O/0164/26

TRADE MARKS ACT 1994

IN THE CONSOLIDATED MATTERS OF

TRADE MARK APPLICATION No. 3936109
IN THE NAME OF REDBOOK HOLDINGS LIMITED ("REDBOOK")
TO REGISTER

IN CLASS 41

AND

OPPOSITION No. 443956 THERETO BY
PRIVATE BUSINESS SOLUTIONS INVESTMENT LIMITED ("PBS")

AND

REDBOOK'S APPLICATION 506348
FOR A DECLARATION OF INVALIDITY
AGAINST THE PBS UKTM REGISTRATION No. 3813822
IN CLASSES 9 AND 38

BACKGROUND AND PLEADINGS

1. This decision deals with two sets of proceedings between the same parties, which have been consolidated: Private Business Solutions Investment Limited ("**PBS**"/"**the Opponent**") has opposed a trade mark application by Redbook Holdings Limited ("**Redbook**"/"**the Applicant**") and Redbook contests the validity of the registered trade mark relied on by PBS for its opposition.

The Opposition

2. On 20 July 2023, Redbook filed UK Trade Mark Application No. 3936109, seeking to register this device mark:

Redbook's application is in respect of the following services:

Class 41: *Practical training [demonstration]; organizing and arranging exhibitions for entertainment purposes; arranging and conducting of congresses; organization of exhibitions for cultural or educational purposes; organization of shows [impresario services]; organization of competitions [education or entertainment]; organizing cultural and arts events; online publication of electronic books and journals; providing online electronic publications, not downloadable; providing online videos, not downloadable; modelling for artists; providing information in the field of entertainment; health club services [health and fitness training]; art exhibitions*.

3. Redbook's application was published for opposition purposes on 4 August 2023, and, on 3 November 2023, PBS filed a notice of opposition. The opposition by PBS is based on claims under sections **5(2)(a)** and **5(2)(b)** of the Trade Marks Act 1994 ("**the Act**"), relying on the following earlier filed trade mark registration ("**the PBS Registration**").

Trade Mark No. 3813822 (a series of 2 figurative marks)
Filing date: 27 July 2022
Registration date: 21 October 2022

小红书

4. The PBS Registration is in respect of the following goods and services.

Class 9: *Mobile apps; Software for online messaging; Instant messaging software; Online payment software; Downloadable instant messaging software; Software for operating an online shop; Software for evaluating customer behaviour in online shops; Software for smartphones; Blog software*.

Class 38: *Online messaging services; Electronic messaging; Message sending services; Message services; Message sending; Messaging services Providing online forums; Providing online chatrooms for the transmission of messages, comments and multimedia content among users; Transmission of messages; Message transmission (Electronic -); Text messaging services; Voice messaging services; Electronic message services; Multimedia messaging services; Online communications services; Instant messaging services; Instant electronic messaging services; Providing instant messaging services; Communication by online blogs; Providing access to multimedia content online.*

5. The opposition claims are directed against all services under Redbook's application.

6. The opposition statement of case claims that the applied-for trade mark is a figurative trade mark that contains identically represented Chinese characters as the PBS Registration. Accordingly, the applied-for trade mark is identical or at least similar to the PBS mark. It is claimed that the applied-for services are similar to the goods and services of the PBS Registration - in particular it is claimed that there is a high degree of similarity between the applied-for services and the PBS registered goods "*software for smartphones*" in class 9 and the PBS registered services "*providing online forums; Communication by online blogs; providing access to multimedia content online*" in Class 38. It is claimed that in view of the identity or similarity between the parties'

marks, "the relevant public in the UK are likely to believe that the applied-for services are provided by the same undertaking or an economically linked undertaking. In the circumstances there is a risk that the applied-for mark will trigger an association with earlier mark, resulting in confusion."

