

**o/0375/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003616003**

**BY INNOVATIVE COSMETIC CONCEPTS, LLC**

**TO REGISTER THE TRADE MARK:**

**INCOCO**

**IN CLASSES 3, 8, 11, 35 AND 44**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**

**UNDER NO. 426567**

**BY CHANEL LIMITED**

## BACKGROUND AND PLEADINGS

1. On 15 October 2013, Innovative Cosmetics Concepts, LLC (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the European Union. The applicant subsequently applied for the same mark in the UK on 25 March 2021. In accordance with Article 59 of the Withdrawal Agreement between the UK and the European Union, by filing an application for the EU mark in the UK within nine months of the end of the transition period, the applicant is entitled to rely on the priority date of the EU mark in UK proceedings. Therefore, the date of the application in these proceedings is considered to be 15 October 2013.

2. The application was partially opposed by Chanel Limited (“the opponent”) on the 2 September 2021. The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and is directed against the following goods and services of the application:

Class 3      Nail enamels, namely, enamel strips which adhere to fingernails and toe nails; nail hardening gel for application to fingernails and toe nails; nail polish remover; cosmetics; beauty products, namely, body and beauty care cosmetics.

Class 35      Wholesale and retail store services and online retail store and wholesale store services featuring cosmetics and beauty products.

3. Under section 5(2)(b), the opponent relies upon the following trade mark:

**COCO**

UK registration no. UK00001302505

Filing date 2 March 1987.

Registration date 14 April 1989.

Relying upon some of the goods for which the mark is registered, namely:

Class 3 Soaps; perfumes; eau de colognes; toilet waters; non-medicated toilet preparations; non-medicated preparations for the care of the skin; cleansing masks; anti-perspirants; deodorants for personal use; lipsticks; all included in Class 3; but not including any of the aforesaid goods made from, or containing cocoa butter.

4. The opponent claims that there is a likelihood of confusion because of the similarity of the marks and the identity/similarity of the goods and services.

5. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use.

6. The opponent is represented by Withers & Rogers LLP and the applicant is represented by Groom Wilkes & Wright LLP. Neither party requested a hearing, however, both parties filed evidence in chief. The opponent filed evidence in reply. The applicant filed written submissions and the opponent filed written submissions in lieu of a hearing. I make this decision having taken full account of all the papers, referring to them as necessary.

7. 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 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.

## **EVIDENCE**

8. The opponent's evidence in chief consists of the first witness statement of Laura Jane Duckworth dated 24 August 2022. Ms Duckworth is the Head of Intellectual Property (Regional) for the opponent. Ms Duckworth's statement was accompanied by 18 exhibits (LJD1-LJD18).

9. The applicant's evidence consists of the witness statement of Katy Helen Adams dated 1 November 2022. Ms Adams is a Chartered Trade Mark Attorney and Partner

of Groom Wilkes and Wright LLP, who are the representatives for the applicant. Ms Adam's statement was accompanied by 3 exhibits (KHA1-KHA3).

10. The opponent's evidence in reply consists of the second witness statement of Laura Jane Duckworth dated 15 December 2022. Ms Duckworth's statement was accompanied by 6 exhibits (LJD19-LJD24).

### **Proof of use evidence**

11. The opponent was founded as a "haute couture fashion house" in 1910 by Mlle Gabrielle Coco Chanel, and was subsequently established in the UK in 1925. It has since expanded into the beauty business, including fragrance, using its most "valuable" COCO trade mark which is "a core and distinctive part of the Chanel's branding and has been used by Chanel in homage to its founder".

12. Ms Duckworth highlights that the COCO trade mark was first used in relation to fragrance and its associated body range in 1984, and has since expanded its "family" of COCO trade marks launching the COCO MADEMOISELLE mark in 2001 and COCO NOIR in 2012. Contained within **exhibit LJD2** are examples of the COCO trade mark used on its fragrance goods. I note the following from this exhibit:

- An undated screenshot showing a COCO eau de parfum spray priced at £126 for a 100ml bottle.
- An undated screenshot showing a COCO eau de toilette spray priced at £107 for a 100ml bottle.
- An undated screenshot showing a COCO extrait bottle priced at £180 for a 15ml bottle. I note that "this product is sold out".
- An undated screenshot showing a COCO foaming shower gel priced at £42 for a 200ml bottle.
- An undated screenshot showing a COCO moisturising body lotion priced at £51 for a 200ml bottle.
- An undated screenshot showing a COCO bath soap (150g). I note that it is not priced but it states that it has "contrasting notes of the COCO fragrance".

- A screenshot dated 28 August 2014 showing a 100ml COCO spray deodorant. I note that it is not priced.
- A screenshot dated 6 May 2011 showing the COCO range. The items included on this screenshot is a parfum bottle, parfum purse spray, eau de parfum spray, eau de parfum refillable spray, eau de toilette spray, bath soap, bath gel and spray deodorant. The word COCO is clearly displayed on the label of the parfum bottle, eau de parfum spray, eau de toilette spray, the bath soap and the spray deodorant.
- A screenshot dated 6 May 2011 showing the COCO range above and a COCO body lotion.
- A screenshot dated 6 May 2011 showing a COCO banner with the COCO eau de parfum bottled depicted on the left alongside the wording “the essence of baroque, according to Mademoiselle”.
- An undated screenshot explaining the composition of the COCO eau de parfum 100ml spray. “The fragrance opens with a citrus note of Sicilian Mandarin, and reveals a voluptuous heart of Jasmine Absolute, heightened with touches of Ylang-Ylang from the Comoros and Tunisian Orange Blossom. A captivating harmony that leaves behind a vibrant train of Indonesian Patchouli, Tonka note and Benzoin”. “The COCO fragrance, true to her nickname, reveals the whimsical, radiant facet of her fascinating personality in an amber scent with shimmering hues”. I note that this is supported by Ms Duckworth’s statement that the “COCO goods are not scented with coconut”.

13. Ms Duckworth states that the COCO mark has been used in relation to lipsticks since 2010. I note that **exhibit LJD3** contains examples of use of the COCO mark in relation to its ROUGE COCO and ROUGE COCO SHINE coloured and semi-sheer lip shine lipsticks. I note the following from the exhibit:

- An undated screenshot showing a ROUGE COCO ultra-hydrating lip colour priced at £35.
- 7 undated pictures of a ROUGE COCO SHINE lipstick.
- A screenshot dated 2 September 2011 showing its ROUGE COCO, ROUGE COCO SHINE, ROUGE ALLURE and ROUGE ALLURE BYZANTIN lipsticks.

- A screenshot dated 11 October 2012 showing its ROUGE COCO, ROUGE COCO SHINE, ROUGE ALLURE and ROUGE ALLURE VELVET lipsticks.
- A screenshot dated 16 November 2012 showing the ROUGE COCO SHINE hydrating sheer lipshine. I note that it comes in 27 shades.

