

O/0460/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3739171
BY FALCON PACK L.L.C
TO REGISTER THE FOLLOWING TRADE MARK:



IN CLASSES 3, 6, 16 & 20

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 434648
BY JUPITER SOAPS LTD

Background and pleadings

1. On 4 January 2022, Falcon Pack L.L.C (“the applicant”) applied to register the trade mark displayed on the cover page of this decision in the UK, under number 3739171 (“the contested mark”). Details of the application were published for opposition purposes on 1 April 2022. Registration is sought for the following goods:

Class 3: Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations.

Class 6: Common metals and their alloys, ores; metal materials for building and construction; transportable buildings of metal; non-electric cables and wires of common metal; small items of metal hardware; metal containers for storage or transport; safes.

Class 16: Paper and cardboard; printed matter; bookbinding material; photographs; stationery and office requisites, except furniture; adhesives for stationery or household purposes; drawing materials and materials for artists; paintbrushes; instructional and teaching materials; plastic sheets, films and bags for wrapping and packaging; printers' type, printing blocks.

Class 20: Furniture, mirrors, picture frames; containers, not of metal, for storage or transport; unworked or semi-worked bone, horn, whalebone or mother-of-pearl; shells; meerschaum; yellow amber.

2. On 29 June 2022, Jupiter Soaps Ltd (“the opponent”) partially opposed the application under sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against the applied-for goods in class 3 only.

3. For the purposes of its claim under 5(2)(b), the opponent relies upon the following trade marks:

FALCON

UK registration no. 402687

Filing date: 31 March 1920

Registration date: 31 March 1920

("the first earlier mark")

FALCON

UK registration no. 1108682

Filing date: 1 February 1979

Registration date: 1 February 1979

("the second earlier mark")

4. The first earlier mark is registered in respect of '*common soap*' in class 3, whereas the second earlier mark is registered in relation to '*soap*' in class 3.

5. Given the respective filing dates, the opponent's marks are earlier marks in accordance with section 6 of the Act. As they had both completed their respective registration processes more than five years before the filing date of the contested mark, they are subject to the proof of use provisions specified in section 6A of the Act.

6. The opponent contends that the competing marks are similar and that the parties' goods in class 3 are identical or similar. On this basis, the opponent submits that there is a likelihood of confusion, including the likelihood of association. Within its statement of grounds, the opponent made a statement of use in respect of all the goods relied upon.

7. As for its claim under section 5(4)(a), the opponent claims that it has a protectable goodwill in relation to which it has used the sign **FALCON** throughout the UK since 1920. The sign is said to have been used in respect of '*soaps*'. The opponent argues that the similarity between the sign and the contested mark, as well as the identity or

similarity between the parties' respective goods, would give rise to misrepresentation and damage.

8. The applicant filed a counterstatement, denying the grounds of opposition. It also indicated that it would require the opponent to demonstrate use of both its earlier marks.

9. Both parties are professionally represented; the opponent by Trade Mark Direct and the applicant by HGF Limited. Only the opponent filed evidence in these proceedings. Both parties were given the option of an oral hearing, though neither asked to be heard. Only the applicant filed written submissions in lieu of attendance, though I note that the opponent filed written submissions during the evidence rounds. This decision is taken following careful consideration of the papers before me, keeping all submissions in mind.

10. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive and, therefore, this decision continues to refer to the trade mark case law of the EU courts.

Evidence

11. The opponent's evidence is given in the witness statement of Richard Langham, dated 21 October 2022, together with Exhibits 1 to 6 and 8 to 12(22). Mr Langham is a director of the opponent company, a position he has held since its incorporation on 10 July 2013. His evidence goes to use of the opponent's earlier marks and sign.

12. I have read all of the evidence and will return to it to the extent I consider necessary in the course of this decision.