7. Redbook filed a notice of defence and counterstatement, including the following points:

   i. Redbook denies that its trade mark application is contrary to section 5(2)(a) or 5(2)(b);
   ii. It admits that the parties' marks are identical and/or similar;
   iii. It denies that the respective goods and services are similar;
   iv. It challenges the validity of the trade mark registration relied on by PBS, on the ground that it conflicts with earlier rights belonging to Redbook, such that the opposition claims have no effective earlier trade mark under the Act.

The Invalidity Application against the PBS Registration

8. On 15 March 2024, Redbook filed its application for the PBS Registration on which the above opposition relies to be declared invalid, based on claims under **sections 5(1)**, **5(2)(a)**, **5(2)(b)**, **5(3)**, **5(4)(b)** and **3(6)** of the Act.[1]

9. For its claims under **sections 5(1)**, **5(2)(a)**, **5(2)(b)**, **5(3)**, Redbook relies on the following UK comparable trade mark registration ("**the Redbook Registration**"):[2]

1 These grounds operate in conjunction with section 47(1), 47(2)(a) and 47(2)(b) of the Act, which provides for the invalidation of a registered trade mark.

2 Under the European Union (Withdrawal Agreement) Act 2020, on the 1 January 2021, the IPO created a comparable UK trade mark for all right holders with an existing EUTM. Each of these UK rights is recorded in the UK trade mark register, with the same legal status as if they had been applied for and registered under UK law. A 'comparable trade mark (EU)' retains the same filing or priority date and registration date of the EUTM from which it derives.

Trade Mark No.: 917970869[3] (figurative)

Filing date: 19 October 2018

Registration date: 16 February 2019

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Redbook's Registration is in respect of the following goods and services:

Class 9: *Computer software recorded; Electronic publications, downloadable; Computer programs [downloadable software]; Computer software applications, downloadable; Cell phones; Tablet computers; Animated cartoons; Computer game software; computer programs, recorded; Computer operating programs, recorded*.

Class 35: *Advertising; Business management assistance; Providing business information via a web site; Provision of an on-line marketplace for buyers and sellers of goods and services; Sales promotion for others; Web indexing for commercial or advertising purposes; Administrative processing of purchase orders; Accounting; Sponsorship search; Employment agency services*.

Class 38: *Television broadcasting; Communications by cellular phones; Communications by computer terminals; Transmission of electronic mail; Transmission of digital files; Providing online forums; Computer aided transmission of messages and images; Radio communications; Message sending; Providing telecommunication channels for teleshopping services*.

Class 42: *Technical research; Scientific research; Vehicle roadworthiness testing; Industrial design; Interior design; Dress designing; Providing search engines for the internet; Conversion of data or documents from physical to electronic media; Software as a service [SaaS]; platform as a service [PaaS]*.

3 It is noted that in Decision O/0658/25 PBS succeeded in its application for the full revocation of this trade mark on grounds of non-use. The effective date of revocation given in that Decision is 17 February 2024, which means that revocation can therefore have no impact on the outcome of the present consolidated proceedings, since the comparable trade mark remained an operative earlier trade mark. It is also noted that Decision O/0658/25 is to be the subject of an appeal hearing before the Appointed Person.

Class 45: *Dating services; On-line social networking services; Monitoring of burglar and security alarms; Chaperoning; Clothing rental; Personal wardrobe styling consultancy; Copyright management; Planning and arranging of wedding ceremonies*.

10. The **sections 5(1)** and **5(2)** grounds involve claims that the marks are identical or similar, that the parties' goods or services are identical or similar, and that there is a likelihood of confusion.

11. The **section 5(3)** claim is that the Redbook Registration benefits from a reputation in respect of all of its goods and services such that use of the PBS Registration, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the Redbook Registration.

12. The claim under **section 5(4)(b)** is that registration of the PBS Mark is prohibited by virtue of the law of copyright. Redbook relies on copyright protecting its logo, in particular the voluntary additional protection afforded by Chinese copyright registrations No. 2019-F-00820725 and No. 2019-F-00820726 as follows:

13. Redbook's **section 3(6)** claim is that the PBS Registration is invalid on the basis that it was filed in bad faith, because it was calculated to wrongfully associate PBS and its goods and services[4] with Redbook and its goods and services, or vice versa, when no such association exists, and to generate a wrongful financial gain for PBS. The PBS mark identically duplicates the colour and stylisation of the Redbook's mark as currently used on Redbook's website, which it states to be (https://www.xiaohongshu.com/explore).

