojo Mums Blog (reach: 13,590);
- [http://www.nursery-today.co.uk/news/ergobaby\\_introduces\\_new\\_on\\_the\\_move\\_sleep\\_bag.aspx](http://www.nursery-today.co.uk/news/ergobaby_introduces_new_on_the_move_sleep_bag.aspx)  
8 February 2019, *Nursery Today* (circulation: 4,204; reach: 7,410)
- <http://mojomums.co.uk/win-an-ergobaby-on-the-move-sleep-bag/>  
28 April 2019, Mojo Mums (reach: 15,000)

33. I accept the evidence of sales figures and that, at the date of the witness statement, all the goods were offered for sale on the opponent's website and through online retailers. At this point, I make clear that I consider that the On the Move Sleep Bags could realistically be described as "sleep rompers". The following image from the opponent's website shows why I come to this conclusion:<sup>11</sup>



On the Move Sleep Bag

Convertible sleep bag - Use as sleep bag or convert into a romper for play time

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<sup>11</sup> Exhibit PTR 2, page 46.

34. I have difficulty in accepting that the term “sleep rompers” includes the Classic Sleep Bag. This is how the opponent describes the Classic Sleep Bag on its website:<sup>12</sup>

## Sleeping Bags

Adjustable sleep bag that keeps growing babies warm without loose blankets.

A well-fitting baby sleeping bag allows a baby to sleep at a comfortable temperature and safely. Especially in the first six months such a newborn baby grows enormously and the sleeping bag quickly fits no more. That is why the Ergobaby Baby Sleeping Bag is adjustable at the shoulders and simply grows with you. The practical two-way zip makes it especially easy to put your baby in or take them out of the sleeping bag, and changing nappies is also easy (even at night). A belt slit lets your baby sleep safely even in a car seat.

Our Ergobaby Sleeping Bags are made of soft, breathable cotton and allow your little one to sleep in a safe and comfortable position. They can be used from birth (from 47 cm) to about six months (68.6 cm) and can be washed in the washing machine at 40°C.

Depending on the room temperature, you can choose between light (TOG 0.5), medium (TOG 1.0) and thick (TOG 2.5) fabric weight and adjust your baby's clothes, which they carry under the sleeping bag, accordingly. You will find informative tables on this directly under the individual products.

35. What I take from this is that the sleeping bag is an alternative to bedding such as blankets, rather than to nightwear such as pyjamas. Sleeping bags are proper to Class 24 of the Nice Classification. This finding presents a further difficulty with the evidence. The sales figures in Ms Rader's witness statement combine revenue from sleeping bags in Class 24 and from swaddlers, which would be included in Class 25. It is impossible for me to say what proportion of sales were generated by Class 25 goods. In principle, this need not be fatal to the opponent's case, if there is sufficient other evidence to fill in the picture. However, beyond the dates and names of websites or publications in which articles were published, there is nothing that would enable me to make any reasonable inferences on the extent of use.

36. I find that genuine use has not been shown for the Class 25 goods on which the opponent relies.

### *Fair specification*

37. I will now turn to the specification of the earlier mark and consider the extent to which the opponent has shown that it has used the mark for the goods for which it is

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<sup>12</sup> Exhibit PTR 2, page 58.

registered. In doing so I take account of the guidance given by Carr J in *Property Renaissance t/a Titanic Spa v Stanley Dock Hotel Ltd t/a Titanic Hotel Liverpool & Ors* [2016] EWHC 3103 (Ch):

“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].

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.”<sup>13</sup>

38. *Carriers* and *Carriers worn on the body* are relatively broad terms in that they do not specify what people, animals or goods are being carried. It is my view that *Baby carriers* and *Baby carriers worn on the body* are subcategories of goods that are capable of being viewed independently. The carrier must be designed in a way that is comfortable for both baby and the adult carer and that avoids overheating. The average consumer would be looking for a carrier specifically intended for babies.

