

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
APPLICATIONS NOS 3261155 AND 3261166  
IN THE NAME OF  
THE LIVERPOOL FOOTBALL CLUB AND ATHLETIC GROUNDS LIMITED**

**AND IN THE MATTER OF  
OPPOSITIONS NOS 411520 AND 411521 THERETO  
BY LOTTO SPORT ITALIA SPA**

**AND IN THE MATTER OF  
AN APPEAL TO THE APPOINTED PERSON  
BY THE OPPONENT  
AGAINST A DECISION OF MR GW SALTHOUSE  
DATED 8 MAY 2019**

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**DECISION**

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**Introduction**

1. This is an appeal against a decision of Mr George W Salthouse, acting for the Registrar, dated 8 May 2019, BL O/236/19, in which he dismissed oppositions brought by Lotto Sport Italia SpA (“the Opponent”) against Applications numbers 3261155 and 3261166 standing in the name of The Liverpool Football Club and Athletic Grounds Limited (“the Applicant”).

**Applications Nos. 3261155 and 3261166**

2. Applications numbers 3261155 and 3261166 were filed by the Applicant on 4 October 2017 requesting registration of the designations represented below for use as trade marks in the UK:

<b><u>3261155</u></b>	<b><u>3261166</u></b>
	

3. The goods and services for which registration was sought were in both cases:

Class 3

Cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices; after-shave lotions; antiperspirant soap; antiperspirants; bath salts; beauty masks; breath freshening sprays; bubble bath; body creams; body wash; cosmetic kits; cosmetics; cosmetic creams; deodorant soap; eau de cologne; hair colourants; hair conditioners; hair dyes; hair lotions; hair spray; hair waving preparations; lipsticks; make-up; mascara; nail polish; nail varnish; perfumes; potpourri; shampoos; shaving lotions; shaving preparations; shaving soap; shower gel; skincare preparations; suntanning preparations; talcum powder; washing preparations

Class 14

Jewellery, costume jewellery, precious stones; horological and chronometric instruments, clocks and watches; parts, fittings and accessories for all the aforesaid goods

Class 18

Trunks and travelling bags; rucksacks; backpacks; bags; beach bags; belts; briefcases; card cases; cases; garment cases for travel; handbags; holdalls; key cases; keyholders; keyfobs; purses; school bags; shopping bags; sports bags; suitcases; wallets; umbrellas, parasols and walking sticks; parts, fittings and accessories for all the aforesaid goods

Class 24

Textiles and textile goods, not included in other classes; bed and table covers; bath linen; bed linen; furniture coverings of textile; curtains of textile or plastic; fabrics; face towels; flags; handkerchiefs of textile; household linen; mattress covers; napkins of textile; pillowcases; place mats of textile; sheets; table linen; towels of textile

Class 25

Clothing, footwear, headgear; sports clothing; sports footwear; sports headgear; outerwear; swimwear; underwear; football shirts; football boots; football shorts; football socks; boots; shoes; caps; hats; beanie hats; baseball caps

Class 35

Retail and online retail services connected with the sale of cleaning, polishing, scouring and abrasive preparations soaps, perfumery, essential oils, cosmetics, hair lotions, dentifrices, after-shave lotions, antiperspirant soap, antiperspirants, bath salts, beauty masks, breath freshening sprays, bubble bath, body creams, body wash, cosmetic kits, cosmetics, cosmetic creams, deodorant soap, eau de cologne, hair colorants, hair conditioners, hair dyes, hair lotions, hair spray, hair waving preparations, lipsticks, make-up, mascara, nail polish, nail varnish, perfumes, potpourri, shampoos, shaving lotions, shaving preparations, shaving soap, shower gel, skincare preparations, suntanning preparations, talcum powder, washing preparations, jewellery, costume jewellery, precious stones, horological and chronometric instruments, clocks and watches, trunks and travelling bags, rucksacks, backpacks, bags, beach bags, belts, briefcases, card cases, cases, garment cases for travel, handbags, holdalls, key cases, keyholders, keyfobs, purses, school bags, shopping bags, sports bags, suitcases, wallets, umbrellas, parasols and walking sticks, textiles

and textile goods, bed and table covers, bath linen, bed linen, furniture coverings of textile, curtains of textile or plastic, fabrics, face towels, flags, handkerchiefs of textile, household linen, mattress covers, napkins of textile, pillowcases, place mats of textile, sheets, table linen, towels of textile, clothing, footwear, headgear, sports clothing, sports footwear, sports headgear, outerwear, swimwear, underwear, football shirts, football boots, football shorts, football socks, boots, shoes, caps, hats, beanie hats, baseball caps; organisation, operation and supervision of sales and promotional incentive schemes; loyalty card services; discount card services; advisory, consultancy and information services relating to the aforesaid