4 The Statement of Grounds refers to "goods", but since this ground is expressly directed against all the goods and services it appears to me that the claim should be understood as I have written.

PBS defence of the invalidity claims

14. PBS filed a notice of defence and counterstatement, denying all of the claims, including the following points:

The **sections 5(1), 5(2)(a) and 5(2)(b)** claims:

i. PBS denies that the figurative series of marks in the PBS Registration is identical or similar to the figurative Redbook Registration;

ii. It denies identity or similarity between the parties' goods and services, specifically denying that "all" the Class 9 goods of the PBS Registration are identical or similar to the Class 9 goods registered under the Redbook Registration, and that "all the services contained in Class 38" of the PBS Mark are identical or similar to the Class 38 services registered under the Redbook Registration;

iii. It "denied that all the goods and services covered by the [PBS Registration] fall within the overly broad descriptions for which the Earlier Trade Mark secured registration";

iv. It further denies "that there exists a likelihood of confusion in this case because the marks in question are figurative trade marks composed of Chinese characters, and the phonetic and conceptual comparisons are not relevant";

v. It denies that imperfect recollection applies in this case since the relevant public will not be able to recollect Chinese characters;

vi. It denies that the relevant public will directly confuse the respective trade marks or that there is a likelihood of indirect confusion;

vii. It denies that there exists a high degree of visual similarity between the trade marks, and refers to the PBS mark as "visually dissimilar" to the Redbook Registration;

viii. PBS states that it can neither admit nor deny that the respective marks contain the same Chinese Characters "Xiao-hong-shu" with the specific meaning and requested the Redbook to provide evidence supporting this claim. The conceptual meaning is irrelevant as the relevant public will not understand the meaning of the trade mark.

The **section 5(3)** claim:

ix. It denies identity or similarity of the marks;

x. It denies identity or high similarity of goods and services;

xi. It denies any link will be made by the relevant public and any type of consequent damage;

xii. PBS challenged Redbook to adduce evidence of its claimed reputation in the United Kingdom in connection with the goods and services relied on. In particular, PBS put Redbook to strict proof in relation to the instant recognition of its trade mark in the UK and the commercial and promotional investment made in relation to the Redbook Registration.

The **section 5(4)(b)** claim

xiii. It denied that the PBS Registration is prohibited by virtue of the law of copyright.

xiv. PBS requested Redbook to adduce evidence of the Chinese Copyright registrations and evidence to prove that Redbook is the proprietor of the claimed copyright.

The **section 3(6)** claim

xv. PBS denied that the mark was filed in bad faith, or is calculated to wrongfully associate PBS and its goods and services with those of the Redbook in order to generate a wrongful financial gain, and requested that Redbook adduce evidence to prove this claim;

xvi. PBS requested that Redbook adduce evidence of ownership of the website.

Representation, papers filed and hearing

15. Redbook is represented by Lucas & Co;[5] PBS is represented by Daneel Williams LLP. During the evidence rounds, only Redbook filed evidence. Neither party requested a hearing and only Redbook filed written submissions in lieu of an oral hearing. PBS

5 Originally by Trademarkit LLP.

filed no evidence, nor any submissions, but I have extensively set out points from PBS's position in my account of the pleadings above. This decision is taken based on my close reading of the papers filed.

My approach in this Decision

16. The opposition can only proceed to be decided if the earlier trade mark, on which its section 5(2) claims are based, is valid. I shall therefore first consider the various grounds of attack against that PBS Registration, to determine to what extent, if at all, the Opponent's claimed earlier trade mark survives Redbook's invalidity claims.