Section 5(2)(b)

Proof of use

13. I must firstly deal with the issue of whether, or to what extent, the opponent has shown genuine use of its earlier marks. The relevant statutory provisions are as follows:

“6A – (1) This section applies where –

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

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

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

(3) The use conditions are met if –

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

(4) For these purposes –

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

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

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

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

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

14. The onus is on the opponent, as the proprietor of the earlier marks, to show use made of them because section 100 of the Act states:

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

15. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier marks is the five-year period ending with the filing date of the application at issue, i.e. 5 January 2017 to 4 January 2022.

16. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch), Arnold J 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 Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 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].”

17. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services protected by the mark” is not, therefore, genuine use.¹

18. I am also guided by *Awareness Limited v Plymouth City Council*, Case BL O/236/13, in which Mr Daniel Alexander QC as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use [...] However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal

¹ *Intermar Simanto Nahmias v Nike Innovate C.V.*, Case BL O/222/16

will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

[...]

“28. [...] I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

19. Furthermore, in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, Mr Geoffrey Hobbs QC as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of

probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

20. Through his evidence, Mr Langham provides a signed witness statement from Alan Rogers, dated 27 June 2018.² Mr Rogers was a director of Kay’s (Ramsbottom) Ltd (“Kay’s”), a position he held from 1972 until its closure in December 2016. He states that the brand name ‘Falcon’ was first registered in the 1920s by James Kay and Sons

² Exhibit 2

Ltd (“JKS”), the precursor to Kay’s. The latter was formed in 1951 and, in so doing, took ownership of the mark and associated goodwill. Mr Rogers says that, between 1972 and 2016, ‘Falcon’ was used in respect of household soap and toilet soap. Administrators were said to have been appointed on 22 September 2016, at which point the shareholders sold the ‘Falcon’ mark and all associated goodwill to the opponent.

21. Mr Langham also provides a signed witness statement from Alec Kenyon, dated 1 July 2018.³ Mr Kenyon was a director of Kay’s, a position he held from 1 November 1992 until its closure. Mr Kenyon states that JKS, and subsequently Kay’s, maintained the registration and use of the ‘Falcon’ mark until its sale to the opponent. He also confirms that the mark was used for household soap and toilet soap. Like Mr Rogers, Mr Kenyon says that the ‘Falcon’ mark and all associated goodwill was sold to the opponent once administrators had been appointed.

22. A statement of the administrators’ proposals, dated 14 November 2016, is in evidence.⁴ This confirms that Kay’s was incorporated on 9 November 1951, but suggests that its business had been operated for approximately 120 years. This is broadly consistent with Mr Roger’s and Mr Kenyon’s narrative evidence. The statement confirms that the company manufactured soap products. It contextualises the appointment of the administrators; Kay’s was trading at a loss since 2014 – with turnover declining from £6.1million in 2013 to £5million in 2015 – and was unable to return to profitability.

23. A bundle of “IP Assignment” documents has been exhibited by Mr Langham.⁵ These include a signed agreement between Kay’s (acting through its administrators) and the opponent, dated 31 August 2017, concerning the assignment of the earlier marks from the former to the latter for a fee; a copy of a Form TM16 dated 12 September 2017, in which the change of ownership was requested at the IPO; an official letter from the IPO dated 4 October 2017, confirming that the change of ownership had been duly recorded; and an invoice from Kay’s to the opponent dated

³ Exhibit 5

⁴ Exhibit 4(1)

⁵ Exhibits 6(1) to 6(4)

13 September 2017, confirming that payment had been received for “Falcon Soap Intellectual Property”.

24. Mr Langham has provided a selection of invoices dated between 23 February 2016 and 18 November 2016.⁶ I note that several of the invoices were sent to customers in the Republic of Ireland and, therefore, cannot be relied upon for the purposes of demonstrating genuine use in the UK. The remainder of the invoices show the sale of ‘Falcon’ branded soap products by Kay’s to customers in Kent, Manchester, Birmingham, Burnley, Nottingham, Colchester, Stockport and Bolton. When excluding the invoices directed to customers outside the UK, the invoices demonstrate a turnover of £37,515.89 for 3,750 cases of soap products.