**Oppositions Nos. 411520 and 411521**

4. The Applications were published in the Trade Marks Journal on 27 October 2017. On 29 January 2018, the Opponent filed Notices of oppositions against the Applications (subsequently amended<sup>1</sup>).
5. The grounds of opposition (pursued) were under Section 5(2)(b) and Section 5(3) of the Trade Marks Act 1994.
6. Under Section 5(2)(b) the Opponent narrowed down its oppositions to rely on 2x earlier EU trade marks in its ownership: EU Registrations numbers 2109684 and 16583619.
7. Section 5(2)(b) of the Act provides that :

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

[ ... ]

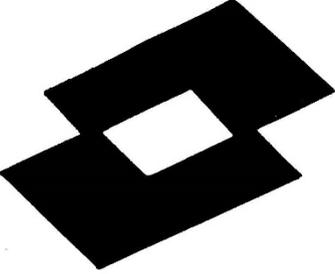
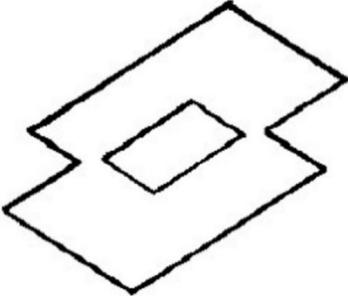
(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”
8. Details of the Opponent’s EU Registrations numbers 2109684 and 16583619 are relevantly as shown below<sup>2</sup>:

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<sup>1</sup> The grounds of opposition were narrowed by dropping the grounds based on the opponent’s UK 1234927/1500953, the grounds based on the Opponent’s alleged earlier rights under 5(4)(a) and the grounds based on the Opponent’s alleged reputation under Section 5(3) with the exception of that in relation to the Opponent’s EU 002109684; email CSY-Herts to IPO 09.04.19.

<sup>2</sup> The full lists of goods and services appear in the Hearing Officer’s decision at para. 3. I will only discuss the relatively small number of items that were subjects of this appeal.

<u>Mark</u>	<u>Filing/Registration date</u>	<u>Class of goods/services</u>
EU 2109684  The trade mark consists of the figure of two partially superimposed diamond shapes forming a rhombus inside	28.02.01/13.05.02	3, 9, 14, 16, 18, 25, 28
EU 16583619 	10.04.17/27.10.17	3, 9, 14, 16,18, 21, 24, 25, 28, 35

9. Under Section 5(3) the Opponent relied on EU Registration number 2109684 (only) for which it claimed relevant reputation. Section 5(3) states that:

“5.-(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark,

[ - ]

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EU) in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

10. The Hearing Officer recorded that the Applicant originally required proof of use of EU 2109684 but in the event dropped this demand<sup>3</sup>.
11. The Applicant took issue with the grounds of oppositions in Notices of defence and counterstatement filed on 4 April 2018.
12. The oppositions were consolidated by the UKIPO on 15 May 2018. Both sides filed evidence and the matters came to a hearing on 18 April 2019. At that hearing, Mr Julius Stobbs of Stobbs appeared for the Applicant. Mr Andrew Norris of Counsel instructed by CSY Herts appeared for the Opponent.

### **The Hearing Officer's decision**

13. The Hearing Officer reviewed the parties' evidence certain parts of which he did not find helpful to his decision. I did not understand there to be any challenge to his description (as opposed to his evaluation) of the evidence, in particular of Mr Andrea Tomat, President of the Opponent (Witness Statement of Andrea Tomat, dated 13 July 2018) (paras. 6) – 9).