THE EVIDENCE

17. The evidence filed on behalf of Rebook consists of two **Witness statements of Jiang Beiyun**, who is legal counsel of Redbook Holdings Limited. His first, and main, **witness statement** is dated 29 March 2024, introducing **Exhibits JB1 - JB5**. Jiang Beiyun's evidence explains:

- the nature of Redbook's business (a social media and e-commerce platform);
- the meaning of the Chinese characters comprising the marks at issue, where the simple Chinese is: 小红书 and the pinyin version is Xiǎohóngshū, and where the literal translation is given as 'little red book';

18. The witness statement also seeks to suggest an awareness among Chinese students in the UK, and the brand's connection with football in Europe.

19. **Exhibit JB5** shows Chinese copyright registration certificates and a licence agreement between the owner of that copyright and Redbook. The second witness statement of Jiang Beiyun, dated 17 June 2024, was requested by PBS to explain his credentials for his translation into English the Chinese Copyright Certificates and Licence Agreement at Exhibit JB5.

DECISION

THE SECTION 5(1) AND 5(2) GROUNDS

20. The applicable sections of the Act are set out below:

> **Section 5** Relative grounds for refusal of registration.
>
> **(1)** A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.
>
> **(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".
>
> ….
>
> 5A Grounds for refusal relating to only some of the goods or services
>
> 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.

21. Since the trade mark relied on by Redbook was filed before the filing date of the PBS Registration, it constitutes an "earlier trade mark" for the purposes of section 5.[6] And since it had been registered for less than five years at the filing date of the PBS Registration, the use conditions set out in section 6A of the Act are not engaged and Redbook may rely on all of its goods and services under the Redbook Registration.

6 Section 6 of the Act.

Are the marks identical?

22. The claims by Redbook include that the parties' marks are identical (or alternatively similar). Since section 5(1) and 5(2)(a) require that the marks at issue are identical, I will begin with the task of comparing the marks to determine that question.

23. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA,* Case C-291/00, the Court of Justice of the European Union 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."

Comparison of marks

PBS series of Marks	Redbook's Mark
 	小红书 小红书

24. I also bear in mind that section 41(2) of the Act provides as follows:

"(2) A series of trade marks means a number of trade marks which resemble each other as to their material particulars and as to matters of a non-distinctive character not substantially affecting the identity of the trade mark."

25. Both parties' marks are figurative trade marks. I bear in mind that a trade mark that is registered in black and white (including a figurative mark) is afforded the protection of use in any colour. It is possible that the Redbook mark could be used in the same colour red as that of the first of the marks in the PBS Registration, so the colour difference is accordingly of limited significance in the present assessment. I do not, however, disregard the choices of different typefaces deployed for these figurative (not word) marks.

26. I am not satisfied that the PBS mark, reproduces, without any modification, all the elements constituting the Redbook mark, nor that, viewed as a whole, the differences are so insignificant that they may go unnoticed by an average consumer. I am not here making a comparison between a figuratively represented English word, composed of English letters. The characters are Chinese and will be unfamiliar to the average consumer in the UK. A degree of effort will be required to mentally process the marks, and I am not fully satisfied that the average consumer would consider the marks to be identical.

27. There are visual stylistic differences, particularly arising from the far leaner font of the Redbook mark; for instance, what looks like an English capital letter "I" in the middle of the mark has a wider horizontal top and bottom, both of the same size; this contrasts with the same element in the PBS mark, which has notably less width in its top, and the shape of its horizontal top is rectangular. Perhaps the most significant differences attach to the final character: firstly, in the Redbook mark, that character appears further away from its preceding fellow characters, and is again leggier, with almost a telegraph-pole aspect, and, in the upper right of the character, a long dash, sloping diagonally down to the right. Contrastingly, the same character in the PBS mark is much chunkier, with much less airy spaces and where a rounded raindrop shape appears in the upper right of the character.

28. **Outcome of sections 5(1) and 5(2)(a) claim**: I find that the marks are not identical, and as such, the claims under sections 5(1) and 5(2)(a) inevitably fail.