25. A copy of Kay’s end of year accounts for 1983 is in evidence.⁷ The principal activity of Kay’s at that time was described as the manufacture, processing and sale of soaps and soap-based products. Turnover for both 1982 and 1983 exceeded £1.6million. Copies of Kay’s end of year accounts for 2003 to 2015 have also been provided.⁸ The principal activity of Kay’s during these years was also described as the manufacture, processing and sale of soaps and soap-based products. The accounts show a gross profit of over £1.1million in 2002 and 2003. Whilst there are no turnover figures for 2004 to 2015, the profit/loss accounts – which are said to account for revenue associated with the sale of goods – for each of these years were (approximately) as follows:

Year	Profit (£millions)	Year	Profit (£millions)
2004	1.06	2010	1.41
2005	1.04	2011	1.38
2006	1.03	2012	1.22
2007	1.30	2013	1.34
2008	1.30	2014	1.20
2009	1.30	2015	1.06

⁶ Exhibit 8

⁷ Exhibit 9(1)

⁸ Exhibits 9(12) to 9(24)

26. Mr Langham has also exhibited the opponent's end of year accounts for 2016 to 2021.⁹ These consist of "micro-entity balance sheets", which do not include turnover figures or profit/loss accounts. The company had assets in these years, as well as funds in capital and reserves, but there is no indication as to what these represent.

27. Printouts from the opponent's website at jupitersoaps.co.uk are in evidence.¹⁰ They show 'Falcon' branded soap products, displayed with links to purchase the same from other retailers. A printout from carbolicsoap.com is then provided,¹¹ which shows 'Falcon' branded soap offered for sale by a third-party retailer. The printouts from these websites are undated. However, I note the printout of a Facebook post from this third-party retailer dated 29 April 2021,¹² which indicates that 'Falcon' household soaps were in stock on the website at that time.

28. Mr Langham has also provided printouts of 'Falcon' branded household soaps, available to purchase from amazon.co.uk and therange.co.uk.¹³ The printouts are undated, though the delivery information (order for delivery on 22 October and 28 October, respectively) suggests that they are from the time Mr Langham's statement was prepared, i.e. after the relevant period. Printouts from third-party retailers at alexandersofwelshpool.co.uk, pigney.co.uk and morgansofharrogate.co.uk have also been exhibited.¹⁴ These show 'Falcon' household soaps offered for sale by UK outlets. However, the printouts are all undated. The same is true of a printout from ebay.co.uk.¹⁵

29. Finally, Mr Langham has provided a selection of invoices which demonstrate the sale of 'Falcon' branded soaps by the opponent.¹⁶ The invoices are dated between 14 March 2020 and 20 August 2022. Some of the invoices were sent to customers outside the UK (namely, the Republic of Ireland and Spain), whilst others post-date the relevant period (being those dated between 7 January 2022 and 20 August 2022). As

⁹ Exhibits 10(1) to 10(4)

¹⁰ Exhibits 11(1) and 11(4)

¹¹ Exhibit 11(2)

¹² Exhibit 11(3)

¹³ Exhibits 11(5) and 11(9)

¹⁴ Exhibits 11(6), 11(8), 11(10) and 11(11)

¹⁵ Exhibit 11(7)

¹⁶ Exhibits 12(1) to 12(22)

such, these invoices are of no assistance to the opponent. The invoices sent to UK customers within the relevant period show the sale of 2,824 units of soaps, generating a turnover of £1,290.89. The customers were based in Hertfordshire, Kent, Norwich, Welshpool, Brighton and York.

30. As noted above, the relevant period is 5 January 2017 to 4 January 2022. For the purposes of assessing whether there has been genuine use of the earlier marks, only use within this period may be considered. As such, the following assessment takes no account of the historical background of JKS and Kay's, any use of the marks by those entities or their accounts before the relevant period, or the sales invoices sent from the opponent to customers after the relevant period.

31. I remind myself that an assessment of genuine use is a global assessment, which involves looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.¹⁷ The evidence shows that, towards the beginning of the relevant period, the earlier marks were sold, and duly assigned, to the opponent. The opponent's end of year accounts show that the company had assets, and funds in capital and reserves, throughout the relevant period. The evidence also suggests that 'Falcon' branded soap products were available to purchase from at least one UK-facing retailer within the relevant period. Invoices from within the relevant period have been provided, which demonstrate the sale of soap products bearing the earlier marks by the opponent to customers across the UK. The invoices show that a turnover of approximately £1,300 was generated through the sale of around 2,800 units of soap products.