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

14. The Hearing Officer began his consideration of Section 5(2)(b) by instructing himself with reference to the Registrar's usual list of applicable principles gleaned from the case law of the CJEU (para. 14). The principles are well-known, and I will not repeat them here.
15. The Hearing Officer's findings with those principles in mind were, in brief:
  - 1) Average consumer  
The average consumer for the wide ranging goods and services concerned would be members of the general public and businesses. The degree of attention paid to the purchase act would depend on the cost and nature of the item(s) at issue. For goods such as clothing, footwear, perfumes, jewellery, watches, suitcases, textiles other household goods and associated retail services<sup>4</sup>, the general public would pay a medium degree of attention and businesses at least a medium degree of attention. Purchases were likely to be visual although aural considerations came into play (paras. 15 – 19).
  - 2) Comparison of goods/services  
Here the Hearing Officer considered first, EU 16583619 which offered the Opponent its strongest case in terms of goods and services. The parties' goods and services were identical or highly similar with the exception of "*advisory, consultancy and information services relating to the aforesaid*" in the Applicant's Class 35 specification that were dissimilar to the Opponent's services (paras. 22 – 28).

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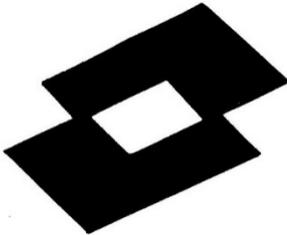
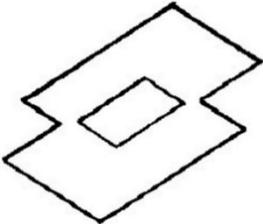
<sup>3</sup> Letter Addleshaw Goddard LLP (Applicant's original representative) to the UKIPO, received 4 May 2018.

<sup>4</sup> These appeared to be the main goods and services in dispute.

- 3) Second, as concerned EU 2109684, the goods in Class 3 were identical or highly similar and the goods in Classes 14, 18 and 25 were identical. The Opponent had no goods similar to those of the Applicant in Class 24 nor any services similar to the Applicant's Class 35 services (para. 29).
- 4) The majority of this was unchallenged. The only disputed finding of the Hearing Officer was that the Applicant's "*advisory, consultancy and information services relating to the aforesaid*" in Class 35 were dissimilar to the Opponent's Class 35 services in EU 16583619.

Comparison of marks

- 5) The marks to be compared were (para. 31):

Applicant's marks	Opponent's marks
UK 3261155 	EU 2109684 
UK 3261166 	EU 16583619 

- 6) The Hearing Officer recorded verbatim the parties' submissions (paras. 32 – 33) and continued:

“34) I note that the opponent's submissions do not differentiate between its two marks, but treat them as the “black” and “white” versions of the same mark and refer to them in their evidence as the “double field” logo or marks. Indeed, in its statement of grounds the opponent said: “It will be appreciated that they are used interchangeably, depending on the colour of the surface to which they are applied”. Despite this, at the hearing, the opponent contended that I should compare each mark individually to the marks in suit. Given that in its submissions the opponent does not draw any distinction between its own marks, treating them as effectively identical and this was clearly the opponent's view at the time of bringing the action, I do not propose to consider the marks individually as I cannot envisage

how I could come to different conclusions. I will therefore refer to the opponent's mark in the singular form.

35) Clearly, the opponent's strongest case is against the applicant's mark 3261166 as this is a device only mark without letters or words, unlike the applicant's 3261155 mark. To my mind, the average consumer will view the opponent's mark as comprising of two interlocking/overlapping rectangles with a rectangular hole in the middle. In contrast the applicant's mark would be seen as two overlapping / interlocking diamonds. Both are relatively simple devices (the opponent's being slightly more complex due to the hole) and both are distinctly different. The contention that both would be seen as a figure "8" is I believe somewhat far-fetched. It is certainly not the first thing that strikes one about either mark, indeed only once I had read the suggestion and then looked again at the marks could I begin to understand what was being suggested. Even then it seemed unnatural and was ignoring the very obvious view that first comes to mind of two rectangles and two diamonds respectively. I also note that the opponent refers to its mark as being a double field device. Visually I consider the marks to be considerably different, there can be no aural comparison as neither mark has any words. Conceptually, the mark in suit is an interlocking diamond device, whereas the opponent's mark is rectangular and so they differ conceptually. Overall, the marks are quite different and not at all similar."

*Distinctive character of earlier marks*

- 7) The Opponent's marks consisted of a relatively simple geometric design that had no meaning for the goods and services for which it was registered. The average consumer was used to non-verbal designs being used as trade marks, and the Opponent's marks were inherently distinctive at least to a medium degree. Since no quantifiable use of the marks had been shown in the UK on defined goods/services the marks could not benefit from enhanced distinctiveness through use (para. 37).
- 8) Taking into account the relevant circumstances in this case (including the common practice in the clothing market of using sub-brands) along with the principle of interdependency and imperfect recollection there was no likelihood of confusion direct or indirect (paras. 38 – 40).

