O/0138/26

TRADE MARKS ACT 1994

IN THE MATTER OF UK APPLICATION NO. 3908823
IN THE NAME OF SARFRAZ MUNEER
IN RESPECT OF THE TRADE MARK

AK TRADING CO.

IN CLASS 17

AND

THE OPPOSITION THERETO UNDER NO. 442461
BY NAEEM RASOOL

Background and pleadings

1. Sarfraz Muneer ("the applicant") applied to register the trade mark no. 3908823 for the mark 'AK TRADING CO.' in the UK on 7 May 2023. It was accepted and published in the Trade Marks Journal on 19 May 2023 in respect of the following goods:

> Class 17: *Polyamide foams Cuts; cut to Size Foam; Molded foam for packing; Polyurethane foam [semi-finished]; Polyurethane foam in blocks; Foam supports for floral arrangements; Packing foam in sheet; Polyurethane foam for insulating purposes; Low-density polyurethane foam for insulation; Foam for use as heat insulation; Foam for use in sound absorption; Low-density polyurethane foam for packing; Polyurethane foam in blocks for insulating; Foam for use as heat shields; Foam for use in sound insulation; Insulating materials made of polyurethane foam; Laminates containing polyamide foams for thermal insulation; Foam for use as motor compartment linings; Foam supports for flower arrangements [semi-finished products]; Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyurethane foam in sections for use in manufacture; Polyurethane foam sheeting for use as building insulation; Foam sheeting for use as building insulation; Foam insulation materials for use in building and construction; Polyurethane foam in strips for use in manufacture; Molded foam insulated container packing for commercial transportation; Polyurethane foam in blocks for use in flower arranging; Foam in the form of blocks for use as heat insulation; Foam Cuts; Cut to Size Foam; Upholstery Foam; Chair Foam; Seat Foam; Polyurethane foam in blocks; Low-density polyurethane foam for insulation; Polyurethane foam in blocks for insulating; Low-density polyurethane foam for packing; Polyurethane foam [semi-finished]; Polyurethane foam in strips for use in manufacture; Polyurethane foam sheeting for use as building insulation; Polyurethane foam for insulating purposes; Foam for use as heat insulation; Polyurethane foam in sections for use in manufacture; Polyurethane foam in blocks for use in flower arranging; Foam for use as heat shields; Foam sheeting for use as a building insulation; Foam in the form of blocks for use as heat insulation; Insulating materials made of polyethylene foam; Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyamide foams; Foam insulation for use in*

building and construction; Foam supports for floral arrangements; Granules of rubber mixed with polyurethane binder.

2. On 9 August 2023, Naeem Rasool ("the opponent") opposed the trade mark on the basis of section 5(2)(a), 5(2)(b), 5(3) and 5(4)(a)[1] of the Trade Marks Act 1994 ("the Act").

3. The opposition based on section 5(2)(a), 5(2)(b) and 5(3) is on the basis of the opponent's earlier UK trade mark no. 3879501 for the mark 'AK TRADING CO'. The following goods and services are relied upon in this opposition:

> Class 17: *Flower arrangements (Foam supports for semi-finished products); Foam for use as heat insulation; Foam for use as heat shields; Foam for use as motor compartment linings; Foam for use in sound absorption; Foam for use in sound insulation; Foam glass for use as an insulating materials; Foam in the form of blocks for use as heat insulation; Foam insulation for use in building and construction; Foam insulation materials for use in building and construction; Foam rubber; Foam sheeting for use as a building insulation; Foam supports for floral arrangements; Foam supports for flower arrangements (semi-finished products).*
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> Class 40: *Foam converting services, cutting and fabricating foam from bulk; processing of goods by cutting, namely converting bulk stock into products of a required shape and size; processing of foam materials by cutting, namely converting bulk stock into products of a required shape and size.*

4. The above mark has a filing date of 17 February 2023, and a registration date of 7 July 2023. By virtue of its earlier filing date, the above registration constitutes an earlier mark in accordance with section 6 of the Act. As this mark had not been registered for a period of five years or more at the date on which the contested application was filed, it is not subject to the use provisions set out in section 6A of the Act.

