

O/0148/26

TRADE MARKS ACT 1994

**IN THE MATTER OF UK TRADE MARK REGISTRATION NO. 4014943
IN THE NAME OF ELDIDISTRIBUTION LTD
IN RESPECT OF THE TRADE MARK**

Wdmiya

IN CLASS 28

AND

**THE APPLICATION FOR THE INVALIDATION THEREOF UNDER NO. 507428
BY ZHEJANG WENDE E-COMMERCE CO., LTD.**

Background and pleadings

1. Eldidistribution Ltd (“the proprietor”) applied to register the trade mark no. 4014943 for the mark ‘Wdmiya’ in the UK on 16 February 2024. It was accepted and published in the Trade Marks Journal on 1 March 2024 and was registered on 10 May 2024 in respect of the following goods:

Class 28: Wooden toy building blocks; Toy playsets; Toy figure playsets; Baby playthings; Wooden toys; Infant toys; Toys for babies; Toys for infants; Infant development toys; Multiple activity toys for babies.

2. Zhejiang Wende E-commerce co., Ltd. (“the cancellation applicant”) applied to invalidate the registration on the basis of section 47(2)(b) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). This is on the basis of its alleged earlier rights in the sign ‘Wdmiya’. It claims to have been using the sign in respect of identical goods to those registered and outlined above, throughout the UK since 2021. As such, it claims to have acquired goodwill in its business under the sign, and that use of the contested trade mark would therefore be a misrepresentation to the public and result in damage to the aforementioned goodwill.

3. The proprietor filed a counterstatement denying the claims made and requesting the cancellation applicant to provide proof of the same.

4. Only the cancellation applicant filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Neither side filed written submissions. No hearing was requested and so this decision is taken following a careful perusal of the papers.

5. The cancellation applicant is represented by Axis Professionals Ltd. The proprietor represents itself.

Legislation

6. 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.”

7. 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.”

8. The relevant parts of section 47 state:

“47. (1) [...]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) [...]

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

[...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

9. 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).”

10. 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.’”

11. In this case, the registration subject to the application for invalidation was filed on 16 February 2024. The proprietor confirmed in its counterstatement that it began using the contested mark following its registration, and there is no evidence that the proprietor made use of its mark prior to the filing date of the contested registration. I therefore only have the position at the relevant date of 16 February 2024 to consider in this instance.

Goodwill

12. *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.”

13. I remind myself at this stage that the cancellation applicant claims in its TM26(I) to have used its sign Wdmiya in respect of the following goods:

Wooden toy building blocks; Toy playsets; Toy figure playsets; Baby playthings; Wooden toys; Infant toys; Toys for babies; Toys for infants; Infant development toys; Multiple activity toys for babies.

14. I also note at this stage the comments of Dr. Brian Whitehead, sitting as the Appointed Person in *Bunnyjuice, Inc. v Mercis B.V.*, Case BL O/0064/24 as follows:

“In trade mark law, the analysis of proof of use, reputation and enhanced distinctive character needs to be performed on a granular basis, looking at each of the individual goods and services in turn. [...] In passing off law, however, goodwill attaches to a business, rather than to isolated individual goods and services. Of course, when assessing goodwill, it is necessary to ask, “What is the nature of the business?”, but it is not appropriate to break the business down at the same level of granularity as is done for assessing trade mark use etc.”

15. The cancellation applicant filed its evidence in the form of a witness statement in the name of Zongming Lin. Zongming Lin is director of the cancellation applicant. The statement is dated 12 October 2024, and introduces 3 exhibits labelled Exhibit 1, 2 and 3. The statement itself is brief and confirms only the following facts:

- The cancellation applicant has been using its sign since March 2019. It has used its sign on Amazon in respect of the goods set out in its pleadings since 2020;
- The products have received a lot of positive reviews from consumers.