39. I find that a fair specification for the earlier mark is as follows:

*Class 18*

*Baby carriers; Baby carriers worn on the body.*

***Section 5(2)(b): the global assessment of likelihood of confusion***

40. In considering the opposition under this section, I am guided by the following principles, 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 BV* (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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

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<sup>13</sup> Paragraph 47.

b) the matter must be judged through the eyes of the average consumer of the goods or services in question. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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 greater 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; and

k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods**

41. It is settled case law that I must make my comparison of the goods on the basis of all relevant factors. These may include the nature of the goods and services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods are complementary when

“... there is a close connection between them in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking.”<sup>14</sup>

42. The goods to be compared are shown in the table below:

<b>Earlier goods</b>	<b>Contested goods</b>
<u>Class 18</u> <i>Baby carriers; Baby carriers worn on the body.</i>	
	<u>Class 24</u> <i>Diaper changing cloths for babies; Table linen; Bath linen; Bed linen; Sleeping bags; Sleeping bags for babies; Quilt bedding mats; Quilted blankets [bedding]; Cot sheets; Cot blankets; Cot covers.</i>

<sup>14</sup> *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

Earlier goods	Contested goods
	<u>Class 25</u> <i>Clothing for babies; Maternity sleepwear; Sleepwear.</i>

43. In *SEPARODE Trade Mark*, BL O-399-10, Geoffrey Hobbs QC, sitting as the Appointed Person, stated:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”<sup>15</sup>

#### *Class 24*

44. The applicant’s *Diaper changing cloths for babies* are pieces of fabric on which a baby can lie to have its diaper (or, in British English, nappy) changed. They may be used on a changing table. The users are the same as those of the opponent’s goods, i.e. parents and other people caring for infants. They are also likely to be sold in shops and on websites specialising in baby care products, and will be found in reasonably close proximity to each other in general and department stores. The use, method of use and physical nature are different and I do not consider that the goods are in competition or are complementary. There is, in my view, a low degree of similarity between *Diaper changing cloths for babies* and *Baby carriers*.

45. *Table linen* is different in physical nature, use, method of use and trade channels from the opponent’s goods. The goods are not in competition or complementary. There will be some shared users, but this is not sufficient for me to find that there is any similarity between the goods.

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<sup>15</sup> Paragraph 5.



46. The same reasoning applies in the case of *Bath linen, Bed linen, Sleeping bags, Quilt bedding mats* and *Quilted blankets*.

47. The applicant's *Sleeping bags for babies, Cot sheets, Cot blankets* and *Cot covers* are all goods that are purchased to create a comfortable and warm environment in which a baby can sleep. The purpose of the opponent's goods is to enable the parent or carer to "wear" a baby, allowing for easier mobility and, as is clear from the evidence, helping parents and babies bond. As with the *diaper changing cloths*, they will be sold through the same trade channels and to the same users. The method of use and nature are different and I do not consider that the goods are in competition or complementary. Overall, I find that they are similar to a low degree.

#### *Class 25*

48. The applicant's *Clothing for babies* and *Maternity sleepwear* are also likely to share some of the same trade channels as the opponent's goods and be purchased by some of the same consumers. However, the method of use is different, as is the physical nature of the goods and their purpose. The goods are not in competition, nor do I find them to be complementary. Taking all these factors into account, I find that *Clothing for babies* and *Maternity sleepwear* are similar to a low degree to *Baby carriers*.

49. Turning now to the applicant's *Sleepwear*, I find that the overlap in users and trade channels is likely to be small. My assessment of the remaining factors is the same as I have outlined in the previous paragraph. The overlaps are, in my view, not sufficient to find that *Sleepwear* is similar to *Baby carriers*.

50. If there is no similarity between the goods, there is no likelihood of confusion to be considered: see *eSure Insurance Limited v Direct Line Insurance Plc*, [2008] EWCA Civ 842 CA, paragraph 49. The opposition under section 5(2)(b) fails with respect to the following goods:

#### *Class 24*

*Table linen; Bath linen; Bed linen; Sleeping bags; Quilt bedding mats; Quilted blankets [bedding].*

Class 25

*Sleepwear.*

***Average consumer and the purchasing process***

51. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

“The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”<sup>16</sup>

52. The average consumer of the goods still in play is a parent of, or carer for, a baby. I have already touched on the environments in which the goods still in play would be sold. It is my view that in the case of all these goods, the purchasing decision will be influenced more by visual than aural cues, although I accept that the consumer may discuss their purchase with sales staff, particularly in the case of the baby carriers where they may wish to obtain advice on the different products.