[1] The opponent's final written submissions also reference section 3(6) of the Act. However, this ground of opposition has not been pleaded, and as such the opponent is not able to rely on this. For this reason, I will make no finding under section 3(6) of the Act within this decision.

5. In respect of section 5(2)(a) of the Act, the opponent claims that the marks are identical, and the goods and services are similar. In respect of section 5(2)(b), the opponent claims that the marks are similar and that the goods and services are identical or similar. Under both grounds, it is claimed that the similarity and/or identity will result in a likelihood of confusion between the marks.

6. In respect of the opposition under section 5(3) of the Act, the opponent claims that he has a reputation in his mark for all of the goods and services relied upon, and that use of the applicant's mark will cause a link to be made in the minds of consumers, including a mistaken belief that there is an economic connection between the parties. As such, the opponent submits that the applicant will gain an unfair advantage through the use of the contested mark, as well as likely cause detriment to the reputation and distinctive character of the opponent's mark.

7. In respect of the opposition based on section 5(4)(a) of the Act, the opponent claims that by virtue of its use throughout the UK since February 2023, he holds goodwill in his business under the sign AK TRADING CO in respect of the following goods and services:

> *Flower arrangements (Foam supports for semi-finished products); Foam for use as heat insulation; Foam for use as heat shields; Foam for use as motor compartment linings; Foam for use in sound absorption; Foam for use in sound insulation; Foam glass for use as an insulating materials; Foam in the form of blocks for use as heat insulation; Foam insulation for use in building and construction; Foam insulation materials for use in building and construction; Foam rubber; Foam sheeting for use as a building insulation; Foam supports for floral arrangements; Foam supports for flower arrangements (semi-finished products); Foam converting services, cutting and fabricating foam from bulk; processing of goods by cutting, namely converting bulk stock into products of a required shape and size; processing of foam materials by cutting, namely converting bulk stock into products of a required shape and size.*

8. The opponent claims that use of the applicant's mark in respect of the goods and services filed would result in a misrepresentation that those goods are economically connected with the opponent, and that such a misrepresentation would cause damage to the opponent.

9. The applicant filed a counterstatement denying that the marks and the goods are identical or similar, and claiming that there is no basis on which to mislead customers as the parties serve distinct markets. The applicant submits that he is unclear how section 5(3) of the Act has any relevance and denies that the opponent has acquired the necessary goodwill to run a claim under section 5(4)(a).

10. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Only the opponent filed written submissions which will not be summarised but will be referred to if appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

11. The opponent is represented in these proceedings by Mr Muhammad Nadeem. The applicant represents himself.

12. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Evidence

13. The opponent filed his evidence in the form of a witness statement in his own name. The witness statement is a combination of fact and submission. In terms of statement of fact, I note that Mr Rasool states that the company of which the opponent is sole director, Hafzar Site Ltd, introduced products and "marketing strategies" under the mark/sign in mid-2022, and that the mark has been continuously used in the UK

since this time. The statement also states that the opponent’s facilities are equipped with specialised form conversion machinery, that the demand for cut to size foam has persisted, and that a large range of foam related products have been sold under the mark. It is also stated that the opponent has made a substantial investment in terms of both time and finances in promoting the mark. The statement is dated 2 August 2024.

14. The statement also introduces two exhibits, those being Exhibit NR-01 and Exhibit NR-02. The first exhibit provides several screenshots showing what Mr Rasool describes in his statement as “listing details” as well as invoices relating to the sale of goods under the mark to consumers in the UK. There are 25 in total and refer to the sale of one, two or three items. The value of each invoice falls somewhere between £24 - £108, with the majority being towards the lower end of this range. Exhibit NR-02 provides a number of undated images of machinery, which Mr Rasool explains are images of the specialised foam conversion machinery at the opponent’s facilities.

15. The applicant’s evidence is filed in the form of a witness statement in his own name. This is dated 20 October 2024. This again contains a substantial amount of submission. The statement claims that the evidence at Exhibit NR-1 as provided by the opponent is false, and that an American company owns the listings shown. However, for reasons that will become clear, whether or not this accusation is true will be of little relevance to the outcome of this decision, and as such I do not intend to discuss this further.