16. Exhibit 1 provides screenshots from Amazon (.co.uk) showing a variety of goods for sale under the sign. The screenshots themselves date from May 2024, after the relevant date. However, the pages provided also show the date the goods were “first available”, which in all cases was prior to the relevant date. I note that a number of the goods shown on these listings are not those set out by the cancellation applicant in its TM26(I). These include children’s helmets and protective gear, water bottles for children, water bottles for dogs and storage solutions for coffee pods, all of which I do

not consider to be toys. The screenshots provided show that these goods have been available via Amazon UK under the sign, for periods ranging between one month and nearly four years prior to the relevant date, with goods such as children's helmets having been available since March 2022 in some cases, and some of the coffee pod storage dating back further to 2020. All of the product listings provide a sample of "Top reviews from United Kingdom", and in most cases some (and often the majority) of these date prior to the relevant date. I do note however, that in the listing showing the dogs water bowl none of the reviews date prior to the relevant date.

17. Further, I also note particularly that this exhibit shows:

- A 'Wdmiya' wooden toy tool kit priced in GBP and shown as first available as of 31 May 2023. The pages relating to this product display eight UK reviews received prior to the relevant date and dating between June 2023 – February 2024, the majority of which are positive. I note these are listed as the "Top Reviews from United Kingdom". It is not possible to determine the total number of UK reviews received prior to the relevant date, but there are 101 global ratings of this product in total by the date the screenshot was taken (three months after the relevant date).
- A 'Wdmiya' wooden baby sensory carrot sorting toy set, priced in GBP and shown as first available on 9 February 2022. There are seven UK reviews of this product displayed in the "Top Reviews from United Kingdom" section from prior to the relevant date. These date back to April 2022. Again, it is not possible to determine the total number of UK reviews prior to the relevant date, but there were 879 global ratings by the date the screenshot was taken (three months after the relevant date).

18. Exhibit 2 provides screenshots from the "amazon seller centre" page. These provide details including ordered product sales values and total order numbers for a list of goods. Details of the sales of the wooden carrot sorting toy and the wooden toy toolkit as shown in the screenshots at Exhibit 1 are provided amongst the listings set out on the first page. The details show that a total of 5,193 carrot sorting toys have been sold, with a value of £68,127.17. It is also confirmed that a total of 2,627 wooden toy tool sets have been sold, with a value of £51,826.17. I note the date range for the

sales spans between 10 May 2022 – 9 May 2024, and it is therefore not clear exactly how many of these sales fell during the three-month period after the relevant date, although the majority of the period covers does fall prior to this. Further, I note it is not specified what percentage of these sales relate to the UK, and whilst prices are shown in GBP, it is clear from the pages provided at Exhibit 1 that sales are also made outside of the UK, including to the US.

19. The second page provided also lists sales details for a further two wooden toy items, although I note only one of these references the sign Wdmiya. The sign is used on the listing relating to a wooden sorting toy for toddlers. 639 of these are shown to have been sold to the value of £9,111.97. The sales span the same period as above, including the three months after the relevant date. Again, the details do not specify the total sales to the UK. In respect of the second toy listing on this page, is not clear whether the sign would have been shown to consumers purchasing these goods. I note for completeness at this stage that this is one of only two listings detailed on these pages that do not feature the sign, and there are 21 listings in total. Sales figures for the other goods listed under the sign range between approximately £8,000 - £29,000 per listing for this same period.

20. Further pages are then provided at this exhibit listing total sales breakdowns by month, between June 2022 and April 2024. These display monthly sales for the cancellation applicant's business ranging between approximately £18,000 - £100,000, equating to unit sales of between approximately 800 – 5,000 monthly from June 2022 to February 2024. I note however, these are again not broken down further by territory, nor are they broken down by product in this instance.

21. Exhibit 3 provides screenshots from “amazon services seller central” (Europe) relating to the cancellation applicant's account. There is a page displaying details for the period 1 January – 31 December from 2020, 2021, 2022 and 2023. The final page provides details for the period 1 January 2024 – 30 April 2024. These all set out information including income for the specified periods in GBP. The total income listed for the periods set out is given as £11,005, £138,908.88, £264,377.58, £424,509.28 and £135,160.88 respectively. I note these figures are again not broken down by product or territory.

22. The above summary outlines the extent of the relevant evidence filed in this instance. No parts of the evidence have been challenged by the proprietor in these proceedings, and there are no submissions relating to its sufficiency to consider.