53. The opponent’s goods would be purchased fairly infrequently and be of a higher price than the applicant’s goods. Consumers will, in my view, pay a fairly high degree of attention: they will want to reassure themselves that the baby would be safely held in any carrier and that it is comfortable for the adult to wear.

54. The applicant’s goods will generally be less expensive and certainly in the case of clothing purchased frequently. Nevertheless, I consider that the average consumer would pay a medium degree of attention. They will be alert to the appearance of the products, the softness or otherwise of any fabric, their size and price.

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<sup>16</sup> Paragraph 60.


## Comparison of marks

55. It is clear from *SABEL* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”<sup>17</sup>

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

57. The respective marks are shown below:

Earlier mark	Contested mark
ERGObaby	

58. The earlier mark consists of two words joined together: “ERGO” in upper case and “baby” in lower case. The opponent admits that “baby” is descriptive and claims that ERGO is the dominant element. ERGO is a Latin word meaning “therefore” and is occasionally used in this way in British English. However, I do not consider that this is

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<sup>17</sup> Paragraph 34.

something that would be known to the average consumer. The applicant claimed in its counterstatement that relevant consumers would understand ERGO to be a shortened form of the word “ergonomic”, meaning “*something comfortable and effective*”.<sup>18</sup> I accept that some consumers might take this view, but I consider that there will also be a significant number that believe ERGO to be an invented word. In both cases, in my view, it is in the juxtaposition of the word ERGO with a descriptive term that the overall impression of the mark lies.

59. The contested mark is a composite mark with verbal and figurative elements. The opponent’s pleadings focus solely on the word. The opponent claims that “ergo” is also the dominant element here and that “pouch” is descriptive. The applicant also only refers to the verbal element and argues that “*the marks differ significantly in their end part and the related meaning of the word elements ‘baby’ and ‘pouch’*”.<sup>19</sup> In my view, “pouch” may allude to at least some of the applicant’s goods, such as *Sleeping bags* and *Sleeping bags for babies*.

60. Neither party comments on the figurative element. This is a line drawing of a large-eared creature above a line with two indents, which, I believe, the average consumer will see as paws. One of the ears is bigger than the other. The eyes of the animal are represented by two lines, giving the impression that its eyes are closed. In my view, the average consumer will think that the figurative element depicts a young kangaroo in its mother’s pouch.

61. The device appears at the left-hand side of the mark and, for English speakers who read from left to right, this will be seen as the beginning of the mark. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02,<sup>20</sup> the GC noted that the beginnings of marks tend to have more visual and aural impacts than the ends, although I recognise that this is not a hard and fast rule. The eye will also be drawn to the verbal element of the mark as the average consumer more easily refers to marks by the word than by describing a figurative element: see *Wassen International Ltd v OHIM (SELENIUM-ACE)*, Case T-312/03, paragraph 37. In my view, the verbal element

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<sup>18</sup> Applicant’s counterstatement.

<sup>19</sup> Applicant’s counterstatement.

<sup>20</sup> Paragraphs 81-82.

consisting of two juxtaposed words and the figurative element make an equal contribution to the overall impression of the mark, and I consider that they have independent distinctive roles.

#### *Visual comparison*

62. The verbal elements begin with the same four letters. I note that they are in upper case in the earlier mark and lower case in the contested mark. I have already discussed the impact of the capitalisation on the earlier mark and found that use of the mark would include the four letters in lower case. In both marks, these four letters are conjoined to another word of four letters in the case of the earlier mark, and five in the case of the contested mark. I have already found that the figurative element makes a contribution to the contested mark that is equal to that made by the verbal element. I find that the marks are visually similar to a low degree.

#### *Aural comparison*

63. The earlier mark would be articulated as “UR-GO-BAY-BEE”. In the contested mark, only the verbal element will be spoken and this will be pronounced “UR-GO-POWCH”. The first two syllables are therefore identical. I find that the marks are aurally similar to a medium degree.

#### *Conceptual comparison*

64. For those consumers who understand “ERGO” as a shortened form of “ergonomic”, the earlier mark will cause the consumer to think of products that are designed to be comfortable and efficient either for a baby or a baby’s parent or carer. For the other group of consumers, ERGO will have no meaning and the only conceptual content of the mark will be that conveyed by the word “baby”, in other words, an infant.