**Section 5(3)**

16. Turning to Section 5(3), the Hearing Officer instructed himself by reference to the Registrar's list of applicable principles under Section 5(3) gleaned from the case law of the CJEU. This list is again well known and not repeated here (para. 42).
17. The Hearing Officer identified that the first hurdle was that the earlier trade mark (here only EU 2109684 was relied upon by the Opponent) must be shown to be of repute. Since this aspect is disputed I will set out the Hearing Officer's findings in full:

“43) The first hurdle is the issue of reputation as set out at points (a) and (b) above. The onus is upon the opponent to prove that its trade marks enjoy a reputation or public recognition. Earlier in this decision I pointed out that the opponent had failed to provide any evidence of sales of named products, under an identified mark in the UK or even in the EU. The opponent chose to file turnover figures for the whole of the EU under its marks which must include, at least, the mark LOTTO. The figures were for sales of all goods which given the extent of goods for which its marks are registered means that I am not in a position to be sure that the opponent has a reputation for a particular group of goods or services under a particular mark (or even identical marks such as those in the instant case) either in the EU or in the UK. It was entirely within the opponent’s gift to provide sales figures for each range of goods and/or services in the UK and/or EU and also individual marketing figures based on countries and/or goods and/or services. The opponent chose not to provide figures which it must possess. The opponent did not provide any invoices for any goods sold within the relevant period, nor did it set out precisely what goods it has sold in the relevant areas during the relevant period. Vague details regarding sponsorship of individuals were provided. However, it is not clear whether it was their kit, boots, clothing or something else that was being sponsored. Nor was it clear whether the sportsmen and women were notable. Simply providing a list of sportsmen/women names does not suffice to show that the mark in question has been used in the relevant period. **To my mind, the opponent has not shown it has reputation in its mark EU 2109684 and so the ground of opposition fails at the first hurdle**”.

18. Even if he wrong in his finding of no reputation and even though the level of similarity in the marks required for Section 5(3) was less than for a likelihood of confusion under Section 5(2)(b), the relevant public would not make the necessary link between the parties’ marks:

“47) Earlier in this decision I found that the opponent’s mark is not similar to the marks sought to be registered by the applicant. I also found that the opponent’s goods and services were either identical or highly similar to the goods and services of the applicant. The opponent’s mark has an average degree of inherent distinctive character. To my mind, despite the fact that the users and goods and services are the same, if a member of the public or business user saw the applicant’s marks they would not the link to the opponent. The ground of opposition under section 5(3) fails”.

### **The appeal**

19. On 5 June 2019 the Opponent filed Notice of appeal to the Appointed Person under Section 76 of the Act against the Hearing Officer’s decision. The Applicant informed me through the Treasury Solicitor by email dated 30 October 2019 that it did not wish to engage in the appeal either through written submission or attendance at the hearing. The Opponent duly submitted a skeleton argument and was represented at the hearing by Mr Gwilym Harbottle of Counsel instructed by CSY Herts.

20. The grounds of appeal were threefold namely that the Hearing Officer erred in concluding that:
- “(i) the Applicant’s Marks were not similar to the Opponent’s Marks;
  - (ii) the Opponent’s Marks did not possess enhanced distinctiveness or a reputation; and
  - (iii) the services in respect of which the Opponent’s Marks were registered were not similar to the goods in respect of which the Applicant’s Marks were sought to be registered” (Skeleton Argument, para. 2).

### **Standard of review**

21. Mr Harbottle reminded me of the principles set out by Mr Daniel Alexander QC sitting as the Appointed Person in *TALK FOR LEARNING Trade Mark*, BL O/017/17 at paragraph 52. The correct approach to be adopted by the appellate tribunal was more recently reviewed by the Supreme Court in *Actavis Group PTC EHF v. ICOS Corporation* [2019] UKSC 15, per Lord Hodge at paragraphs 78 – 81 and the Court of Appeal in *The Queen v. London Borough of Hackney* [2019] EWCA Civ 1099, per Lewison LJ at paragraphs 63 – 67. I have borne these guidances in mind.