14. In Ms Duckworth first witness statement, she notes that the opponent has “enjoyed considerable commercial success in the UK in respect of the goods sold bearing the COCO trade mark since 1984”. I have been provided with the following table to support this, showing its annual sales in respect of its goods bearing the COCO mark:

<b>Table 1</b>			
<b>Annual Sales (in excess of GBP) in respect of, bearing the COCO Trade Mark</b>			
	<b>fragrance</b>	<b>moisturising body lotion, soap, deodorant and bath gel</b>	<b>Total</b>
<b>2009</b>	7,500,000	500,000	8,000,000
<b>2010</b>	7,500,000	500,000	8,000,000
<b>2011</b>	7,500,000	500,000	8,000,000
<b>2012</b>	7,500,000	500,000	8,000,000
<b>2013</b>	7,500,000	500,000	8,000,000
<b>Annual Sales (in excess of GBP) in respect of lipstick bearing the COCO Trade Mark</b>			
<b>2011</b>	4,300,000		
<b>2012</b>	4,300,000		
<b>2013</b>	4,300,000		

15. The above is further supported by **exhibit LJD7** which contains a “small selection” of redacted invoices from 2008 to 2013, relating to department stores across the UK. I note the following from this exhibit:

Date	Delivery Location (UK)	Goods	Quantity
20/11/2008	Dunstable	COCO SPRAY 35ml	600

		COCO SPRAY 50ml COCO SPRAY100ml COCO PARFUM 7.5ml COCO SPRAY EDT 50ml COCO BATH GEL 150ml COCO BODY LOTION 150ml COOC BATH SOAP 150g COCO BODY CREAM 150ml	480 31 12 600 36 120 24 24
03/12/2008	Kingston Upon Thames	COCO SPRAY PARFUM 7.5ml COCO SPRAY PARFUM REFILL 7.5ml COCO PARFUM 15ml COCO SPRAY EDP 50ml COCO SPRAY EDT 100ml COCO BODY CREAM 150ml COCO SPRAY DEODRANT 100ml	1 2 1 31 2 1 4
16/11/2009	Devon	COCO SPRAY EDP 35ml COCO SPRAY EDT 100ml COCO BATH GEL 150ml COCO BODY LOTION 150ml COCO SPRAY DEODRANT 100ml COOC BATH SOAP 150g	4 4 4 2 1 2
25/08/2010	York	COCO SPRAY EDP 35ml COCO SPRAY EDP 100ml COCO SPRAY EDT 50ml COCO SPRAY DEODRANT 100ml LIP: ROUGE COCO MADEMOISELLE LIP: ROUGE COCO EGERIE LIP: ROUGE COCO GARDENIA LIP: ROUGE COCO RUBAN ROSE LIP: ROUGE COCO ORCHIDEE LIP: ROUGE COCO GABRIELLE LIP: ROUGE COCO ROUGE ORAGE LIP: ROUGE COCO BEL RESPIRO LIP: ROUGE COCO VENDOME LIP: ROUGE COCO BYZANTIN LIP: ROUGE COCO CAMBON LIP: ROUGE COCO TEHERAN LIP: ROUGE COCO SAIR DORE LIP: ROUGE COCO ROSE DENTELLE LIP: ROUGE COCO GARDENIA LIP: ROUGE COCO GABRIELLE LIP: ROUGE COCO MADEMOISELLE LIP: ROUGE COCO ROSE DENTELLE NAIL: LE VERNIS-ROUGE NOIR	1 1 2 1 12 2 3 2 3 3 2 2 1 3 2 3 2 9 2 2 6 9 12
03/11/2010	Middlesex	COCO SPRAY EDP 100ml COCO SPRAY EDP 50ml COCO BODY LOTION 150ml COCO SPRAY EDT 100ml COOC BATH SOAP 150g COCO SPRAY EDP 35ml	110 53 22 22 24 18

		COCO SPRAY DEODRANT 100ml	16
		COCO BATH GEL 150ml	16
		COCO BODY CREAM 150ml	14
		LIP: ROUGE COCO MADEMOISELLE	48
		LIP: ROUGE COCO GABRIELLE	28
08/07/2011	Nottinghamshire	LIP: ROUGE COCO SHINE BIARRITZ	2
		LIP: ROUGE COCO SHINE EVASION	3
		LIP: ROUGE COCO SHINE BONHEUR	1
		LIP: ROUGE COCO SHINE BEL-AMI	1
		LIP: ROUGE COCO SAIR DORE	1
		LIP: ROUGE COCO EGERIE	1
		LIP: ROUGE COCO LA PAUSA	1
		LIP: ROUGE COCO ORGANDI ROSE	1
		LIP: ROUGE COCO CAMELIA	2
		LIP: ROUGE COCO GABRIELLE	1
		LIP: ROUGE COCO ROSE COMETE	1
		LIP: ROUGE COCO SYCOMORE	1
		LIP: ROUGE COCO CAMBON	1
		LIP: ROUGE COCO CHINTZ	1
		COCO SPRAY EDP 35ml	1
		COCO SPRAY EDP 50ml	2
		COCO SPRAY EDP 100ml	1
		COCO SPRAY EDT 50ml	2
		COCO SPRAY DEODRANT 100ml	1
29.07.2011	Kent	LIP: ROUGE COCO SHINE LIBERTE	3
		LIP: ROUGE COCO SHINE BOY	6
		LIP: ROUGE COCO SHINE ROMANCE	4
		LIP: ROUGE COCO SHINE CHANCE	1
		LIP: ROUGE COCO SHINE ANITGONE	3
		LIP: ROUGE COCO SHINE BONHEUR	3
		LIP: ROUGE COCO SHINE REBELLE	1
		LIP: ROUGE COCO SHINE BEL-AMI	3
		LIP: ROUGE COCO SHINE DEAUVILLE	1
		LIP: ROUGE COCO MADEMOISELLE	1
		LIP: ROUGE COCO ROUGE ORAGE	1
		LIP: ROUGE COCO BEIGE FELIN	1
		LIP: ROUGE COCO ORGANDI ROSE	2
		LIP: ROUGE COCO CAMELIA	1
		LIP: ROUGE COCO ORCHIDEE	1
		LIP: ROUGE COCO ROUGE NOIR	1
		LIP: ROUGE COCO GABRIELLE	3
		LIP: ROUGE COCO CHINTZ	2
		COCO SPRAY EDP 50ml	1
		COCO SPRAY EDP 100ml	2
		COCO BATH GEL 150ml	1
		COCO BATH SOAP 150g	0.000
		COCO BODY LOTION 150ml	2
22/11/2011	Cheshire	COCO SPRAY EDP 50ml	
		COCO SPRAY EDP 100ml	
30/11/2011	Norfolk	COCO SPRAY EDP 100ml	



		COCO SPRAY EDT 50ml COCO SPRAY EDT 100ml COCO SPRAY EDP 50ml	
04/05/2012	Cumbria	COCO SPRAY EDP 35ml COCO SPRAY EDP 50ml COCO SPRAY EDP 100ml COCO SPRAY DEODRANT 100ml COCO LUXURY BODY LOTION 200ml	
12/06/2012	Northampton	COCO PARFUM 15ml COCO SPRAY PARFUM 7.5ml COCO SPRAY EDP 50ml COCO SPRAY EDP 100ml COCO BATH SOAP 150g COCO SPRAY DEODRANT 100ml COCO BODY CREAM 150ml COCO SPRAY EDT 50ml COCO SPRAY EDT 100ml LIP: ROUGE COCO CAMBON LIP: ROUGE COCO CAMELIA LIP: ROUGE COCO EGERIE LIP: ROUGE COCO GABRIELLE LIP: ROUGE COCO GARDENIA LIP: ROUGE COCO MADEMOISELLE LIP: ROUGE COCO ORCHIDEE LIP: ROUGE COCO PERLE LIP: ROUGE COCO RIVOLI LIP: ROUGE COCO ROSE COMETE LIP: ROUGE COCO ROUGE ORAGE LIP: ROUGE COCO THERAN LIP: ROUGE COCO VENDOME LIP: ROUGE COCO CHINTZ LIP: ROUGE COCO MAGNOLIA LIP: ROUGE COCO JERSEY ROSE LIP: ROUGE COCO SHINE AVENTURE LIP: ROUGE COCO SHINE BEL-AMI LIP: ROUGE COCO SHINE BIARRITZ LIP: ROUGE COCO SHINE BOY LIP: ROUGE COCO SHINE CHANCE LIP: ROUGE COCO SHINE DEAUVILLE LIP: ROUGE COCO SHINE EVASION LIP: ROUGE COCO SHINE LIBERTE LIP: ROUGE COCO SHINE MONTE-C LIP: ROUGE COCO SHINE ROMANCE COCO LUXURY BATH GEL 200ml COCO LUXURY BODY LOTION 200ml LIP: ROUGE COCO-BAUME LIP: ROUGE COCO-CHARME LIP: ROUGE COCO-DESTINEE LIP: ROUGE COCO-PARADIS LIP: ROUGE COCO-SUPERSTITION	1 2 3 8 3 1 1 1 1 0.000 1 1 0.000 0.000 11 2 2 2 2 2 1 3 2 3 0.000 2 1 4 6 12 15 3 4 19 4 14 1 3 20 2 1 2 2