65. I have also already found that the average consumer is likely to identify the figurative element of the contested mark as a young kangaroo. Both marks therefore share the concept of infants, albeit of different species. The “ergo” in the contested mark would be interpreted in the same way as in the earlier mark, either as a reference

to “ergonomic” or as an invented word. Some consumers will see the word “pouch” as referring to a small bag, while for others it will bring to mind the pocket of skin in which the baby of a marsupial, such as a kangaroo, grows and develops. Overall, I find that the marks have a medium degree of conceptual similarity to those consumers who ascribe a meaning to “ergo” and a low degree of conceptual similarity to those consumers who do not see “ergo” as having any meaning.

### ***Distinctive character of the earlier mark***

66. In *Lloyd Schuhfabrik Meyer*, the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered, the market share held by the mark, how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark, the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking, and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

67. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the

goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

68. I have already found that the “baby” element of the earlier mark is descriptive and that for some consumers the “ERGO” element alludes to a quality to be expected in the goods, namely that they are ergonomically designed. The overall impression of the mark lies in the juxtaposition of the two words and I find that for these consumers the inherent distinctiveness of the earlier mark is somewhere between low and medium. I also found that some consumers would believe “ERGO” to be an invented word. For them, the inherent distinctive character of the mark would be high.

69. The opponent has not pleaded that the inherent distinctiveness of the earlier mark has been enhanced through the use made of it. However, the case law quoted above makes clear that the distinctive character of the mark may come from the inherent distinctiveness of that mark, its use, or a combination of both. As the opponent has filed evidence, I will factor it into my assessment.

70. There is nothing to tell me the size of the market for baby carriers, but the picture given by the evidence suggests that these are not products that all parents would buy.<sup>21</sup> The opponent has achieved reasonable sales figures and, based on the prices shown in the evidence, appears to have been selling in the tens of thousands of baby carriers every year in the UK. I also take note of the marketing activity and coverage in parenting magazines and websites, the national press, and *Which?*. I find that the use made of the mark has increased the inherent distinctiveness of the mark to a level between medium and high for those who ascribe a meaning to the word “ERGO”. To those who consider it an invented word, the already high level of distinctive character would be further increased.

### ***Conclusions on likelihood of confusion***

71. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in

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<sup>21</sup> See, for example, Exhibit PTR 8, pages 5, 17, 30-31.

mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa. I keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

72. Earlier in my decision, I found that:

- there was a low degree of similarity between the opponent's goods and *Diaper changing cloths for babies; Sleeping bags for babies; Cot sheets; Cot blankets; Cot covers* in Class 24 and *Clothing for babies; Maternity sleepwear* in Class 25;
- the applicant's other goods were dissimilar to the opponent's goods;
- the purchasing process would largely be visual, although the marks may also be spoken when consulting sales staff;
- the average consumer would pay a fairly high degree of attention when purchasing the opponent's *Baby carriers; Baby carriers worn on the body* and a medium degree of attention when purchasing the applicant's goods;
- the overall impression of the earlier mark lies in the juxtaposition of ERGO with the descriptive word "baby";
- the overall impression of the contested mark lies equally in the figurative and verbal elements;
- the marks are visually similar to a low degree and aurally and conceptually similar to either a medium or low degree;
- the earlier mark has a low to medium degree of inherent distinctive character for those consumers who identify "ERGO" as referring to "ergonomic"; but this has been enhanced through use to a level between medium and high for those consumers; and
- the earlier mark has a high degree of inherent distinctive character for those consumers who believe the word "ERGO" to be invented, which has been further enhanced through use for those consumers.



73. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, explained that:

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

74. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"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."<sup>22</sup>

75. He also said:

"As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."<sup>23</sup>

76. As the contested mark is a composite mark, it is appropriate to take account of the CJEU's judgments in *Bimbo* and *Medion*. In *Whyte and Mackay Ltd v Origin Wine UK Ltd & Anor*, [2015] EWHC 1271 (Ch), Arnold J (as he then was) considered the law as follows:

"18. The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is

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<sup>22</sup> Paragraph 12.