### **Ground 1**

22. The first ground of appeal related to the Hearing Officer’s comparison of the marks and his findings that there was no similarity between them.
23. Mr Harbottle sought to argue by reference to Case C 552/19 P, *Ferrero SpA v. OHIM* [2011] ECR I-2063 that the test for similarity of marks was low. What the CJEU actually said in *Ferrero* was:
- “66. As is apparent from paragraph 51 above, in order for [Section 5(2)(b) or 5(3)] to be applicable, the marks at issue must be identical or similar. Consequently, those provisions are manifestly inapplicable where the General Court has ruled out any similarity between the marks at issue (see, to that effect, *Calvin Klein Trademark Trust v OHIM*, paragraph 68). It is only if there is some similarity, even faint, between the marks at issue that the General Court must carry out a global assessment in order to ascertain whether, notwithstanding the low degree of similarity between them, there is, on account of the presence of other relevant factors such as the reputation or recognition enjoyed by the earlier mark, a likelihood of confusion or a link made between those marks by the relevant public”.
24. As Mr Harbottle rightly observed given the Hearing Officer’s findings of dissimilarities in the marks that could have been the end of the matter since as the CJEU has made clear *inter alia* in *Ferrero* similarity of marks is a pre-condition to the application of Section 5(2)(b) (and indeed Section 5(3)).
25. It must be assumed that the Hearing Officer adopted a belt and braces approach and carried out his global assessment taking into account the other required factors in

order to decide whether or not a risk of confusion could be said to exist. I do not think (as Mr Harbottle appeared to accept) that the Hearing Officer could be faulted for adopting that compendious approach (although others might have regarded it as unnecessary).

26. By way of preliminary, Mr Harbottle also recognised (adopting Mr Alexander's terminology in *TALK FOR LEARNING*) that the decision in relation to similarity of marks was one of evaluation and special caution was required before overturning it.
27. Nevertheless, in the Opponent's submission the Hearing Officer's finding that there was no similarity in the marks was unsustainable and therefore wrong (Skeleton Argument, para. 15).
28. Unsurprisingly, the Opponent's arguments concentrated on the Applicant's pure device mark in Application number 3261166. The Opponent accepted that Application number 3261155 had an aural element but suggested that this had minimal significance (presumably so that the Opponent's ensuing arguments could be applied to both applications).
29. The Hearing Officer did not rule that the words SGG APPAREL in the Applicant's 3261155 mark were of 'minimal significance'. His actual finding was that the Opponent's strongest case was against the Applicant's 3261166 mark because that was a device mark without letters or words. Even for 3261166 the Hearing Officer decided that the marks were quite different and not at all similar. On that reckoning there was no need for the Hearing Officer to consider 3261155 since the words SGG APPAREL provided further differentiation (although I accept that in relation to clothing the word "apparel" would be viewed as weakly distinctive by the average consumer).
30. The Opponent acknowledged that the marks must be assessed overall through the perceptions of the average consumer.
31. To that end, regarding the visual aspect, the Opponent accepted the Hearing Officer's characterisation of the Opponent's trade marks as two interlocking or overlapping rectangles with a rectangular hole in the middle<sup>5</sup>.
32. The Opponent also appeared to accept the Hearing Officer's visual characterisation of the Applicant's device mark as two overlapping or interlocking diamonds. However, the Opponent argued that this missed the fact that they could be regarded as interlocking squares (albeit at 45° to the horizontal). Squares continued the Opponent were similar to rectangles even though the interlocking rectangles in the Opponent's mark were not 45° to the horizontal (on the other hand they were not pitched squarely or flatly). Moreover, said the Opponent, it was relevant<sup>6</sup> that the Opponent's EU 2109684 contained the description: "*The mark consists of the figure of two partially superimposed diamond shapes forming a rhombus inside*"<sup>7</sup>.

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<sup>5</sup> Skeleton Argument, para. 9. That the Hearing Officer treated the two trade marks as the same on the Opponent's submissions was not challenged on appeal (decision, para. 34).

<sup>6</sup> In the Opponent's contention, as showing that the diamond/rectangle dichotomy in the marks was overdone.

<sup>7</sup> Under the regime in force at the time of filing EU 2109684, an application for a figurative mark was permitted to contain a description along with a reproduction of the mark (Commission Regulation (EC) No 2868/95, r.