		LIP: ROUGE COCO SHINE-CANDEUR	2
26/11/2012	Edinburgh	COCO SPRAY EDP REFILL 60ml COCO BODY CREAM 150ml COCO SPRAY DEODRANT 100ml COCO BATH SOAP 150g COCO LUXURY BATH GEL 200ml COCO LUXURY BODY LOTION 200ml	6 1 3 7 4 16
07/12/2012	Southampton	COCO SPRAY EDT 100ml COCO SPRAY EDP 50ml COCO SPRAY EDP 100ml	
05/06/2013	Guernsey	COCO NOIR EDP 100ml	9
05/06/2013	Guernsey	COCO SPRAY EDP 50ml COCO SPRAY EDP 50ml COCO LUXURY BODY LOTION 200ml COCO SPRAY DEODRANT 100ml COCO NOIR EDP 50ml	3 3 3 5 12
12/06/2013	Tyne and Wear	COCO SPRAY PARFUM REFILL COCO SPRAY EDP 35ml COCO SPRAY EDP 50ml COCO SPRAY EDT 50ml COCO LUXURY BATH GEL 200ml COCO LUXURY BODY LOTION 200ml COCO BATH SOAP 150g COCO NOIR EDP 100ml LIP: ROUGE COCO MADEMOISELLE LIP: ROUGE COCO ORGANDI ROSE LIP: ROUGE COCO MAGNOLIA LIP: ROUGE COCO GARDENIA LIP: ROUGE COCO RIVOLI LIP: ROUGE COCO VENISE LIP: ROUGE COCO PARADIS LIP: ROUGE COCO CHARME LIP: ROUGE COCO CARACTERE LIP: ROUGE COCO TEHERAN LIP: ROUGE COCO SHINE LIBERTE LIP: ROUGE COCO SHINE BOY LIP: ROUGE COCO SHINE ROMANCE LIP: ROUGE COCO SHINE ANTIGON LIP: ROUGE COCO SHINE BONHEUR LIP: ROUGE COCO SHINE MONTE- C LIP: ROUGE COCO SHINE CANDEUR LIP: ROUGE COCO SHINE FLIRT LIP: ROUGE COCO SHINE SOURIRE LIP: ROUGE COCO BAUME	1 5 5 3 1 2 1 3 2 2 1 4 1 2 2 2 2 2 2 3 8 2 4 2 1 1 6 2 1
03/07/2013	Birmingham,	LIP: ROUGE COCO SARI DORE LIP: ROUGE COCO TEHERAN LIP: ROUGE COCO SHINE LIBERTE LIP: ROUGE COCO SHINE BOY LIP: ROUGE COCO SHINE ROMANCE LIP: ROUGE COCO SHINE ANTIGON	

		LIP: ROUGE COCO SHINE MONTE- C LIP: ROUGE COCO SHINE BEL-AHI COCO SPRAY EDP 35ml COCO SPRAY EDP REFILL 60ml COCO SPRAY EDP 100ml	
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16. In her first witness statement, Ms Duckworth also provides the following table in relation to the opponent’s UK advertising spend in connection with its lipstick goods:

<b>Table 2</b>	
<b>Annual Advertising Spend on ROUGE COCO <u>in excess of</u> (GBP)</b>	
<b>2011</b>	1,000,000
<b>2012</b>	1,000,000

17. **Exhibit LJD8** contains 2 invoices relating to the purchase of media and advertising services from the opponent’s marketing agency in connection with the promotion of lipsticks bearing the COCO mark. I note that from 2011 to 2016 there were “Coco Mademoiselle” campaigns every year. In the years 2011, 2012, 2015 and 2016 there were also “Rouge Coco” campaigns. The first invoice dated 15 April 2011 shows that the product is “Rouge Coco Shine”, and the campaign is “Rouge Coco Shine Malls”. The total that is not redacted amounts to £145,740.20. The second invoice dated 17 April 2012 is for the product “Rouge Coco” and the campaign is “Rouge Coco Malls”. The total that is not redacted amounts to £369,313.87.

18. **Exhibit LJD9** contains a dated advertisement of “March 11” and “May 12” showing its “rouge COCO” lipsticks. Ms Duckworth states that these were published in the UK in ID Magazine, Vogue and Tatler.

19. **Exhibit LJD10** contains a marketing schedule in respect of print advertising campaigns for the opponent’s Rouge Coco lipsticks in 2012 in the UK. I note that the following suppliers (press and magazines) are listed:

- The Sunday Times- Style (Full page Colour)

- Bride's Magazine (Full page Colour)
- Company (D.P.S. Colour)
- Cosmopolitan (Full page Colour)
- Easy Living (Full page Colour and D.P.S. Colour)
- Elle (Full page Colour)
- Glamour (D.P.S. Colour)
- Grazia (Full page Colour)
- Hello! (Full page Colour)
- InStyle (D.P.S. Colour)
- Marie Claire (Full page Colour and D.P.S. Colour)
- Red Magazine (Full page Colour and D.P.S. Colour)
- Stylist (Full page Colour)
- Tatler (D.P.S. Colour)
- Vogue (Full page Colour and D.P.S. Colour)
- You and Your Wedding (D.P.S. Colour)

20. To support the above exhibit, **exhibit LJD21** shows the following “advertisement which was published in 2012 in the various publications referred to in the marketing schedule” above:



21. Ms Duckworth states that the opponent does not invest in advertising and promotion for its remaining fragrance, body lotion, soap, deodorant, bath gel or body cream goods bearing the COCO mark “as it is not necessary to do so given the high sales figures and consistent market share achieved in respect of these goods”. However, its COCO fragrances (and lipsticks) still feature in the press as exhibited at **LJD12**. I note the following from this exhibit:

- A VOGUEbeauty magazine article dated August 2017 which shows the “launch of Chanel’s latest scent, Gabrielle”. At the bottom of the article it shows “Chanel’s signature scents” which includes its 1984 COCO.
- A Company magazine article dated 1 January 2009 on Victoria Beckham’s beauty secrets. When asked what her favourite fragrance was when she was younger she said, “it was always Coco by Chanel”. The article also depicts the COCO perfume bottle at the top right hand corner of the page.
- A clipping from a newspaper article dated 13 November 2008 lists Coco and Coco Mademoiselle as classic winter scents which are “perfect, with their rich, heavy orange, bergamot, rose, patchouli, vetiver, vanilla and amber musk notes”.
- A Red magazine article dated 1 February 2009 called “is your secret out of the bag?”. This depicts the opponent’s COCO fragrance in an x-ray of a handbag at the top of the article.
- An undated Now magazine article on the singer “VV Brown”, which states that her scent is “Coco by Chanel” and that she loves the “creams, the spray, the whole lot. It’s such a classic”. It also depicts the bottle of the COCO perfume.
- A Reveal magazine article dated 13 February 2009 on Martine McCutcheon’s beauty secrets which include her favourite fragrances, one of them being Coco Chanel Eau De Parfum, which is priced at £38.17 for a 35ml bottle. She says that its “one of my favourite fragrances and great for evenings out – men always seem to notice it”. I note that a picture of the bottle is depicted within the article.
- An online Marie Claire article dated 21 May 2010 called “obsessing over Chanel Rouge Coco and Vanessa Paradis”.
- An online LUXUO article dated 18 January 2010 which again explores how “Vanessa Paradis embodies the Chanel Coco Rouge for Spring Summer 2010”.

It also states that there are a “new line of hydrating cream lipsticks, called Rouge Coco, is a bid to get younger customers to use the conventional lipstick”.