32. Nevertheless, as indicated in the case law above, not every commercial use of a mark may automatically be deemed to constitute genuine use. The opponent has not provided any details as to the size of the relevant market, or its share in the same. Neither is there any evidence before me to that effect. I note that no turnover figures have been provided. Without such financial information, it is difficult to assess the true scale and extent of the use of the earlier marks. It is my impression that the market for soap in the UK is highly competitive and remarkably large, numbering in the many

¹⁷ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, Case T-415/09

millions of pounds per annum. Moreover, soap is typically inexpensive and purchased on a relatively frequent basis. I accept that use of a mark does not necessarily need to be quantitatively significant for it to be deemed genuine. However, the invoices – albeit establishing that soap products were sold under the earlier marks in the relevant period, and that these sales were relatively widespread, geographically – suggest that only around 2,800 units of soap were sold, generating a turnover of approximately £1,300. In the context of the relevant market, I consider these figures to be extremely low. Across a five-year period, I do not consider them to be warranted in the sector to create or maintain a share in the market for the opponent's goods. Moreover, there is a distinct lack of evidence of any promotional or advertising activities conducted during the relevant period. I also note that no details have been provided as to amounts invested in any such activities. Furthermore, the evidence of online use of the mark is flawed. The printouts from the opponent's website are all undated, as are those from third-party retailers and eBay. Those from Amazon and The Range can only be attributed to October 2022. Therefore, none of the printouts can be relied upon as showing the position during the relevant period. I accept that the Facebook post from one third-party retailer suggests that 'Falcon' products were available to purchase from its website during the relevant period. However, without more, that is not sufficient, particularly considering the extremely small turnover suggested by the invoices. I also acknowledge that the opponent's accounts show that the company had assets, and funds in capital and reserves. Nonetheless, as previously indicated, there is no indication as to what those figures represent. Neither the opponent nor Mr Langham have provided any information which would enable me to tether those figures to the sale of soap products under the earlier marks.

33. Following a careful consideration of the evidence in its entirety, although it appears that there has been some commercial activity, and that this was conducted in connection with the earlier marks, I am not satisfied that the opponent has demonstrated genuine use of its marks in the UK. As a consequence, the earlier marks may not be relied upon to support the opponent's claim under section 5(2)(b) and the opposition under this ground must inevitably fail.

Section 5(4)(a)

The law

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

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

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

(aa) [...]

(b) [...]

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

35. Subsection (4A) of Section 5 states:

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

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

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt &*

Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "a substantial number" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

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

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

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

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

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

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

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

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

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

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

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

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

Relevant date

38. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, Case BL O/410/11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the Registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of

the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.”

39. There has been no claim by the applicant that the contested mark had been used prior to the earliest claimed use of the opponent’s alleged earlier sign or the date on which the application in issue was filed. Moreover, no such evidence has been adduced. Therefore, the relevant date for assessing the opponent’s claim under section 5(4)(a) is the filing date of the application, that being 4 January 2022.

Goodwill

40. The first hurdle for the opponent is to show that it had the necessary goodwill resulting from the trading activity relied on under the ‘FALCON’ sign at the relevant date. I remind myself that the goods in relation to which the opponent must demonstrate goodwill are ‘soaps’. Goodwill was described in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

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

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The

requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97* as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

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

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

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

43. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred

by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in *BALI Trade Mark* [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

44. In *Smart Planet Technologies, Inc. v Rajinda Sharma* (Case BL O/304/20), Mr Thomas Mitcheson QC, as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities, Mr Mitcheson concluded that:

“[...] a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”

45. Before assessing whether a protectable level of goodwill exists, I consider it necessary to briefly address ownership of the same. The applicant has submitted that, whilst it does not dispute the opponent's ownership of the earlier marks, it does not accept that the assignment transferred any alleged goodwill owned by Kay's in the 'FALCON' sign to the opponent. Although this was only raised at the final written submissions stage, with the opponent not being afforded an opportunity to properly respond, it is still incumbent on me to consider whether any goodwill accrued by Kay's was assigned to the opponent during the sale of the earlier marks.