29. I turn next to consider whether the invalidity challenge succeeds based on the claim that the marks are *similar* and the applied-for goods and services are identical or similar such that there is a likelihood of confusion. An assessment of the likelihood of confusion under section 5(2)(b) is multi-factorial and the following standard summary of the principles applicable to the assessment was approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Paris Europe Inc & Anor*, [2025] UKSC 25:

(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 greater 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; and

(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.

30. Given the tendency of the average consumer to perceive a mark as a whole, without detailed analysis, I must assess the similarities of the marks by reference to their overall impressions, avoiding artificial dissection of the marks, but taking into account their distinctive and dominant components and giving due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. Again, the marks to be compared are shown below:

小红书 小红书

31. The overall impression lies in the whole of each of the figurative marks, where the whole of each mark is distinctive. No element is dominant, except insofar as the white characters in the second of the PBS series marks tend to have greater dominance (and distinctiveness) over its red background.

32. Redbook claims that the two marks are aurally and conceptually identical. In my account of the pleadings, I have already set out details from the counterstatement of PBS in defence of its registration; its position is that it is not possible to assess similarity between the marks on an aural or conceptual basis, because the average consumer in the UK will not be able to pronounce the characters, nor understand their meaning.

33. I have noted that the evidence establishes that there is a pinyin version of the Chinese characters, bearing out Redbook's claim, as set out in its statement of grounds, that the mark is equivalent to "Xiao-hong-shu", meaning 'little red book'. I accept that the UK average consumer may have a good stab at pronouncing the three syllables of "Xiao-hong-shu", but of course the pinyin version is not the mark on which Redbook relies.[7]

34. While the UK public obviously includes people of Chinese heritage, and those otherwise familiar with Chinese languages, I have no evidence regarding such numbers, and cannot conclude that they are a statistically significant proportion of the UK public. Nor is there anything about the specified goods and services in Classes 9, 35, 38, 42 or 45 that is inherently oriented towards a Chinese-speaking demographic. I therefore accept that the position is neutral with regard to aural and conceptual similarity.[8] To the average consumer in the UK, the marks will appear as composed of some sort of East Asian written characters, but that is not a solid basis for a finding of conceptual similarity.

35. The assessment of similarity between the marks therefore rests on a visual comparison. Redbook's claim is that the marks are visually highly similar, containing the same Chinese characters 小 (little / xiao) 红 (red / hong) and 书 (book / shu), whereas PBS argues that the marks are visually dissimilar. Redbook claims that,

7 Nor, of course, is the mark "little red book".

8 Presumably, for the small minority of the UK consumer group who may understand the Chinese characters, the pronunciation and meaning would be the same for both parties' marks, as claimed by Redbook.

"visually, there are no Roman-script elements in either mark, so that the distinctive character of both marks must subsist in the overall look of the marks, including the shapes of the Chinese characters. The red background and red colouring of the contested mark are of low distinctiveness, such that the dominant component of that mark must be the Chinese characters." Redbook argues that "the stylistic/figurative elements in the two marks are relatively minor" and that "even to non-Chinese speakers, it will be evident that the characters look the same or are highly similar."

36. I find that even taking account of the presentational differences, in colouring and character thickness and outline, there is indeed at least a medium degree of visual similarity between the marks, as a natural consequence of their shared composition, combining the same three Chinese characters. Considering the visual similarities from the perspective of the average consumer in the UK, unfamiliar with Chinese logographs, I find there will still be recognition of visual similarity, arising out of the tendency to make approximate equivalences to shapes or letters that are familiar to a UK viewer. For instance, an average UK consumer, seeing the marks, may mentally register shapes resembling a J, an E and an I, and even a B or PS.