22. I note that the opponent’s Chanel Facebook page is in excess of 744,800 followers in the UK in 2020, its Instagram page in excess of 1,100,000 followers from the UK and its Twitter page in excess of 13,600,000 followers worldwide. Exhibited at **LJD11** are screenshots from its Facebook account, from 2011 to 2013, referring a number of celebrities including Cameron Diaz, Sandra Bullock and Jennifer Garner wearing “CHANEL Rouge Coco” or “CHANEL Rouge Coco Shine”.

23. Ms Duckworth has also provided me with the following UK market shares, which she submits represents a sizable proportion of a very saturated market of hundreds of brands. The opponent’s female fragrance market in respect of COCO is shown in table 3, and its market share of the lipstick market in respect of ROUGE COCO is shown in table 4:

<b>Table 3</b>		
<b>Year</b>	<b>Full Year Ranking</b>	<b>Share of market (value)</b>
<b>2012</b>	15	1.2%
<b>2013</b>	15	1.2%

<b>Table 4</b>		
<b>Year</b>	<b>Share of market (value)</b>	
	<b>Total lipstick market</b>	<b>Colour lipstick market</b>
<b>2013</b>	2.1%	3.5%

24. She has also provided the following tables 6 and 7 showing the market share and ranking held by competing fragrances, including its “Coco” and “Coco Mademoiselle”, and tables 8 to 11 showing the market share and ranking held by competing lipsticks, including its “Rouge Coco” and “Rouge Coco Shine”, in 2012 and 2013:

<b>Table 6</b>			
<b>2012 Market Status</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	CHANEL	Coco Mademoiselle	4.1%
<b>2</b>	CHANEL	No.5	3.2%
<b>3</b>	Paco Rabanne	Lady Million	2.6%
<b>4</b>	Jimmy Choo	Jimmy Choo	2.2%
<b>5</b>	Thierry Mugler	Alien	1.6%
<b>14</b>	V&R	Flowerbomb	1.2%
<b>15</b>	CHANEL	Coco	1.2%
<b>16</b>	CHANEL	Chance	1.1%

<b>Table 7</b>			
<b>2013 Market Status</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	CHANEL	Coco Mademoiselle	4.4%
<b>2</b>	CHANEL	No.5	3.1%
<b>3</b>	Paco Rabanne	Lady Million	2.6%
<b>4</b>	Armani	Armani Diamonds	1.8%
<b>5</b>	Thierry Mugler	Alien	1.7%
<b>14</b>	One Direction	Our Moment	1.2%
<b>15</b>	CHANEL	Coco	1.2%
<b>16</b>	Calvin Klein	CK One	1.1%

<b>Table 8</b>			
<b>2012 Market Share – Total Lip</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	Clinique	Chubby Stick Moist Baume	6.7%
<b>2</b>	Mac	Rouge A Levres	3.2%
<b>3</b>	Clinique	Long Last Soft Shine Lipstick	2.9%
<b>4</b>	Lancôme	L'Absolu Rouge SPF12	2.7%
<b>5</b>	CHANEL	Rouge Coco De Chanel	2.6%
<b>6</b>	CHANEL	Rouge Coco Shine	2.5%

<b>Table 9</b>			
<b>2012 Market Share – Total Lip Colour</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	MAC	Rouge A Levres	5.4%
<b>2</b>	Clinique	Long Last Soft Shine Lipstick	5.0%
<b>3</b>	Lancôme	L'absolu Rouge Spf12	4.6%
<b>4</b>	CHANEL	Rouge Coco De Chanel	4.4%
<b>5</b>	CHANEL	Rouge Coco Shine	4.3%
<b>6</b>	Estee Lauder	Pure Color Long Lasting	4.2%

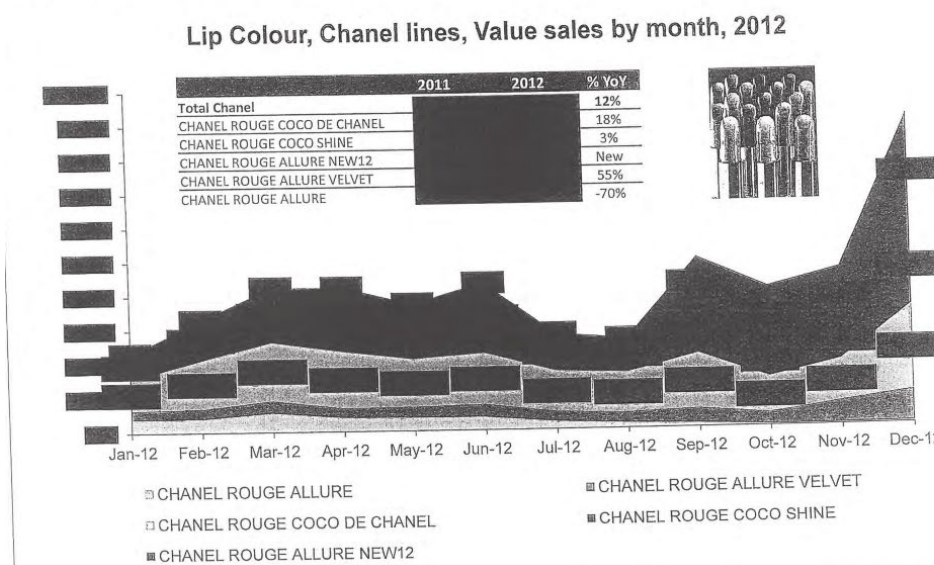
<b>Table 10</b>			
<b>2013 Market Share – Total Lip</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	Clinique	Chubby Stick Moist Baume	5.1%
<b>2</b>	MAC	Rouge A Levres	5.1%
<b>3</b>	Clinique	Long Last Soft Shine Lipstick	2.9%
<b>4</b>	YSL	Rouge Pur Couture Spf15	2.6%
<b>5</b>	CHANEL	Rouge Coco Shine	2.5%
<b>6</b>	CHANEL	Rouge Allure New12	2.4%
<b>7</b>	Lancôme	L'absolu Rouge Spf12	2.4%
<b>8</b>	Estee Lauder	Pure Color Long Lasting	2.4%
<b>9</b>	Clinique	Chubby Stick Intense Mst Bme	2.1%
<b>10</b>	CHANEL	Levres Scintillantes Gloss	2.0%
<b>11</b>	CHANEL	Rouge Coco De Chanel	2.0%
<b>12</b>	Dior	Addict Gloss Int13	1.9%

<b>Table 11</b>			
<b>2013 Market Share – Total Lip Colour</b>			
<b>Full Year Ranking</b>	<b>Brand</b>	<b>Product</b>	<b>Share of market (value)</b>
<b>1</b>	MAC	Rouge A Levres	8.4%
<b>2</b>	Clinique	Long Last Soft Shine Lipstick	4.7%
<b>3</b>	YSL	Rouge Pur Couture Spf15	4.3%
<b>4</b>	CHANEL	Rouge Coco Shine	4.1%
<b>5</b>	CHANEL	Rouge Allure New12	3.9%
<b>6</b>	Lancôme	L'absolu Rouge Spf12	3.9%
<b>7</b>	Estee Lauder	Pure Color Long Lasting	3.9%
<b>8</b>	CHANEL	Rouge Coco De Chanel	3.3%
<b>9</b>	Lancôme	Rouge In Love	2.8%
<b>10</b>	Dior	Addict Lipstick New 2011	2.8%
<b>11</b>	Clarins	Joli Rouge	2.7%
<b>12</b>	Dior	Rouge Dior 2013	2.6%

25. Exhibited at **LJD13** is information on The NPD Group, where the above market share figures originate from. I note that their service tracks “prestige beauty sales from department stores and national chains, including ecommerce sales from participating retailers”. **Exhibit LJD14** contains extracts from reports made by The NPD Group attesting to the increasing market share of the COCO lipstick in the UK. The first review is dated March 2012 and shows the following:



For the full year, all Chanel lines are growing



26. The second review is dated January to December 2013 which shows Chanel Rouge Coco Shine as number 5 in the top 10 lip products with a value of “£1.8m”.