46. The agreement dated 31 August 2017 between Kay's and the opponent stated as follows:

“(A) [Kay's] is the registered proprietor of the trade marks contained in Schedule 1 (the “Registered Trade Marks”).

(B) [Kay's] has agreed to assign the Registered Trade Mark to the [opponent].

[...]

2.1 In consideration of £5,500 (exclusive of VAT) paid by the [opponent] to [Kay's] (receipt of which [Kay's] now acknowledges) [Kay's] assigns such right, title and interest as it may have in the Registered Trade Marks. Neither [Kay's] nor the Administrators give any covenants for title in respect of the Registered Trade Marks.

2.2 The [opponent] accepts the title of [Kay's] to the Registered Trade Marks as at the date of this agreement and will raise no requisition or objections. [...]

47. Within Schedule 1 to the agreement, the trade marks covered by the agreement were given as UK registration nos. 402687 and 1108682 (the first and second earlier marks).

48. As can be seen from the above, any goodwill accrued by business activities conducted by Kay's in relation to the earlier marks was not expressly referred to in the particulars of the agreement. Indeed, there is no mention of goodwill anywhere in the document. However, it is Mr Langham's narrative evidence that the purchase of the “IP” – which I take to be a reference to the registered trade marks – also covered the goodwill associated with the ‘FALCON’ name. It is specifically mentioned. This was not challenged by the applicant and no request was made to cross-examine Mr Langham on this evidence. I, therefore, have no reason to disbelieve him on the issue. Moreover, Messrs Rogers and Kenyon, former directors of Kay's, also confirm in their statements that all goodwill associated with the ‘Falcon’ registrations was sold to the

opponent. The applicant has not sought to challenge this narrative evidence either. Overall, I am satisfied with the chain of title. The opponent may, therefore, rely on any goodwill accrued by Kay's (insofar as it existed at the relevant date) for the purposes of the present ground.

49. Goodwill arises as a result of trading activities. Although I have already found that the opponent has failed to establish genuine use of the earlier marks, an assessment as to whether there was a protectable goodwill at the relevant date is not constrained by time period. Any trading activities conducted in relation to the 'FALCON' sign prior to the relevant date may be taken into account, including those prior to 2017 when Kay's is said to have been the user of the sign. I have already considered the opponent's evidence of use. Therefore, I will now assess the level of use of the 'FALCON' sign by Kay's before returning to factor in the position following the assignment in 2017.

50. The accounts from Kay's in evidence suggest that turnover associated with the manufacture, processing and sale of soaps was over £1.6million in 1982 and 1983, whilst profit in that regard was over £1.1million in 2002 and 2003. The profit/loss accounts show an annual profit of over £1million between 2004 and 2015. It is important to note that these figures are taken from the accounts based on my own understanding of them; I do not purport to be an expert in accounting and, as such, it is not clear whether the entirety of the figures from the profit/loss accounts accurately reflect the turnover for that financial year. Whilst this evidence could have certainly benefitted from some clarification, the profit/loss accounts are said to account for revenue associated with the sale of goods. Furthermore, there has been no challenge from the applicant regarding the turnover. Although, in 2016, the administrators reported that Kay's was trading at a loss from 2014 onwards, they also stated that turnover was £6.1million in 2013 and £5million in 2015. These figures are significant, particularly in the context of typically inexpensive products. There are invoices in evidence which demonstrate that, prior to the relevant date, Kay's sold 'Falcon' branded soap products to customers across the UK. Whilst sales amounting to less than £38,000 may not necessarily tally with turnover or profit in the £millions, I bear in mind that they are a selection of invoices, i.e. they are not exhaustive. The evidence from Kay's use of the 'FALCON' sign is certainly not without its limitations. For

example, there is no evidence of any promotional or advertising activities. In addition, evidence of actual use of the sign is extremely limited; the only use of the sign appears in the invoices. There is no information regarding market share. Nevertheless, on the weight of the financial information provided, which suggests relatively longstanding use, as well as the fact that soap products were sold to customers across the UK under the 'FALCON' sign, I am satisfied that Kay's would have accrued a relatively strong level of goodwill prior to its assignment to the opponent in 2017.