<u>Decision</u>

Section 5(2)(a) and Section 5(2)(b)

16. Section 5(2)(a) and (b) of the Act are as follows:

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

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

(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".

17. Section 5A of the Act is as follows:

"5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

18. The following standard summary of the principles applicable to the assessment of the likelihood of confusion was approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor* [2025] UKSC 25:

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

19. In order to succeed under section 5(2)(a), it must be established that the marks are identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA,* Case C-291/00, the Court of Justice of the European Union ("CJEU") held that:

> "54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

20. In this instance, the marks for comparison are as follows:

Earlier mark	**Contested mark**
AK TRADING CO	AK TRADING CO.

21. The only difference between the marks in this instance is the existence of the '.' at the end of the contested mark. It is my view that this difference is, in the context of the marks as a whole, so insignificant that it will go unnoticed by the average consumer. As such, in accordance with the case law, I consider the marks to be identical, and the opposition may therefore proceed under section 5(2)(a).

22. However, if I am wrong in this respect, I consider that the marks are at the least, visually very highly similar and aurally and conceptually identical, and for completeness, I will consider the outcome of the opposition in accordance with section 5(2)(b) of the Act on this basis.

Comparison of the goods and services

23. In the judgment of the CJEU in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

> "In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have

pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary".

24. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

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

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

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

"… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR) [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should

not be taken too far. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

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

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

27. In *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T-133/05, the GC stated that:

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

28. With this in mind, the goods and services for comparison are as follows:

Earlier goods and services	**Contested goods**
Class 17: *Flower arrangements (Foam supports for semi-finished products);*	Class 17: *Polyamide foams Cuts; cut to Size Foam; Molded foam for packing;*

Foam for use as heat insulation; Foam for use as heat shields; Foam for use as motor compartment linings; Foam for use in sound absorption; Foam for use in sound insulation; Foam glass for use as an insulating materials; Foam in the form of blocks for use as heat insulation; Foam insulation for use in building and construction; Foam insulation materials for use in building and construction; Foam rubber; Foam sheeting for use as a building insulation; Foam supports for floral arrangements; Foam supports for flower arrangements (semi-finished products). Class 40: *Foam converting services, cutting and fabricating foam from bulk; processing of goods by cutting, namely converting bulk stock into products of a required shape and size; processing of foam materials by cutting, namely converting bulk stock into products of a required shape and size.*	*Polyurethane foam [semi-finished]; Polyurethane foam in blocks; Foam supports for floral arrangements; Packing foam in sheet; Polyurethane foam for insulating purposes; Low-density polyurethane foam for insulation; Foam for use as heat insulation; Foam for use in sound absorption; Low-density polyurethane foam for packing; Polyurethane foam in blocks for insulating; Foam for use as heat shields; Foam for use in sound insulation; Insulating materials made of polyurethane foam; Laminates containing polyamide foams for thermal insulation; Foam for use as motor compartment linings; Foam supports for flower arrangements [semi-finished products]; Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyurethane foam in sections for use in manufacture; Polyurethane foam sheeting for use as building insulation; Foam sheeting for use as building insulation; Foam insulation materials for use in building and construction; Polyurethane foam in strips for use in manufacture; Molded foam insulated container packing for commercial transportation; Polyurethane foam in blocks for use in flower arranging; Foam in the form of blocks for use as heat insulation; Foam Cuts; Cut to Size Foam;*

	Upholstery Foam; Chair Foam; Seat Foam; Polyurethane foam in blocks; Low-density polyurethane foam for insulation; Polyurethane foam in blocks for insulating; Low-density polyurethane foam for packing; Polyurethane foam [semi-finished]; Polyurethane foam in strips for use in manufacture; Polyurethane foam sheeting for use as building insulation; Polyurethane foam for insulating purposes; Foam for use as heat insulation; Polyurethane foam in sections for use in manufacture; Polyurethane foam in blocks for use in flower arranging; Foam for use as heat shields; Foam sheeting for use as a building insulation; Foam in the form of blocks for use as heat insulation; Insulating materials made of polyethylene foam; Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyamide foams; Foam insulation for use in building and construction; Foam supports for floral arrangements; Granules of rubber mixed with polyurethane binder.