23. I consider that the evidence filed by the cancellation applicant is limited, and it is not without its flaws. Particularly, the lack of a single clear set of figures detailing the actual turnover and/or unit sales by time period (prior to the relevant date), territory, and product, is not especially helpful to the cancellation applicant's case. However, it is clear from the sum of the evidence that the cancellation applicant has been operating a business under the sign in the UK as far back as 2020, and selling items for children as far back as 2022. I consider it had multiple listings selling products under the sign on the Amazon UK website prior to the relevant date, and that all but one of these include reviews from UK consumers that have purchased products from the cancellation applicant's business under the sign prior to the same. Further, I consider that at least two different wooden children's toys have been on sale via the Amazon UK platform since just under nine months and just over two years prior to the relevant date in these proceedings, and these products had been reviewed by a number of UK consumers over a period of several months and nearly two years prior to the relevant date. Whilst the number of the reviews is small, I note these are provided as an example of top reviews from the UK, although it is not clear how many there will have been in total. Further, I consider that whilst the sales figures account for a period running until after the relevant date, this is only by a short time. As reviews show these items were being sold to UK consumers prior to this time, it is my view that considering the picture created by the evidence as a whole, it is reasonable to assume that at least a portion of the turnover/unit sales/income figures provided will relate to sales to UK consumers prior to the relevant date.

24. Overall, whilst the evidence is far from overwhelming, considering the picture created by the sum of the evidence provided, I am satisfied that the cancellation applicant had a small but actionable level of goodwill in its business under the sign at the relevant date, including in relation to the pleaded goods *wooden toys* and *infant toys*.

Misrepresentation

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

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

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

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

26. And later in the same judgment:

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

27. In *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590, Lord Justice Lloyd commented on the paragraph above as follows:

“64. One point which emerges clearly from what was said in that case, both by Jacob J and by the Court of Appeal, is that the “substantial number” of people who have been or would be misled by the Defendant's use of the mark, if the Claimant is to succeed, is not to be assessed in absolute numbers, nor is it applied to the public in general. It is a substantial number of the Claimant's actual or potential customers. If those customers, actual or potential, are small in number, because of the nature or extent of the Claimant's business, then the substantial number will also be proportionately small.”

28. Accordingly, once it has been established that the party relying on the existence of an earlier right under section 5(4)(a) had sufficient goodwill at the relevant date to found a passing-off claim, the likelihood that only a relatively small number of persons would be likely to be deceived does not mean that the case must fail. There will be a misrepresentation if a substantial number of customers, or potential customers, of the claimant's actual business would be likely to be deceived.

29. In this instance, the sign and the mark at issue are identical. Further, I have found the cancellation applicant to hold goodwill in its business under the sign that extends to *wooden toys* and *infant toys*. These are identical to (and as such are in the exact same field as) the proprietor's registered goods. On this basis it is, in my view, inevitable that there will be a misrepresentation between the sign and the registered mark.

Damage

30. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of

the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the Lego case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.

31. In this case, it is my view that there exists a real likelihood of damage by way of substitution, as well as an obvious risk of damage should the cancellation applicant's customers be dissatisfied with goods purchased from the proprietor, under the mistaken belief that they derive from the cancellation applicant.

32. The application for invalidation of the registration under section 47(2)(b) and 5(4)(a) of the Act therefore succeeds.

Final remarks

33. The cancellation applicant's application for invalidity has been successful in respect of all of the goods registered. Subject to any successful appeal, the registration will be invalidated in its entirety.

COSTS

34. The cancellation applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the cancellation applicant the sum of £1150 as a contribution towards the cost of the proceedings, in accordance with Tribunal Practice Notice 1/2023. The sum is calculated as follows:

Official fee:	£200
Preparing and filing the TM26(I) and considering the counterstatement:	£350
Preparing and filing evidence:	£600

Total:

£1150

35. I therefore order Eldidistribution Ltd to pay Zhejiang Wende E-commerce co., Ltd. the sum of £1150. The above sum should be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 25th day of February 2026

R. Le Breton

For the Registrar