51. Given my previous finding that the opponent has failed to establish genuine use of marks identical to the 'FALCON' sign between 5 January 2017 and 4 January 2022, the post-assignment position is clearly weaker. Whilst I do not repeat them here, the criticisms outlined at paragraph 32 are equally applicable to my assessment of goodwill during the same period. However, there was some commercial use of the 'FALCON' sign. The level of goodwill in the business would have undoubtedly reduced over that period because of the significant scaling back of use and reduced financial performance, though, overall, I find that the opponent would have retained a moderate degree of goodwill in the UK in relation to its business in soaps at the relevant date. I am satisfied that the sign relied upon was distinctive of that goodwill.

Misrepresentation and damage

52. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt LJ stated that:

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

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

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

And later in the same judgment:

“[...] for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

53. In making the following assessment, I bear in mind the questions set out in Halsbury's (see paragraph 37 above). The questions relevant to these proceedings are a) the nature and extent of the goodwill, b) the closeness (or otherwise) of the respective fields of activity in which the parties carry on their business, and c) the similarity of the marks at issue.

54. I have found that the opponent enjoyed a moderate level of goodwill in its soap business at the relevant date. I am also satisfied that the ‘FALCON’ sign was distinctive of that goodwill.

55. I remind myself that under this ground of opposition there is no requirement for the goods at issue to be similar, in the sense that an assessment of whether there is a likelihood of confusion under section 5(2)(b) requires some degree of similarity.¹⁸ Rather, I must have regard to the closeness or otherwise of the respective fields of activity in which the parties carry on their business. The opponent's goodwill relates to ‘soaps’. I remind myself that the applicant's goods are as follows:

¹⁸ *eSure Insurance v Direct Line Insurance* [2008] ETMR 77 CA

Class 3: Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations.

56. *'Non-medicated cosmetics and toiletry preparations'* and *'cleaning preparations'* cover soaps. Moreover, it is my understanding that *'essential oils'* have a wide variety of uses, including for cleansing the body or face. In respect of these goods, it can, therefore, be said they the parties operate in the same field of activity. *'Non-medicated dentifrices'* cover agents used to clean and polish teeth, such as toothpaste. Clearly, they are not the same as soaps and these goods are not in the same field of activity. However, I do not consider the respective fields of activity to be disparate. Soaps and dentifrices are both broadly used for personal cleaning purposes. As for *'perfumery'*, although these goods form a discrete industry, there is a connection between the respective fields of activity. This is because it is not uncommon for the producers of perfumes to also offer personal cleaning products, which often carry the same fragrances as the perfumes. Perfumes and soaps may also both be used by consumers as part of their personal care or daily routines. Further, I remind myself that there is no requirement for the applicant to be carrying on a business which competes with that of the opponent for misrepresentation to occur.¹⁹ It is my view that *'bleaching preparations and other substances for laundry use; [...] polishing, scouring and abrasive preparations'*, are further removed from soaps in that they are not for personal care. There is a limited connection between the fields of activity in that the goods share a general purpose, i.e. cleaning. However, the applied-for goods generally relate to the cleaning of clothing, surfaces, objects and the like. In the absence of any evidence on the point, it is my impression that there is minimal overlap between the respective fields of activity. For example, it is not typical for the producers of soap to also produce cleaning products for the home or clothing, or vice versa.