29. Whilst I have considered the applicant's comments that the parties serve distinct markets, these arguments are not relevant to my assessment of similarity between the goods and services. This is because I am required to conduct a notional assessment of similarity based on the goods and services as registered and relied upon and those included within the contested application filed.

30. The opponent’s earlier goods include *foam for use as heat insulation.* These are identical to the following contested goods, either self-evidently or in accordance with the principles set out in *Meric*:

> *Cut to Size Foam; Polyurethane foam [semi-finished]; Polyurethane foam in blocks; Polyurethane foam for insulating purposes; Low-density polyurethane foam for insulation; Foam for use as heat insulation; Polyurethane foam in blocks for insulating; Foam for use as heat shields; Insulating materials made of polyurethane foam; Polyurethane foam sheeting for use as building insulation; Foam sheeting for use as building insulation; Foam insulation materials for use in building and construction; Foam in the form of blocks for use as heat insulation; Foam Cuts; Cut to Size Foam; Polyurethane foam in blocks; Low-density polyurethane foam for insulation; Polyurethane foam in blocks for insulating; Polyurethane foam [semi-finished]; Polyurethane foam sheeting for use as building insulation; Polyurethane foam for insulating purposes; Foam for use as heat insulation; Foam for use as heat shields; Foam sheeting for use as a building insulation; Foam in the form of blocks for use as heat insulation; Insulating materials made of polyethylene foam; Foam insulation for use in building and construction.*

31. The opponent’s earlier goods also include *foam for use as motor compartment linings.* This is identical to the applicant’s goods below:

> *Foam for use as motor compartment linings.*

32. The opponent’s earlier goods include *foam for use in sound absorption* and *foam for use in sound insulation.* These are also identical to the applicant’s goods below:

> *Foam for use in sound absorption; Foam for use in sound insulation.*

33. The opponent’s earlier goods include *foam supports for floral arrangements.* These are identical to the applicant’s following goods:

Foam supports for floral arrangements; Foam supports for flower arrangements [semi-finished products]; Polyurethane foam in blocks for use in flower arranging; Polyurethane foam in blocks for use in flower arranging; Foam supports for floral arrangements.

34. The applicant's goods also include various other types of foam for use in packaging, manufacture and upholstery as follows:

Molded foam for packing; Packing foam in sheet; Low-density polyurethane foam for packing; Molded foam insulated container packing for commercial transportation; Low-density polyurethane foam for packing.

Polyurethane foam in sections for use in manufacture; Polyurethane foam in strips for use in manufacture; Polyurethane foam in strips for use in manufacture; Polyurethane foam in sections for use in manufacture.

Upholstery Foam; Chair Foam; Seat Foam.

35. The opponent's earlier goods include *foam rubber*. Whilst I consider that foam rubber is a slightly different type of material to foam itself, there is still a significant overlap in nature with both being foam of sorts. Further, I consider that foam rubber may be used in packaging, manufacture and upholstery, and as such there is an overlap in purpose and possibly an element of competition. It appears likely that trade channels may be shared, as well as users. I do not consider the goods to be complementary. Overall, it is my view that the goods are similar to a high degree.

36. However, if I am wrong in my assessment above, I nonetheless find these goods to be similar to the opponent's earlier services in class 40, which I note include *processing of foam materials by cutting, namely converting bulk stock into products of a required shape and size.* Whilst the nature and method of use of the services will differ, I consider that there may well be an overlap in users, which will include professionals or members of the public seeking foam that suits their individual requirements. There will be an element of overlap in purpose, considering both the goods and services are for the purpose of providing consumers with foam that will

meet their specific needs. I also consider there may be competition between the goods and services, on the basis that consumers may choose between ready made goods, or buying in bulk and seeking a cutting service, and it seems likely that trade channels may be shared. If I am wrong in my previous assessment, I nonetheless find these goods similar to the opponent's services to a medium degree.