<sup>23</sup> Paragraph 13.

identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19. The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks – visually, aurally and conceptually – as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20. The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meaning of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21. The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

77. First, I shall consider whether there is a likelihood of direct confusion, which, as the case law makes clear, requires the average consumer to mistake one mark for another. The medium or high level of distinctiveness of the earlier mark counts in the opponent’s favour, as the distinctiveness resides in the juxtaposition of ERGO with a descriptive or allusive word, and this pattern is reproduced in the verbal element of the

contested mark: see *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, paragraphs 38-39. However, the device, as I found, plays an equal role in the overall impression of the mark, so, in my view, the level of similarity between the marks is not great enough for this to occur, given that the level of similarity between the goods is low. I find that there is no likelihood of direct confusion.

78. I now address the likelihood of indirect confusion. I have already found that the verbal and figurative elements of the contested mark have independent distinctive roles. However, as the case law clearly states, this does not remove the requirement to carry out a global assessment of all relevant factors.

79. The distinctiveness of the earlier mark lay in the combination of the word ERGO, which, it will be recalled, I considered a significant proportion of consumers would believe invented, joined to a descriptive or allusive word. In *Kurt Geiger*, Iain Purvis QC, sitting as the Appointed Person, said:

“it is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything, it will reduce it.”<sup>24</sup>

80. I found that there was a group of consumers for whom the “pouch” element of the contested mark would bring to mind the pocket of skin in which an infant marsupial develops. These consumers are, in my view, likely to assume that the contested mark represents a brand extension from baby carriers into the goods that remain in play, all of which are used by babies or expectant mothers. Here, “ergoPouch” would be seen as alluding to a similarity between the warmth and comfort a baby will feel when the applicant’s goods are in use and that enjoyed by a marsupial’s baby in its mother’s pouch. Therefore, it would, in my view, represent a logical brand extension of a mark that I found to be highly distinctive to a significant proportion of consumers. I also consider that the consumer will see the similarities between the verbal elements and

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<sup>24</sup> Paragraph 39.

a significant proportion are likely to believe that only one undertaking in the maternity and baby sector would use the word “ERGO” with an allusive or descriptive element. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation*, [2016] EWCA Civ 41, Kitchin LJ (as he then was) held that a court may properly find infringement if a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of that court. Although this was an infringement case, the principle also applies to oppositions.

81. I find that there is a likelihood of indirect confusion in relation to the applicant’s goods that I found to be similar to the opponent’s goods. The section 5(2)(b) ground succeeds in respect of the following goods:

*Class 24*

*Diaper changing cloths for babies; Sleeping bags for babies; Cot sheets; Cot blankets; Cot covers.*

*Class 25*

*Clothing for babies; Maternity sleepwear.*

**Section 5(4)(a)**

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

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

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

...”

83. Subsection 4(A) is as follows:

“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.”

84. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”<sup>25</sup>

85. *Halsbury’s Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

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<sup>25</sup> Page 406.

(1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

(a) the nature and extent of the reputation relied upon,

(b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the claimant;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged are likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

## **Goodwill**

86. The opponent must show that it had goodwill in a business at the relevant date and that the sign relied upon, **ERGO BABY**, is associated with, or distinctive of, that business. The applicant has not claimed to have been using the mark before the date of the application, so the relevant date is the date of application: see *Advanced Perimeter Systems v Multisys Computers Limited*, BL O-410-11, paragraph 43. That is 24 November 2020.

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

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

88. The goods in relation to which the opponent claims to have acquired a protectable goodwill are *Baby strollers and accessories for baby strollers, babies clothing, headwear and footwear, baby carriers worn on the body*. The sign it claims to have used is **ERGO BABY**.

89. Under section 5(2)(b), I found that the opponent had used the registered mark **ERGObaby** for *Baby carriers worn on the body*. The evidence that supported this finding largely focused on use in the UK, which is the relevant territory for section 5(4)(a): see *Starbucks (HK) Limited & Anor v British Sky Broadcasting Group Plc & Ors*, [2015] UKSC 31, paragraph 47. I am satisfied that at the relevant date the opponent had a protectable goodwill in relation to these goods.