33. The Opponent additionally criticised the Hearing Officer's finding that the rectangular hole in the Opponent's marks created a point of differentiation. The Opponent contended that this was closely similar to the overlap between the two diamonds (or in the Opponent's contention squares) in the Applicant's device mark.
34. Finally on the visual aspect, the Opponent disagreed with the Hearing Officer: first, that the Opponent's mark was slightly more complex due to the hole (referring again to the shape of the overlap in the Applicant's mark); and second, that both parties' marks were relatively simple devices, instead arguing that the marks shared an element of ambiguity in that it was unclear whether the marks represented two-dimensional devices or devices that were three-dimensional.
35. Conceptually, the Opponent agreed with the Hearing Officer that the rectangle/diamond distinction created a difference<sup>8</sup> but argued that there was conceptual similarity overall due to: (i) two overlapping squared off shapes; (ii) ambiguity as to whether the signs were two- or three-dimensional; and (iii) a similar perimeter. With regard to (iii), the Opponent referenced the following statement in the EUIPO Practice Guidelines<sup>9</sup>:
- “When comparing signs in conflict in terms of their purely figurative elements, the Office considers the latter as images: if they match in one, separately recognisable, element or have the same or a similar contour, it is likely that some visual similarity will be found”.
36. In my view, all this transcended into the metaphysical. The fact of the matter, as I see it, is that the average consumer would unlikely engage in such a process of deconstruction and reconstruction (or as Mr Harbottle called for higher abstraction<sup>10</sup>) even if that could be engineered to produce arguably similar shapes. I note that the Hearing Officer himself dismissed as unnatural the Opponent's argument below that both sets of devices would be seen as figure eights.
37. The marks to be compared were as they appeared on the Register, and the Hearing Officer rightly in my view (and in accordance with the case law) determined how those marks would be viewed overall by the average consumer when used in those forms (i.e., as registered/applied for) in relation to the goods and services at issue. The Opponent was clearly dissatisfied with the Hearing Officer's conclusion that the marks were dissimilar, but I am unpersuaded that his evaluation was arrived at erroneously justifying any interference on my part.

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3(2) and (3). As from 01.10.17 (i.e., before the filing date of EU 16583619) the EUIPO does not accept a description for figurative marks. The representation of the trade mark defines the subject matter of registration (Commission Implementing Regulation (EU) 2018/626, art. 3(2) and (3)(b)). And see f/n 5 above.

<sup>8</sup> Skeleton Argument, para. 13.

<sup>9</sup> Part C, Opposition, chapter 4, para. 3.4.1.3. The EUIPO Guidelines are not binding; see, e.g., *Glaxo Wellcome UK Ltd v. Glaxo Group Ltd* [2017] EWCA 335, para.66.

<sup>10</sup> Transcript, p. 5.

38. Given that I see no reason to disturb the Hearing Officer's finding that there was no similarity between the marks that could be regarded as the end of the matter since as the Opponent recognised, similarity of marks is a pre-condition to the application of both Section 5(2)(b) and 5(3).

## **Ground 2**

39. Nevertheless I move on to determine whether the Hearing Officer erred in deciding that the Opponent had failed to prove enhanced distinctive character in its mark (I understood the Opponent's argument here to centre on EU 2109684).
40. It will be remembered that: (1) the onus was on the Opponent to prove enhanced distinctiveness of its mark; (2) the relevant consumer was the UK consumer and therefore the Opponent was under an obligation to show that its mark had acquired distinctiveness through use in the UK.
41. The Hearing Officer dealt with the Opponent's evidence at paragraph 6 of his decision (Witness Statement of Andrea Tomat, President of the Opponent, dated 13 July 2018). He noted that the figures given by the Opponent for EU sales were not broken down by EU Member State, trade mark, or goods/services.
42. Mr Harbottle submitted that that was unfair and that the Hearing Officer formed too harsh a view of the Opponent's evidence.
43. Mr Harbottle took me to the gross annual turnover figures supplied by the Opponent which referred to: "*Relevant trademarks: Lotto, Lotto Legenda e Lotto Works*" (AT7).
44. Mr Harbottle then took me to paragraph 5(ii) of Mr Tomat's evidence where Mr Tomat stated:
- "The double field logo [which is how the Opponent referred to its earlier marks] is used on all Lotto-branded products and stands alone on many of the products themselves ...".
45. Mr Harbottle said that it was safe to assume from that that the "double field logo" was used at least on clothing which was the Opponent's main product. Similarly he said that since the Opponent had identified at least two Lotto stockists in the UK (AT2) it could be assumed that some of the turnover figures provided by the Opponent at AT7 related to sales of double field logo branded products in the UK, and that the mark had therefore acquired enhanced distinctiveness through use in the UK.
46. The fact of the matter is that a successful claim to enhanced distinctiveness<sup>11</sup> through use in the UK cannot be based on suppositions. It may be that the Opponent felt that the treatment of its evidence was harsh. The Hearing Officer certainly did not mince his words. However, I have reviewed the evidence carefully myself and I find that he