37. The applicant's goods also include *polyamide foams cuts* and *polyamide foams.* I consider that this type of foam is used as a form of thermal insulation, and as such I consider these goods identical to *foam for use as heat insulation* as protected by the opponent.[2] However, if I am wrong in this respect, I nonetheless find these goods to be similar to the opponent's *processing of foam materials by cutting, namely converting bulk stock into products of a required shape and size* for the same reasons outlined above.

38. Next, I consider the contested goods *laminates containing polyamide foams for thermal insulation.* Whilst I note these are not foams as such, I consider that they contain foams for thermal insulation, and as such there is an element of overlap in nature with the opponent's earlier *foam for use as heat insulation,* as well as an overlap in purpose. Due to the overlap in nature and purpose, there is also likely in my view to be an element of competition between the goods, as well as shared users. I have no evidence relating to an overlap in trade channels between the goods, and I do not consider them to be complementary. Overall, I find the goods similar to at least a medium degree.

39. The applicant's goods include the following:

> *Granules of rubber mixed with polyurethane binder.*

40. I have no submissions to consider regarding why I should find the above goods to be similar to the earlier goods and services covered by the opponent's specification. As far as I am aware, the above term describes a rubber material which is made up of

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[2] Whilst I have no evidence or submissions on this, it is apparent from the inclusion of the applicant's additional term *laminates containing polyamide foams for thermal insulation* and I make my finding on this basis.

granules and stuck together using a binder, which I consider to be a type of adhesive. Whilst I note the material used as a binder is also used to make a type of foam, I do not consider that the above term describes a type of foam itself. I therefore consider any overlap in nature to be minimal, and I have no evidence or submissions that suggest that the purpose, method of use or trade channels will be shared with the opponent's earlier goods. I see no reason why the goods should be considered complementary or in competition, or that users will be shared at more than a general level. Overall, I consider these goods to be dissimilar to the opponent's earlier goods and services.

41. That leaves the following contested goods:

> *Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyethylene synthetic resin [semi-processed] for foam mouldings.*

42. It is my understanding that resins differ from foams, and I have no evidence that suggests otherwise. Whilst these resins may be used for the making or manufacture of foam mouldings, this does not mean they are themselves foam. I therefore do not consider they share a nature with the opponent's earlier goods, nor do I consider there to be a shared purpose or method of use. There is nothing to suggest that trade channels will be shared, and I do not consider that users will be shared at more than a general level. I do not find any complementarity or competition. Overall, I see no apparent similarity between these goods and the opponent's earlier goods, and I consider them to be dissimilar.

43. Whilst I have also considered whether there may be similarity between the opponent's earlier services and these goods, I see no obvious reason that semi-processed synthetic resins should be considered similar to the earlier services. In the absence of any convincing submissions from the opponent on this point, I find the opponent's earlier services to also be dissimilar to these goods.

Average consumer and the purchasing act

44. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer,* Case C-342/97.

45. In *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor*, [2025] UKSC 25, the Supreme Court approved the comments of Arnold LJ in *Lidl Great Britain Ltd & Anor v Tesco Stores Ltd & Anor (Rev1)* [2024] EWCA Civ 262, where he pointed out that:

(a) Consumers who are ill-informed or careless, or consumers with specialised knowledge or who are excessively careful are excluded from consideration;

(b) The average consumer provides a standard which enables the courts to strike a balance between the competing interests involved, such as trade mark owners, their competitors and consumers;

(c) The average consumer is neither a single hypothetical person nor a mathematical average; assessment from the perspective of the average consumer does not involve a statistical test. There is no single meaning rule and if, having regard to the perceptions and expectations of the average consumer, the court considers that a significant proportion of the relevant public is likely to be confused, a finding of infringement may properly be made;

(d) Assessment from the perspective of the average consumer is intended to facilitate adjudication of trade mark disputes by providing an objective criterion, by promoting consistency of assessment and by and enabling courts and tribunals to determine such issues so far as possible without the need for evidence;

(e) The average consumer’s level of attention varies according to the category of goods or services in question; and

(f) the average consumer rarely has the opportunity to make direct comparisons between trade marks (or between trade marks and signs) and must instead rely upon the imperfect picture of the trade mark they have kept in their mind.