90. The evidence relating to *Babies clothing, headwear and footwear* and *Baby strollers and accessories for baby strollers* is far less clear. Taking *clothing* first, I recall that the sales figures in the witness statement are grouped together with those for sleeping bags and that the remaining evidence was not sufficient for me to find that genuine use had been made of that mark. I come to a similar finding with regards to goodwill. There is nothing in the evidence to show sales of *headwear* or *footwear*.

91. The first reference to *Baby strollers* or *accessories for baby strollers* comes in an article from a blog entitled [theworldwidewebers.com](http://theworldwidewebers.com) dated 8 November 2018.<sup>26</sup> This blog is recorded as having a reach of 4,000, but it is not clear where the readers are located. It begins:

“If it walks like a duck and talks like a duck it must be a... stroller made by a baby carrier company? At least that’s how I think the saying goes. To be honest, I was fully prepared to write a semi-snarky Ergobaby Metro Stroller review about how this new travel stroller had good intentions but amateur execution. This being Ergobaby’s first foray into the European buggy market, I had realistically low expectations. However, much to my surprise, the new Ergobaby Metro Compact City Stroller totally blew me away!”<sup>27</sup>

At the end of the post, the author states that the opponent had sponsored it.<sup>28</sup>

92. The following year, the Ergobaby Metro Compact City Stroller was reviewed in [inews.co.uk](http://inews.co.uk) and [mirror.co.uk](http://mirror.co.uk).<sup>29</sup> Strollers also appear on a photograph from a trade show in London in 2019.<sup>30</sup> The website printouts showing the stroller for sale are all either undated or were downloaded after the relevant date.<sup>31</sup>

93. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J stated:

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<sup>26</sup> Exhibit PTR 8, pages 45-54

<sup>27</sup> Page 47.

<sup>28</sup> Page 54.

<sup>29</sup> Exhibit PTR 8, pages 73 and 78-80.

<sup>30</sup> Exhibit PTR 9, page 2.

<sup>31</sup> Exhibits PTR 2 and PTR 4.

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s. 11 of the 1938 Act (see *Smith Hayden & Co Ltd’s Application (OVAX)* (1946) 63 RPC 97 as qualified by *BALI Trade Mark* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

94. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent’s reputation extends to the goods comprised in the application in the applicant’s specification of goods. It must also do so

as of the relevant date, which is, at least in the first instance, the date of application.”<sup>32</sup>

95. As of the relevant date, the opponent had been promoting and selling strollers for around two years. I cannot see the level of sales achieved and have the text of only three articles. I find that the opponent has not demonstrated that it had protectable goodwill at the relevant date for strollers.

96. That leaves *Baby carriers worn on the body* still standing. Now I must assess whether the sign **ERGO BABY** is distinctive of that business. Under section 5(2)(b), I also considered the form in which the earlier mark was used and recall that **ERGO BABY** was presented as a single word. Nevertheless, I considered that the average consumer would identify the mark as comprising two words even when they were joined together. Therefore, I am satisfied that the sign **ERGO BABY** is distinctive of the opponent’s goodwill.

### ***Misrepresentation***

97. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 at page 407 the question on the issue of deception or confusion is:

‘is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants’ [product] in the belief that it is the respondents’ [product].

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<sup>32</sup> Paragraph 8.

The same proposition is stated in Halsbury's Laws of England 4<sup>th</sup> Edition Vol. 48 para. 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 RPC 97 at page 101."

98. Although the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely, in the light of the Court of Appeal's decision in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, that the difference between the legal tests will produce different outcomes. I believe that to be the case here.

99. I consider that for those goods I found to be dissimilar under section 5(2)(b), the differences in fields of activity would be sufficient to avoid a substantial number of the relevant public from being misled into believing that the applicant's goods are the goods of the opponent or an entity linked to it. Consequently, this ground of opposition does not take the opponent any further and I dismiss it.