27. The opponent’s lipsticks bearing the COCO mark have also won the following awards: Jump Ahead Beauty Awards 2010 for Best Lipstick; CEW awards 2011 for Best New Markup Products for Lips; Woman & Home Best in Beauty 2011 for Best Classic Lipstick and Red: Best of Beauty 2012 for Best Low Commitment Lipstick.

28. Ms Duckworth highlights that the use of COCO by the opponent is normally combined with other elements, namely, COCO MADEMOISELLE and COCO NOIR for fragrance and body care ranges. The opponent has provided the following annual wholesale figures for the sale of these sub-brands on fragrance and skincare products:

<b>Table 5</b>		
<b>Annual Sales (GBP) in respect of fragrance and body care products</b>		
<b>Year</b>	<b>Sales in excess of</b>	
	<b>COCO MADEMOISELLE</b>	<b>COCO NOIR</b>
<b>2011</b>	19,500,000	n/a
<b>2012</b>	19,500,000	1,900,000
<b>2013</b>	19,500,000	1,900,000

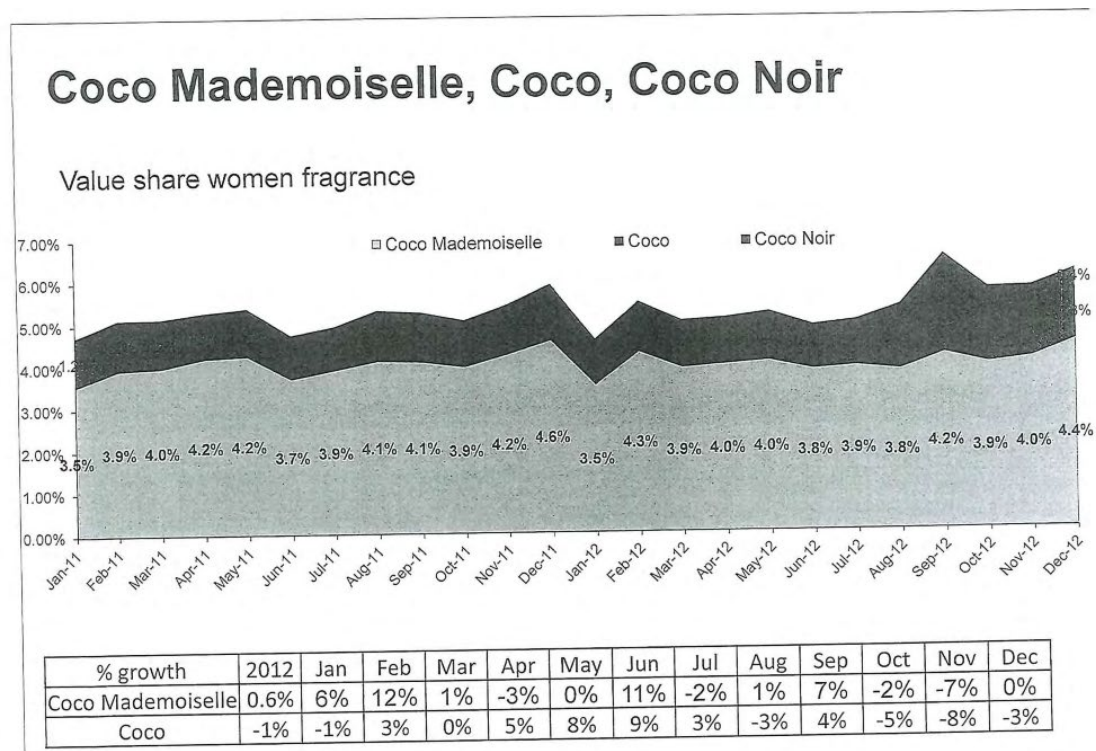
29. I note that Ms Duckworth has not stated whether the above figures relate to the UK. Furthermore, I note that in her witness statement, she states that “it is worthwhile noting that retail figures would be significantly higher. It is not possible to separate out the fragrance sales from the sale of products from the corresponding body care range”. However, it is not clear what the latter part of this statement means.

30. **Exhibit LJD15** contains 30 pages of UK advertising and press clippings relating to the sub-brands COCO MADEMOISELLE and COCO NOIR from 2012 and 2013. I note that the bottles are clearly displayed within the advertisements, including the following depictions:



31. **Exhibit LJD16** contains further extracts from the March 2012 and the January to December 2013 NPD Group reports. The 2012 report shows that the opponent was one of the top 2 total prestige winners in December 2012, and attested to its increased market share of £2.8m for COCO NOIR. It also shows that for women’s fragrances, 74% of the opponent’s growth came from COCO NOIR. Furthermore, COCO

MADEMOISELLE was ranked as the number 1 female fragrance in the UK for 2012. The report also included the following graph:



32. Lastly, I note that the 2013 report shows that COCO MADEMOISELLE was ranked as the number 1 female fragrance in the UK for 2013.

**Proof of use case law**

33. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6(1) In this Act an “earlier trade mark” means –

- (a) a registered trade mark ... or international trade mark (UK) ... 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,

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

[...]"

34. Section 6A of the Act states:

“(1) This section applies where

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

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

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

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

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

(3) The use conditions are met if –

- (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

- (a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(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.”

35. The opponent’s mark qualifies as an earlier mark in accordance with section 6(1)(a) and 6(1)(ab) as its filing date is an earlier date than the priority date of the applicant’s mark. As the opponent’s mark has completed its registration process more than five years before the priority date of the mark in issue, it is subject to proof of use pursuant to section 6A of the Act.

36. I must assess whether, and to what extent, the above evidence supports the opponent's statement that it has made genuine use of its mark in relation to the goods for which it is registered. The relevant period for this purpose is the five years ending on the priority date of the applicant's mark, i.e. 16 October 2008 to 15 October 2013.

37. The relevant provisions about proof of use in opposition proceedings are contained in section 6A of the Act, which I have highlighted above. Section 100 of the Act is also relevant, which reads:

“100. 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.”

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

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [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].”

### **Form of the mark/how the marks are used**

39. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union (“CJEU”) found that (my emphasis):

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of



registration may not be relied on as such to establish 'use' within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in Nestle, 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.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition of a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, 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)". (emphasis added)

40. In *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, Phillip Johnson, sitting as the Appointed Person, considered the correct approach to the test under s. 46(2). He said:

“13. [...] While the law has developed since *Nirvana* [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is, the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EU\*IPO*, EU:T:2020:22, [63 and 64]).

14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD

MEDIA. It took the view that the omission of the word “MEDIA” would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA were in combination weakly distinctive, and the word MOOD alone was less distinctive still”.

41. Where the opponent’s mark has been used as registered this will, clearly, be use upon which the opponent can rely.

42. However, and as highlighted above, I note that the mark has been used in the following variants for its lipstick goods:

1) ROUGE COCO

2) ROUGE COCO SHINE

43. Ms Duckworth submits that use of ROUGE COCO constitutes use of the COCO mark on the basis that ROUGE is descriptive of lipstick. **Exhibit LJD4** contains extracts from various online dictionaries confirming the definition of “rouge” as “any various red (or pink) cosmetics for colouring the cheeks or lips”. This definition is also supported by screenshots exhibited in **LJD5**, and the UKIPO decision number BL O/192/19 exhibited in **LJD6**, whereby the Hearing Officer found that use of ROUGE COCO amounted to use of the COCO mark.

44. As established above, in *Colloseum*, use of a mark as registered, even within a composite mark, will be use upon which the opponent can rely, as long as the mark continues to indicate origin. The addition of a descriptive word (such as rouge) does not prevent the opponent’s mark from continuing to indicate origin within the composite mark. It retains an independent distinctive role.