46. In my view, consumers of the goods and services will primarily comprise professionals in trades such as construction, upholstery, floristry or manufacture and packing/shipping. These consumers will likely consider factors such as quality, efficiency, price, suitability and availability/turnaround of the goods and services. Whilst they are unlikely to pay the very highest level of attention, I consider they will pay a relatively high degree of attention to the same.

47. I also note that some of the goods as well as the services will likely be purchased by members of the general public, for example consumers undertaking DIY, upholstery or floristry projects themselves. These consumers will again consider factors such as quality, price and suitability of the goods. However, they will likely purchase the goods in lower volumes and there will likely be lower consequences should they make an incorrect purchase. I consider the level of attention paid by these consumers is likely to be roughly medium.

48. The goods may be purchased either from specialist suppliers or wholesalers, either online or in physical stores. I also note that some of the goods, such as insulating materials, will be available in DIY stores, and upholstery materials and foam for flower arranging may be purchased from craft retailers. The purchasing process will be primarily visual. However, consumers may also seek advice from sales staff and the goods may also be ordered over the telephone. As such, I cannot completely disregard the aural considerations.

Distinctive character of the earlier trade mark

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

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
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> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

50. The earlier mark comprises the three elements AK-TRADING-CO. It is my view that the use of "TRADING CO" will be understood by the consumer as meaning trading company, that being a company that trades. I do not consider these elements to be inherently distinctive. On the other hand, AK itself is neither descriptive nor allusive of the goods, and I consider this element to be inherently distinctive. However, I note it is only two letters long and is the use of two initials, and as such I do not find it to hold a particularly high level of distinctive character. Overall, I consider the mark as a whole to hold between a low and medium level of distinctive character inherently.

51. The opponent has filed evidence in these proceedings, and as such I must consider whether the distinctive character of the earlier mark has been enhanced through its use. When considering whether the distinctive character of a mark has

been enhanced, it is the perception of the UK consumer at the relevant date, that being the date the earlier application was filed, that is key. In this instance that date is 7 May 2023.

52. I have set out the evidence at the outset of this decision. The highpoint of this evidence is the existence of 25 invoices showing that goods have been sold to UK consumers under the mark. However, I have no additional information relating to sales, and the invoices only provide evidence that there has been a very low volume of the same. Further, I note that by his own admission, the opponent's company only introduced products under the mark in mid-2022, at most a year prior to the relevant date. Whilst Mr Rasool states that he has made a substantial investment in promoting his mark both in terms of time and money, I am given no further information to help me understand what this investment consists of. Whilst I also note the pages showing listings provided, the information given on the same is not particularly clear, and the majority of the first two pages shows details dating after the relevant date. I note the remaining pages make reference to numbers of goods "[a]vailable" on the listings, but it is not clear how many were sold, whether the fee given per unit is an indication of this, or whether it simply relates to a fee charged by the listing platform for each sale. The evidence overall is very limited, and even taking the most generous reading of the same, it falls far short of establishing that the opponent has raised the level of distinctive character of the earlier mark through use.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

53. Prior to reaching a decision under section 5(2), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 18 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive

character held by the earlier marks will have an impact on the likelihood of confusion. I must remember that the distinctiveness of the common elements is key.[3] I must keep in mind that a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the marks, and vice versa. I must also consider that how the goods and services are obtained may have a bearing on how likely the consumer is to be confused.

54. In respect of section 5(2)(a) and 5(2)(b) of the Act, there are two types of confusion that I may find. The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.[4]

55. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

56. Where there is no similarity between good and services, there can be no likelihood of confusion in the context of section 5(2) of the Act.[5] I therefore find the opposition fails under these grounds in respect of the following dissimilar goods:

> **Class 17:** *Granules of rubber mixed with polyurethane binder; Polyethylene synthetic resin [semi-processed] for foam mouldings; Polyethylene synthetic resin [semi-processed] for foam mouldings.*

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[3] See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.