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<sup>11</sup> It will be recalled that the Hearing Officer held that the double field logo was in any event inherently distinctive to at least an average degree.

was entitled to determine that the Opponent's evidence fell short of proving the Opponent's claim to enhanced protection for its earlier trade mark in the UK.

47. Regarding the need to prove reputation for Section 5(3), Mr Harbottle referred me to the observation of Arnold J in *Red Bull GmbH v. Sun Mark Limited* [2012] EWHC 1929 (Ch) at paragraph 90 that this was not an onerous requirement, which I accept. Mr Harbottle also referred me to the CJEU decision in Case C-125/14, *Iron & Smith kft v. Unilever NV* EU:C:2015:539, which dealt with the situation where a mark enjoyed reputation in one Member State of the EU but not in the Member State in which the national mark in suit was applied for. The CJEU ruled that the earlier mark could still be held by the national authority to have reputation in the Member State of application where it is shown that a commercially significant part of the relevant public in that Member State is familiar with the earlier mark in question (paras. 30, 34).
48. In support of that, the Opponent relied on the fact that the Opponent had sponsored Queens Park Rangers Football Club from 2008 – 2014. Mr Harbottle took me to a press release announcing the tie up in 2008 and a QPR football team photo 2013/14 showing the team against Lotto hoardings accompanied by the Opponent's double field logo mark (AT3).
49. The problem with this evidence is that it derives from a period around three years before the filing date. Moreover, the social media evidence relied upon by the Opponent to establish reputation is unspecific as to country of derivation (although I accept that it is in English) and is dated after the filing date (AT8).
50. In short, I was unpersuaded that I should disturb the Hearing Officer's finding that the Opponent had failed to establish reputation in the double field logo in the UK at the relevant date even in the *Iron & Smith* sense.
51. In any event, the Hearing Officer's determination was that even if he was wrong in that, the differences in the marks were such that the relevant public would not make the requisite link between the marks. That was true even though he recognised that the degree of similarity in marks necessary for Section 5(3) was less than that needed to show a risk of confusion under Section 5(2)(b) (Joined Cases C-581/13 P and C-582/13 P, *Intra-Press SAS v. OHIM* EU:C:2014:2387, para. 72). I have already held that the Hearing Officer was entitled to find that there was no similarity in the marks.

### **Ground 3**

52. The third ground of appeal was that the Hearing Officer was wrong to find that “*advisory, consultancy and information services relating to the aforesaid*” in Class 35 in the Applicant's marks were dissimilar to the Opponent's “*retailing, wholesaling, online sale and mail order sale ...*” services in Class 35 in the Opponent's EU 16583619:

“28) ... However, such services [“Retail and online retail services”] would not normally include services such as “advisory, consultancy and information services relating to the aforesaid”. When one starts to advise others about retailing, discount cards and loyalty schemes then one moves from simple

retailing into consultancy which is a different skill set entirely. Therefore, the applicant's specification of "advisory, consultancy and information services relating to the aforesaid" must be considered to be not at all similar nor complementary to the applicant's services and so these services must fail in respect of the opposition under section 5(2)(b)".

53. This third ground of appeal was rendered irrelevant by my previous findings.
54. However, I would say that I believe the Opponent may have been confusing services provided to the consumer in conjunction with the retailing/wholesaling of goods and/or services, and advisory, consultancy, information services which are provided not to consumers as part of the retailing/wholesaling of those goods and/or services, but rather to businesses engaged in the retailing/wholesaling of goods and/or services.

### **Conclusion**

55. In the result, the appeal has failed.
56. The Applicant did not engage in and played no part in this appeal, and I have no reason to believe the Applicant incurred any expenditure in that regard. I therefore make no order as to the costs of this appeal.

Professor Ruth Annand, 6 January 2020

Mr Gwilym Harbottle of Counsel instructed by CSY Herts appeared for the Opponent/Appellant

The Applicant/Opponent did not appear and was not represented