45. I note that the applicant argues that not all of the relevant consumers in the UK will know the meaning of rouge as the majority of people in the UK do not speak French as a second language. However, I consider that albeit the word has a French meaning, or even derives from France, the word itself has its own English meaning in cosmetics,

as demonstrated by **exhibit LJD4**. I note that this is further supported by **exhibit LJD20** which contains screenshot evidence of beauty brands using the word 'rouge' to describe their products. Whilst the screenshots are dated "15/11/2022" and therefore fall after the relevant period, I consider that it still supports, what I know from my own experience, that the word rouge in English is used in regard to various red (or pink) cosmetics for colouring the cheeks or lips. Therefore, for those consumers who would know the cosmetic meaning of ROUGE, it does not alter the distinctive character of the opponent's mark because it is wholly descriptive of the opponent's goods.

46. Even for those average consumers who may not know the cosmetic meaning of ROUGE, the opponent's word mark COCO is still clearly visible, and, as a whole, the mark "COCO ROUGE" does not have any apparent meaning. Therefore, as the meaning of the word COCO does not change, and retains its independent distinctive role, variant 1 is acceptable use of the mark.

47. I also consider that the word SHINE is being used descriptively in regard to the opponent's lip-glosses. Therefore, I do not consider that the additional words ROUGE and SHINE alters the distinctive character of the opponent's mark because it is wholly descriptive of the opponent's goods. Variant 2 is also acceptable use of the mark.

48. Furthermore, I note that the opponent's earlier mark has been used in the following variants for its fragrance goods:

3) COCO MADEMOISELLE

4) COCO NOIR

49. As highlighted above, the applicant submits that the majority of people in the UK do not speak French as a second language. Therefore, I consider that the word MADEMOISELLE may not be assigned any meaning. I note that the opponent's word mark, COCO, is still clearly visible, and the meaning of COCO is not altered because, as a whole, "COCO MADEMOISELLE" does not have unitary meaning. Consequently, the word COCO retains its independent distinctive role, and therefore amounts to acceptable use of the opponent's earlier mark.

50. However, even if the word MADEMOISELLE was recognised as meaning “miss”, again, as a whole, this does not change the meaning of the word COCO, because “COCO miss” does not make sense/doesn’t fit together to create a new unitary meaning. The word COCO is still clearly visible, retains its independent distinctive role, and therefore variant 3 amounts to acceptable use of the mark.

51. I consider that the same considerations above apply to variant 4. I do not consider that the word NOIR would be assigned any meaning. However, even if it was recognised as meaning black, “COCO BLACK” as a whole does not convey any meaning. Therefore, as the word COCO is still clearly visible, and its meaning has not changed, it retains its independent distinctive role. Therefore, variant 4 amounts to acceptable use of the mark.

### **Conclusions from the evidence on genuine use**

52. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.<sup>1</sup>

53. As indicated in the case law cited above, use does not need to be quantitatively significant in order to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded as “warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark”.

54. As the opponent’s mark is a UKTM, I must consider the UK as the market in which the opponent is required to show genuine use.

55. As highlighted by the applicant, there are clearly some issues with the opponent’s evidence. I note that exhibits **LJD2** and **LJD3** contain undated screenshots and

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<sup>1</sup> *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

therefore I am unable to determine whether they fall within the relevant period. The redacted invoices exhibited at **LJD7** means that I am unable to determine the value of each invoice, and I note that the majority of the order numbers are lower in terms of quantity. However, I have been provided with significant UK sales figures for 2009 to 2013 for the opponent's lipstick goods amounting to in excess of £12,900,000, its fragrance goods amounting to in excess of £35,500,000 and its moisturising body lotion, soap, deodorant and bath gel goods amounting to in excess of £2,500,000. I also have been provided with the advertising spend for between 2011 to 2012 for its ROUGE COCO goods which amounted to in excess of £2,000,000. These figures were also supported by examples of its goods being advertised in **exhibits LJD8 to LJD12**, and **exhibit LJD21**. I have also been provided with significant UK market share figures, with the opponent's fragrance goods in 2012 and 2013 having a market share of 1.2% and its lipstick goods in 2013 having a market share of 2.1%. The opponent also provided further tables showing the market share and ranking held by competing fragrances and lipsticks (as demonstrated in tables 6 to 11 above). I note that the cosmetics and fragrance industries that the opponent is operating within will be significantly sized markets, which are highly saturated. Consequently, I consider that the market share which is held by the opponent is notable. Therefore, taking all of the above into account, I am satisfied that the opponent has demonstrated genuine use of its earlier mark in relation to lipsticks, fragrance, moisturising body lotion, soap, deodorant and bath gel goods, in the UK, during the relevant period.

### **Fair Specification**

56. I must now consider whether, or the extent to which, the evidence shows use of the goods relied upon. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of

the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

57. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“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.”

58. The goods for which the earlier mark is registered and upon which the opponent relies is its class 3 goods.

59. Clearly, the opponent will be able to reply upon the terms “perfume”, “lipstick”, “deodorants for personal use” and “soaps” for which it has shown use.

60. The evidence also establishes use of the opponent’s soaps, deodorants, moisturising body lotions and bath gels. I therefore consider that the term “non-medicated preparations for the care of the skin” is a broader term which needs to be narrowed down to reflect the opponent’s moisturising body lotions only (which I consider to be an appropriate sub-category). I also consider that the term “non-medicated toilet preparations”, is a broader term which encompasses all toiletries, and needs to be narrowed down to reflect the opponent’s “bath gels” (which I also consider to be an appropriate sub-category). Consequently, I consider a fair specification of the earlier mark to be:

Class 3        Soaps; perfumes; body lotions for the care of the skin; bath gels; deodorants for personal use; lipsticks; all included in Class 3; but not including any of the aforesaid goods made from, or containing cocoa butter.

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

61. Section 5(2)(b) reads as follows:

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



(a)...

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

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

62. In making this decision, I bear in mind the following principles gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks

bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods and services**

63. The competing goods and services are as follows:

Opponent's goods	Applicant's goods and services
<p><u>Class 3</u></p> <p>Soaps; perfumes; body lotions for the care of the skin; bath gels; deodorants for personal use; lipsticks; all included in Class 3; but not including any of the aforesaid goods made from, or containing cocoa butter.</p>	<p><u>Class 3</u></p> <p>Nail enamels, namely, enamel strips which adhere to fingernails and toe nails; nail hardening gel for application to fingernails and toe nails; nail polish remover; cosmetics; beauty products, namely, body and beauty care cosmetics.</p> <p><u>Class 35</u></p> <p>Wholesale and retail store services and online retail store and wholesale store services featuring cosmetics and beauty products.</p>

64. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

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

65. Guidance on this issue has come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective uses of the respective goods or services;

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

66. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut for Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

67. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary

and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

68. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods and services. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“... 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 the responsibility for those goods lies with the same undertaking.”

### Class 3

69. I consider that “lipsticks” in the opponent’s specification falls within the broader category of “cosmetics” in the applicant’s specification. I consider them identical on the principle outlined in *Merit*. Even where the applicant’s term covers goods other than lipsticks, there will be an overlap in user, method of use, purpose, nature and trade channels and the goods will be highly similar.

70. I consider that “body lotions for the care of the skin” and “lipsticks” in the opponent’s specification fall within the broader category of “beauty products, namely, body and beauty care cosmetics” in the applicant’s specification. I consider them identical on the principle outlined in *Merit*. Even where the applicant’s term covers goods other than those in the opponent’s specification, there will be an overlap in user, method of use, purpose, nature and trade channels and the goods will be highly similar.