[4] *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10

[5] See *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA

57. In respect of the remaining contested goods, I consider these range from identical to similar to the earlier goods and services to a medium degree. I note at this stage, that the wording of section 5(2)(a) does not make a specific reference to identical goods. However, it is my view that where goods are considered identical, they must also be similar, and as such, an opposition under section 5(2)(a) of the Act may still proceed in respect of those goods deemed to be identical. Further, I note that even if I am wrong on this point, I would also consider there to be a medium level of similarity between the goods I have deemed identical and the opponent's earlier services for the reason set out at paragraph 36, and as such the opposition may proceed under this ground in any case.

58. In respect of the marks, I found these to be identical, and I found the earlier mark to be inherently distinctive to between a low and medium degree. I found the average consumer will include both professionals as well as members of the general public, and that these consumers will pay either a relatively high or a roughly medium degree of attention in respect of the same. I found that whilst goods will primarily be purchased visually, I cannot completely disregard the aural considerations. Considering all of the relevant factors, it is my view that there exists a likelihood of direct confusion between the marks, in all instances where the contested goods are at least similar to the opponent's earlier goods and services. Whilst I have noted the lower degree of distinctive character held by the earlier mark, it is my view that the impact of this in the overall assessment is outweighed by the identity of the marks and the other relevant factors. I note I find this to be the case even where professionals will pay a relatively high degree of attention during the purchasing process. I therefore find the opposition under section 5(2)(a) to succeed to the extent that the applicant's goods were found to be similar to the opponent's earlier goods and services.

59. Further, I note that even if I am wrong to consider the marks identical and for the opposition to proceed under section 5(2)(a) of the Act, considering the very high level of similarity I would still find between the marks if that were the case, I would still reach the same conclusion under section 5(2)(b) of the Act. Therefore, if I am wrong in my finding of a likelihood of direct confusion under section 5(2)(a) of the Act, I nonetheless consider there to be a likelihood of direct confusion under section 5(2)(b) of the Act in

respect of all of the applicant's goods found to be similar to the opponent's goods and services.

60. As I have found there will be a likelihood of direct confusion in respect of all of the identical or similar goods applied for, I do not need to go on to consider the likelihood of indirect confusion in this instance.

Section 5(3) of the Act

61. Section 5(3) of the Act states:

> "(3) A trade mark which-
>
>> 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 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".

62. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case C-252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L'Oréal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C-383/12P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows:

> (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
>
> (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; G*eneral Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oréal v Bellure NV*, paragraph 44.

(g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel,* paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

(h) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oréal v Bellure NV,* paragraph 40. The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it; *L'Oréal v Bellure NV*, paragraph 44.

(j) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oréal v Bellure).*

63. An opposition based on section 5(3) of the Act can only be successful via the establishment of several individual elements. To be successful on this ground, the opponent must prove it holds a reputation for the earlier mark relied upon amongst a significant portion of the public. It must also be established that the marks are similar. If it is found both that the marks are similar and that the earlier mark holds a qualifying reputation, it must then be shown that this reputation, combined with the similarity between the marks, will result in the relevant public establishing a link between the marks. A link may be found on the basis that the later mark brings the earlier mark to mind. Importantly, if all three of these elements have been established, it must then be shown that the link made by the public will result in, or will be likely to result in, one of the pleaded types of damage.

64. The opponent again relies on UK trade mark no. 3879501 for the mark 'AK TRADING CO'. The relevant date by which the opponent must show his mark held a reputation in the UK is the filing date of the contested mark, that being 7 May 2023.

Reputation

65. I have set out the evidence at the outset of this decision and highlighted the highpoints of the same when considering whether the distinctive character of the earlier mark had been enhanced. I consider the most compelling pieces of evidence provided by the opponent are the 25 invoices. However, as previously mentioned, even in the most generous reading of the evidence, I can at most find from these that there has been a low volume of sales for under a year prior to the relevant date. For the reasons previously discussed, the screenshots showing listings add little (if anything) to help the opponent in showing it held a reputation under the earlier mark at the relevant date. There are no supporting figures or documents providing context to Mr Rasool's statement regarding a substantial investment in marketing, and there is very little else to go on. Overall, I find the evidence falls far short of establishing that the opponent held a reputation for his mark amongst UK consumers at the relevant date. As success under this ground is reliant on a reputation being shown, the opposition based on section 5(3) of the Act must therefore fail.