57. Turning to the competing trade marks, the opponent's sign consists of the plain word 'FALCON'. As there are no other elements to consider, the overall impression of

¹⁹ *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)

the sign plainly rests in the word itself. Conversely, the competing mark consists of several elements, namely, the word element 'falconpack', a non-English word element and a device element. The elements of the mark are presented in two different shades of green. Although conjoined in the mark, I am of the view that, given that it consists of two ordinary, dictionary words, consumers will perceive the first element as the words 'falcon pack'. The non-English words beneath are larger, though are unlikely to be understood by the majority of UK consumers. The device element is likely to be seen as a stylised representation of a bird (and in the context of the mark as a whole, a falcon). I consider that the overall impression of the mark is dominated by the words 'falcon pack', whilst the non-English words, bird device and use of colour play lesser roles. I should add that the dominant words, i.e. 'falcon pack', do not combine form a unit with a different meaning than the two words taken separately. The competing marks overlap in that the entirety of the opponent's sign appears within the contested mark. It co-dominates the overall impression of the latter and appears at its beginning. Despite the differences created by the word 'pack', the non-English words, the bird device and the use of colour in the contested mark, the common presence of the distinctive word 'FALCON'/'falcon' leads to a moderate degree of visual, aural and conceptual similarity between the competing marks.

58. Taking all of this into account, it is my view that, in respect of the applicant's '*non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; cleaning preparations*', a substantial number of members of the public will be deceived into believing that the goods provided under the competing marks are offered by the same or economically linked undertakings. In reaching this finding, I bear in mind the overall levels of similarity between the competing marks, the moderate level of goodwill in the opponent's business at the relevant date and the relative closeness between the respective fields of activity. Given that I have found that misrepresentation would occur in the context of these goods, I consider that damage through diversion of sales is easily foreseeable. The opponent's claim under this ground succeeds in relation to these goods.

59. These findings, however, do not extend to the applicant's '*bleaching preparations and other substances for laundry use; [...] polishing, scouring and abrasive preparations*'. In relation to these goods, I am of the view that the level of goodwill in

the opponent's business at the relevant date is not sufficient to overcome the greater distance between the fields of activity. It is considered unlikely that members of the public will be deceived into believing these goods are offered by the undertaking responsible for the opponent's sign, or an economically linked undertaking. There will be no misrepresentation and, as a consequence, there is no risk of damage. The opponent's claim under this ground fails in respect of these goods.

Conclusion

60. The opposition under section 5(4)(a) of the Act has been partially successful. Subject to any successful appeal, the application will be refused in respect of the following goods:

Class 3: Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; cleaning preparations.

61. The application will proceed to registration in the UK in relation to the following goods, which were not opposed, or against which the opposition has failed:

Class 3: Bleaching preparations and other substances for laundry use; polishing, scouring and abrasive preparations.

Class 6: Common metals and their alloys, ores; metal materials for building and construction; transportable buildings of metal; non-electric cables and wires of common metal; small items of metal hardware; metal containers for storage or transport; safes.

Class 16: Paper and cardboard; printed matter; bookbinding material; photographs; stationery and office requisites, except furniture; adhesives for stationery or household purposes; drawing materials and materials for artists; paintbrushes; instructional and teaching materials; plastic sheets, films and bags for wrapping and packaging; printers' type, printing blocks.

Class 20: Furniture, mirrors, picture frames; containers, not of metal, for storage or transport; unworked or semi-worked bone, horn, whalebone or mother-of-pearl; shells; meerschaum; yellow amber.

Costs

62. Both parties have succeeded in part. However, the opponent has enjoyed a greater measure of success. As such, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016, with an appropriate reduction to reflect the applicant's degree of success.

63. In the circumstances, I award the opponent the sum of **£980**, which is calculated as follows:

Preparing a statement and considering the applicant's counterstatement	£300
Preparing evidence	£700
Preparing written submissions	£300
Subtotal	£1,300
<i>Reduction of 40%</i>	<i>-£520</i>
Official fee ²⁰	£200
Total	£980

²⁰ The official fee associated with the filing of Form TM7 is not subject to a reduction.

64. I hereby order Falcon Pack L.L.C to pay Jupiter Soaps Ltd the sum of **£980**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of the proceedings if any appeal against this decision is unsuccessful.

Dated this 16th day of May 2023

**James Hopkins
For the Registrar**