71. I consider that the applicant's "nail enamels, namely, enamel strips which adhere to fingernails and toe nails" and "nail hardening gel for application to fingernails and toe nails" overlaps with the opponent's "lipsticks". I consider that there is an overlap in user and some overlap in purpose to the extent that they are all types of beauty care products used to improve, protect and enhance the appearance of the body. However, the purpose of the goods differs to the extent that they are intended for use on different parts of the body. The method of use and nature do not overlap. Nonetheless, there would be an overlap in trade channels, as the same beauty/cosmetic undertaking would provide all of the goods. I also consider there to be an overlap in distributions channels, with pharmacies and beauty retailers selling the goods in the same aisle. However, they are neither in competition nor complementary. Taking the above into account, I consider that the goods are similar to a medium degree.

72. I consider that the applicant's "nail polish remover" may have very limited overlap with the opponent's "lipsticks". I consider that there would be limited overlap in distributions channels, such as pharmacies and beauty retailers, however, the goods wouldn't be sold in the same aisle. I also consider that there would be an overlap in user. However, I do not consider that there would be an overlap in method of use, nature and purpose as the applicant's goods are acetone products used to remove nail polish, whereas the opponent's goods are used to colour lips to improve and enhance their appearance. The goods are neither in competition nor complementary. Therefore, I consider that the goods are similar to a low degree.

### Class 35

73. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

74. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He stated (at paragraph 9 of his judgment):

“9. The position with regard to the question of conflict between use of BOO! for handbags in Class 18 and shoes for women in Class 25 and use of MissBoo for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent’s earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are ‘similar’ to goods are not clear cut.

75. However, on the basis of the European courts’ judgments in *Sanco SA v OHIM*<sup>2</sup>, and *Assembled Investments (Proprietary) Ltd v. OHIM* Case T-105/05<sup>3</sup>, upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd* Case C-398/07P, Mr Hobbs concluded:

(i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer’s point of view, they are unlikely to be offered by one and the same undertaking;

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

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<sup>2</sup> Case C-411/13P

<sup>3</sup> paragraphs [30] to [35] of the judgment

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

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

76. I consider that "lipsticks" and "body lotions for the care of the skin" in the opponent's specification overlaps with the applicant's "wholesale and retail store services and online retail store and wholesale store services featuring cosmetics and beauty products". As set out in the case law above, the GC has explained that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree. I consider that the same undertaking would produce lipsticks and body lotions (cosmetics) and sell those goods within their own wholesale, retail and online retail stores to the same users. Consequently, I consider that the goods and services are similar to a medium degree.

### **The average consumer and the nature of the purchasing act**

77. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which the goods and services are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively



by the court from the point of view of that constructed person. The word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

78. The average consumer for the goods and services will be members of the general public, however, I do not discount that it could also include a professional user such as a beautician or nail technician. The frequency of purchase is likely to vary. The cost of the purchase is also likely to vary, although it is unlikely to be particularly high. The average consumer will take various factors into consideration in regard to the goods, such as the cost, quality, ingredients, aesthetic and the suitability for their specific needs. For the services, the average consumer is likely to take into account the location, cost and availability of products/the range of products on offer. Therefore, the level of attention paid during the purchasing process for both the goods and services will be medium.

79. The goods are likely to be obtained by self-selection from the shelves of a beauty retail outlet, or online equivalent. The services are likely to be purchased from pharmacies or beauty retailers and their online equivalent. Visual considerations for both are, therefore, likely to dominate the selection process. However, I do not discount that there may also be an aural component to the purchase through advice sought from sales assistants or word-of-mouth recommendations.

### **Comparison of the trade marks**

80. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

82. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
<b>COCO</b>	<b>INCOCO</b>

83. The opponent's mark consists of the word COCO. There are no other elements to contribute to the overall impression which lies in the word itself.

84. The applicant's mark consists of the word INCOCO. There are no other elements to contribute to the overall impression which lies in the word itself.

85. Visually, the marks coincide in the letters C, O, C and O. I note this is a visual point of similarity. However, the applicant's mark starts with the letters I and N. I bear in mind that the beginning of marks tend to make more of an impact than the ends. I also note that the marks are short in length. There is no special test which applies to the comparison of short marks, the visual similarities must be assessed in the normal

way.<sup>4</sup> However, it is clear that the addition of two letters to a mark which is only four letters long is clearly more significant than such an addition of two letters to a longer mark. Therefore, I consider that the additional I and N at the beginning of the opponent's mark will not just be noticed, but will have more of an impact. Taking all of the above into account, I consider that the marks are visually similar to a medium degree.

86. Aurally, the opponent's mark will be pronounced as CO-CO. The applicant's mark will be pronounced as IN-CO-CO. Consequently, the beginning of the marks differ aurally. However, as the marks overlap in the pronunciation of "COCO", I consider that the marks are aurally similar to a medium degree.

87. Conceptually, the opponent's mark has multiple potential meanings which could be assigned to it by the average consumer. The applicant argues that the term COCO will be understood as an abbreviation of coconut or cocoa. The opponent submits that no evidence has been filed to support this claim.

88. I agree that the 2 above conceptual meanings may be assigned to the opponent's mark. Firstly, I note that COCO has the ordinary dictionary definition of "short for coconut, coconut palm".<sup>5</sup> Therefore, this dictionary meaning could be applied to the opponent's mark. Secondly, due to the pronunciation of cocoa, which has a silent "A" at the end, it is therefore articulated as "COCO". On this basis, I consider that it is possible for this meaning to also be assigned to the opponent's mark.

89. The opponent submits that the mark COCO may be recognised by the average consumer as a specific reference to Gabrielle Coco Chanel. I note that this assertion is supported by **exhibit LJD17** which contains an extract from "Best Baby Names for 2015" by Siobhan Thomas in which the name COCO is listed and under the description it states that "Coco was the nickname of the pioneering French fashion designer, Chanel, and is associated with couture and high society". However, I do not consider

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<sup>4</sup> *Bosco Brands UK Limited v Robert Bosch GmbH*, Case BL- O/301/20, paragraph 44

<sup>5</sup> <https://www.collinsdictionary.com/dictionary/english/coco> accessed 23/03/2023

that the opponent's COCO mark will be assigned this specific meaning. At best, I consider that the word COCO may be recognised as a girl's name.

90. I also consider that the opponent's mark may simply be viewed as an invented word, with no conceptual meaning.

91. The opponent further submits that the applicant's mark may be perceived in a "conceptually identical way" to the opponent's, and that "a significant proportion of average consumers will recognise within the mark the common preposition 'IN' and the recognisable word 'COCO' (a personal name, amongst other things). The elements IN and COCO can be used in this syntactical arrangement in sentences such as 'In Coco we trust'". The opponent states that "the letters 'IN-' at the beginning of a word are not in the least bit unusual; indeed they are extremely common. 'IN' is not only a very common preposition, but also an extremely common prefix. 'IN' is used in a number of words such as infused, insert, induce, intended to mean "in, into, towards or within".

92. Firstly, when removing the prefix IN from the words insert and induce, you are left with "sert" and "duce", which are both not independent words. Therefore, the opponent's line of argument that IN is used as a popular preposition in front of a recognizable word is tenuous at best. Secondly, this approach dissects the applicant's mark, which is contrary to the case law above.

93. I consider that when read as a whole "INCOCO" would be viewed as an invented word, which would be attributed no particular meaning. On this basis, if the average consumer recognises the opponent's mark as a girl's name, or the shortening of coconut or cocoa, the marks are conceptually dissimilar. However, if the average consumer does not assign the word COCO any particular meaning either, the parties' marks are conceptually neutral.

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

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, 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 promotion of 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).”

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

96. I will begin by assessing the inherent distinctive character of the opponent’s mark.

97. As highlighted above, the opponent’s mark, COCO, may be recognised as the shortening of the word “coconut” or “cocoa” or it may be recognised as a generic girls name.

98. Firstly, I note that the limitation on the opponent's specification states that "not including any of the aforesaid goods made from, or containing cocoa butter". Therefore, I do not consider that the conceptual meaning of "cocoa" is descriptive or allusive of the scents or ingredients contained within the opponent's goods. Consequently, I consider that if the average consumer assigned this conceptual meaning to the mark, it is inherently distinctive to a medium degree.