## **Outcome**

100. The opposition has been partially successful and registration will be refused for the following goods:

### *Class 24*

*Diaper changing cloths for babies; Sleeping bags for babies; Cot sheets; Cot blankets; Cot covers.*

### *Class 25*

*Clothing for babies; Maternity sleepwear.*

101. However, some of the goods that survived opposition overlap with these terms. These are set out below and could include cot linen and baby and maternity sleepwear:

Class 24

*Bed linen; Sleeping bags; Quilt bedding mats; Quilted blankets [bedding].*

Class 25

*Sleepwear.*

102. Tribunal Practice Notice (“TPN”) 1/2012 sets out the approach the Registrar will take in such circumstances. It reads as follows:

“In a case where amendment to the specification of goods and/or services is required as the result of the outcome of contested proceedings the Hearing Officer will, where appropriate, adopt one or a combination of the following approaches:

a) Where the proceedings should only succeed in part, or where the proceedings are directed against only some of the goods/services covered by the trade mark and the result can be easily reflected through the simple deletion of the offending descriptions of goods/services, the Hearing Officer will take a ‘blue pencil’ approach to remove the offending descriptions of goods/services. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective.

b) Where the result cannot be easily reflected through simple deletion, but the Hearing Officer can clearly reflect the result by adding a ‘save for’ type exclusion to the existing descriptions of goods/services, he or she will do so. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective.

c) If the Hearing Officer considers that the proceedings are successful against only some of the goods/services, but the result of the proceedings cannot be clearly reflected in the application through the simple deletion of particular descriptions of goods/services, or by adding a 'save for' type exclusion, then the Hearing Officer may indicate the extent to which the proceedings succeed in his/her own words. The parties will then be invited to provide submissions/proposals as to the appropriate wording for a list of goods/services that reflects his/her findings and after considering the parties' submissions, the Hearing Officer will determine a revised list of goods/services. Subject to appeal, the trade mark will be, or remain, registered for this list of goods/services.

d) This third approach will be taken when a Hearing Officer considers that there is real practical scope to give effect to Article 13, having due regard to the factors in each case. For example, the original specification of the international trade mark registration which was the subject of *Giorgio Armani SpA v Sunrich Clothing Limited* (cited above) was clothing, shoes, headgear. The successful opposition only opposed the registration to the extent that it covered 'men's and boys' clothing', thereby leaving other goods covered by the specification as unobjectionable. Such an outcome could not be reflected in changes to the specification via either the 'blue pencilling' approach or the 'save for' type of exclusion. The specification was reworded and the international registration was eventually protected for a specification reading Clothing for women and girls, shoes and headgear. Generally speaking, the narrower the scope of the objection is to the broad term(s), compared to the range of goods/services covered by it, the more necessary it will be for the Hearing Officer to propose a revised specification of goods/services. Conversely, where an opposition or invalidation action is successful against a range of goods/services covered by a broad term or terms, it may be considered disproportionate to embark on formulating proposals which are unlikely to result in a narrower specification of any substance or cover the goods or services provided by the owner's business, as indicated by the business. In these circumstances, the trade mark will

simply be refused or invalidated for the broad term(s) caught by the ground(s) for refusal.”<sup>33</sup>

103. Adopting the first, “blue pencil”, approach would remove from the specification dissimilar goods where there is no likelihood of confusion or misrepresentation. In my view, the outcome of the proceedings can be reflected by using “save for” provisions, which I mark with underlining. Application No. 3559663 may proceed to registration for the following goods:

Class 18

*Table linen; Bath linen; Bed linen, save for cot sheets, cot blankets and cot covers; Sleeping bags, save for sleeping bags for babies; Quilt bedding mats, save for quilt bedding mats for cots; Quilted blankets [bedding], save for quilted cot blankets.*

Class 25

*Sleepwear, save for maternity sleepwear and sleepwear for babies.*

**Costs**

104. Both parties have enjoyed some success, with the larger share going to the opponent. In the circumstances, I award the applicant the sum of £500, which is based on the scale set out in TPN 2/2016 and is calculated as follows:

<i>Preparing a statement and</i>	
<i>considering the other side’s statement:</i>	<b>£300</b>
<i>Official fees:</i>	<b>£200</b>
<b>TOTAL:</b>	<b>£500</b>

105. I therefore order Martellor Pty Ltd to pay The Ergo Baby Carrier, Inc. the sum of £500, which should be paid within twenty-one days of the expiry of the appeal period

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<sup>33</sup> Section 3.2.2.

or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 12th day of August 2022**

**Clare Boucher,  
For the Registrar,  
Comptroller-General**