5(4)(a)

66. 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.”

67. 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.”

68. 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).”

69. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander QC (as he then was), 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.'"

70. The applicant has not filed any evidence of use of his mark in these proceedings, and as such the relevant date for the opponent to establish it held goodwill in his business under the sign is the date the application was filed, that being 7 May 2023.

Goodwill

71. *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) defines goodwill as follows:

> "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."

72. I have set out the evidence provide by the opponent earlier in this decision, and noted the highpoint of this includes a number of invoices. I remind myself again there are 25 in total which show between 1-3 sales each, all for a relatively low sum of money. These span the period between July 2022 – January 2023. Mr Rasool also confirms that goods were introduced under the sign in mid-2022. For the reasons previously set out in this decision, the screenshots of listing details do not add much to the evidence as a whole. I have not been provided with any turnover figures outside of the invoices, or any other convincing evidence that gives weight to the claim that

opponent had established goodwill in his business under his mark at the relevant date. The evidence of use is in my view, is simply not sufficient to distinguish the opponent's business from one just starting out, and on this basis I do not consider it has been established that the opponent held goodwill in his business as distinguished by the sign at the relevant date.[6] As I have found there was no goodwill held by the opponent at the relevant date in these proceedings, the opposition based on section 5(4)(a) must fail.

73. Further, even if I am wrong on this point, I consider that whilst they are different legal tests, considering all factors are essentially equal, I would not find in this instance that an opposition under section 5(4)(a) would take the opponent any further than the 5(2)(a) and 5(2)(b) grounds previously decided. This is because all these grounds require a similar assessment to establish a likelihood of confusion or misrepresentation based on normative tests intended to exclude the particularly careless or careful.[7] Whilst I acknowledge that it isn't strictly necessary under section 5(4)(a) for the goods to always be in a similar field of activity, it remains an important factor, and in this instance if there is any goodwill, it would be so modest that it is my view any misrepresentation would not extend to any dissimilar goods. Therefore, in the context of this particular case, even if I were to find the opponent holds a sufficient level of goodwill in his business distinguished by the sign in respect of some or all of the goods or services relied upon, this ground would not take the opponent further than the 5(2) grounds already decided.

Final Remarks

74. The opposition has succeeded based on section 5(2) of the Act in respect of all goods other than the following:

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[6] I note that even if goodwill were to be established, there is a question of ownership with regards to this, as the opponent is listed as an individual, but has confirmed in his witness statement that trading has been undertaken in the name of his company.

[7] See *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 which casts doubt on whether the difference between the legal tests, all factors being the equal, would produce different outcomes.

Class 17: *Granules of rubber mixed with polyurethane binder; Polyethylene synthetic resin [semi-processed] for foam mouldings.*[8]

75. Subject to any successful appeal, the application will proceed to registration in respect of the above goods only.

COSTS

76. Both parties have achieved a measure of success in these proceedings. However, the opponent has achieved considerably more success than the applicant and is entitled to a contribution towards his costs. In the circumstances I award the opponent £1350 as a contribution towards the cost of the proceedings, in accordance with Tribunal Practice Notice 1. The sum is calculated as follows:

Official fee:	£100[9]
Preparing and filing the TM7 and considering the TM8:	£300
Preparing and filing the evidence and considering the applicant's evidence:	£600
Preparing and filing written submissions in lieu of a hearing:	£350
Total:	**£1350**

77. I therefore order Sarfraz Muneer to pay Naeem Rasool the sum of £1350. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

[8] I note this is repeated twice identically in the specification, but it will not limit the applicant's protection to reduce this to only once on the register.
[9] Whilst the official fee for filing an opposition based on 5(3) and 5(4)(a) is £200, the opponent has been unsuccessful based on the same, and as such it is appropriate only to award the official fee in respect of the 5(2)(b) ground.

Dated this 20th day of February 2026

R. Le Breton

For the Registrar