99. I note that Ms Duckworth highlights that the "COCO goods are not scented with coconut". However, I must look at what the opponent's specification could cover, and in this instance, it could cover goods which are scented with, or contain, coconut. On this basis, the conceptual meaning of coconut could be allusive of the scents or ingredients contained within the opponent's goods. As per *Formula One Licensing BV v OHIM*<sup>6</sup>, the earlier marks must be considered to have at least some distinctive character. Consequently, I consider that the inherent distinctiveness of the opponent's mark, when assigned the conceptual meaning of coconut, is inherently distinctive only to between a low and medium degree.

100. If the average consumer assigned the concept of a girl's name to the mark, this would neither be allusive nor descriptive of the goods. Therefore, the opponent's mark, when assigned this conceptual meaning, is inherently distinctive to a medium degree.

101. For the proportion of average consumers who may not assign the word COCO any meaning, I consider that the opponent's mark is inherently distinctive to a high degree.

102. I note that the opponent has pleaded enhanced distinctive character for the COCO mark. As highlighted above, I have been provided with significant sales figures for the years 2009 to 2013 for the opponent's fragrance goods which amounts to £37,500,000. The opponent has also provided significant sales figures for the years 2011 to 2013 for its lipstick goods which amounts to £12,900,000. The opponent has provided detailed evidence on its UK market share for its fragrance goods in 2012 and 2013 having a market share of 1.2%, and its lipstick goods in 2013 having a market

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<sup>6</sup> Case C-196/11P, paragraphs 41 to 44

share of 2.1%. I also note that tables 6 to 11 above show a more detailed breakdown of the market share and ranking held by competing fragrances and lipsticks, to which the opponent holds the highest share of the market with 4.1% in 2012 and 4.4% in 2013 for its Coco Mademoiselle fragrance. As highlighted above, I note that the cosmetics and fragrance industries that the opponent is operating within will be significant sized markets, which are highly saturated and therefore I consider that the market share which is held by the opponent is notable. My finding is, therefore, that the distinctiveness of the earlier mark, for the opponent's fragrance and lipstick goods, has been enhanced to above a medium degree (if it is assigned the concept of coconut), or a very high degree (if assigned the meaning of cocoa, a girl's name, or an invented word).

103. However, for the opponent's soaps, body lotions for the care of the skin and deodorants for personal use, I consider that the evidence is much more limited in respect of these goods. I note that there are significant sales figures for the years 2009 to 2013 which amounts to £2,500,000. However, I haven't been provided with any market share figures, and the opponent states that they do not invest in advertising for these goods. I also note that the majority of the evidence provided to support the sale of the goods are undated. Therefore, taking all of the above into account, I do not consider that the evidence is sufficient to establish enhanced distinctiveness for the opponent's soaps, bath gels, body lotions for the care of the skin and deodorants for personal use goods.

### **Likelihood of confusion**

104. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and

vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

105. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the marks to be visually and aurally similar to a medium degree.
- I have found the marks to be conceptually dissimilar, or neutral, depending on the meaning assigned to the opponent's mark.
- I have found the opponent's mark to be inherently distinctive to between a low and medium degree, or to a high degree, depending on the meaning assigned to the opponent's mark.
- I have found the distinctiveness of the earlier marks, for the opponent's fragrance and lipstick goods, to have been enhanced through use to above a medium degree (if it is assigned the concept of coconut), or a very high degree (if assigned the meaning of cocoa, a girl's name, or an invented word).
- I have identified the average consumer to be members of the general public, and professionals such as beauticians and nail technicians, who will select the goods and services primarily by visual means, although I do not discount an aural component.
- I have concluded that a medium degree of attention will be paid during the purchasing process for the goods and services.
- I have found the parties' goods and services to identical or similar to a very low degree.

106. Taking all of the factors listed in paragraph 105 into account, particularly the visual and conceptual differences between the marks, I am satisfied that the marks are unlikely to be mistakenly recalled or misremembered as each other. Firstly, the average consumer rarely has the opportunity to compare the marks side-by-side, and therefore, the applicant's mark in isolation will not be directly compared with the word



“COCO”. Furthermore, and as highlighted by the case law above, the consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The average consumer is therefore not going to artificially dissect the applicant’s mark to withdraw the word COCO out of INCOCO. The average consumer will view the word INCOCO, as a whole, as an invented word with no meaning.

107. As established above, the length of the parties’ marks are short, and therefore I consider that the differences are more likely to be noticed. I also note that the visual differences between the marks lies in the presence of the letters I and N at the beginning of the applicant’s mark, which the average consumer pays greater attention to. Therefore, I do not consider that the average consumer would overlook the letters I and N at the beginning of the applicant’s mark, especially because the effect of these letters is to create an impression of a different (invented) word. For all of the above reasons, I do not consider there to be a likelihood of direct confusion, even when the marks are used on identical class 3 goods.

108. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

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

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

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

109. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

110. Mr Purvis KC in *L.A Sugar Limited* sets out that there are three main categories, above, of indirect confusion and that indirect confusion ‘tends’ to fall in one of them. I note that the opponent hasn’t provided any submissions as to what category this case would fall within. However, for the sake of completeness, I will go through each category.

111. Firstly, where the common element is so strikingly distinctive that the average consumer would assume that no-one else, but the brand owner, would be using it. I consider that this would have been the opponent's strongest case due to the marks being enhanced to either above a medium degree, or a very high degree. However, as highlighted above, the consumer normally perceives a trade mark as a whole, does not artificially dissect it, or proceed to analyse its various details. In this instance, I consider that the average consumer would not see the word COCO within applicant's mark INCOCO. It will simply be seen, as a whole, as an invented word with no meaning. Consequently, if the common element is not dissected, and therefore not seen within the applicant's mark, the first category cannot be satisfied.

112. Secondly, where the later mark simply adds a non-distinctive element to the earlier mark. The examples provided by Mr Purvis KC for this category are separate words which are frequently used to indicate that they are sub-categories/brands. As highlighted above, the opponent has argued that the letters 'IN-' at the beginning of a word is not only a very common preposition, but also an extremely common prefix. 'IN' is used in a number of words such as infused, insert, induce, intended to mean "in, into, towards or within". However, this approach, again, dissects the applicant's mark which is contrary to the case law above. The "IN" part is not a non-distinctive element because it is a part of a whole word. I also note that the word "IN" is not a word which is used within the trade to indicate that the mark is a sub-brand, nor have I been provided with any evidence to support this notion. Consequently, the second category cannot be satisfied.

113. Lastly, where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension. In this case, the earlier mark only consists of one element, and the applicant's mark also only consists of one element. Therefore, this category cannot not apply.

114. I bear in mind that the examples above set out by Mr Purvis are not exhaustive. However, I do not consider that there are any other logical examples of how the applicant's mark could be indirectly confused with the opponent's. I consider that having noticed that the trade marks are different, I see no reason why the average consumer would assume that they come from the same or economically linked

undertakings. As highlighted above, the marks are not natural variants or brand extensions of each other.

115. However, it is my view that, given the enhanced distinctiveness of the opponent's mark in relation to its lipstick and fragrance goods, the opponent's mark could be brought to mind. I consider that this is unlikely, but if this was the case, it would be so few in number that it wouldn't amount to a significant proportion. Regardless, this would be mere association, not confusion: see *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, paragraph 81. Consequently, I consider there is no likelihood of indirect confusion.

## **CONCLUSION**

116. The opposition is unsuccessful, and the application may proceed to registration.

## **COSTS**

117. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£1,050** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the Notice of opposition and preparing a Counterstatement	£200
Preparing and filing evidence	£500
Preparing and filling submissions	£350
<b>Total</b>	<b>£1,050</b>

118. I therefore order Chanel Limited to pay Innovative Cosmetics Concepts, LLC the sum of £1,050. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 20<sup>th</sup> day of April 2023**

**L FAYTER**

**For the Registrar**