Comparison of the goods and services

37. When considering whether goods are similar, all the relevant factors relating to the goods should be taken into account. Those factors include, inter alia:[9]

i. the physical nature of the goods;

ii. their intended purpose;

iii. their method of use / uses;

iv. who the users of the goods and services are;

v. the trade channels through which the goods reach the market;

9 See *Canon*, Case C-39/97, paragraph 23; and *British Sugar PLC v James Robertson & Sons Ltd.,* [1996] R.P.C. 281 – the *"Treat"* case.

vi. in the case of self-serve consumer items, where in practice they are found or likely to be found in shops and in particular whether they are, or are likely to be, found on the same or different shelves; and

vii. whether they are in competition with each other (taking into account how those in trade classify goods, for instance whether market research companies put them in the same or different sectors);

viii. whether they are complementary to each other. Complementary has been described as meaning that *"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"*.[10] Complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.[11]

38. I bear in mind too that when interpreting terms in a specification that it is *"necessary to focus on the core of what is described* [... and that] *trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise",* although *"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* [and services] *in question"*.[12]

39. It is settled case law that there is identity between parties' respective goods or services not only where the terms coincide or have the same meaning, but also where the goods or services covered by the earlier mark are included in the more general category covered by the contested trade mark or vice versa.[13]

40. For the purposes of making a comparison, goods can be grouped together where the same reasoning applies.[14] It is clear that the most pertinent of Redbook's goods and services to be compared with those of the PBS Registration are as follows:

10 *Boston Scientific Ltd v OHIM,* Case T-325/06, paragraph 82
11 *Kurt Hesse v OHIM, Case C-50/15 P*
12 *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), paragraphs 11 - 12
13 (see *Case T-133/05 Gérard Meric v Office for Harmonisation in the Internal Market* and *Case T-522/10 Hell v OHIM*)
14 *Separode Trade Mark* BL O/399/10, paragraph 5

Goods and services under Redbook's Registration	Goods and services under PBS Registration
Class 9: *Computer software recorded; Electronic publications, downloadable; Computer programs [downloadable software]; Computer software applications, downloadable; Cell phones; Tablet computers; Animated cartoons; Computer game software; computer programs, recorded; Computer operating programs, recorded.*	**Class 9:** *Mobile apps; Software for online messaging; Instant messaging software; Online payment software; Downloadable instant messaging software; Software for operating an online shop; Software for evaluating customer behaviour in online shops; Software for smartphones; Blog software*
Class 38: *Television broadcasting; Communications by cellular phones; Communications by computer terminals; Transmission of electronic mail; Transmission of digital files; Providing online forums; Computer aided transmission of messages and images; Radio communications; Message sending; Providing telecommunication channels for teleshopping services.*	**Class 38:** *Online messaging services; Electronic messaging; Message sending services; Message services; Message sending; Messaging services Providing online forums; Providing online chatrooms for the transmission of messages, comments and multimedia content among users; Transmission of messages; Message transmission (Electronic -); Text messaging services; Voice messaging services; Electronic message services; Multimedia messaging services; Online communications services; Instant messaging services; Instant electronic messaging services; Providing instant messaging services; Communication by online blogs; Providing access to multimedia content online*

41. The **goods in Class 9** of the contested PBS Registration are all types of software. All are included in the scope of the Redbook's specification of "*Computer programs [downloadable software]; Computer software applications, downloadable."* All of the PBS Class 9 goods are **identical** to those of the Redbook Registration on the basis of equivalence and the principle illustrated in the Gérard Meric case. (While I have here compared only the goods and services in the same classes, I also find that the PBS goods that are *Online payment software; Software for operating an online shop; Software for evaluating customer behaviour in online shops* are complementary and similar to Redbook's services in Class 35 *provision of an on-line marketplace for buyers and sellers of goods and services; Administrative processing of purchase orders; Sales promotion for others.*)

42. The **services in Class 38** of the contested PBS Registration are in the line of messaging and communications services, including online chatrooms and forums, online blogs and providing access to multimedia content online. The PBS Class 38 services, again on the basis of equivalence and the Meric principle, are **identical** to Class 38 services under the Redbook Registration, such as *Message sending; Computer aided transmission of messages and images; Communications by cellular phones; Providing online forums; Transmission of digital files.* If the contested services "*Communication by online blogs*" may be considered less than identical, they are at least **highly similar** to *Computer aided transmission of messages and images* and *Providing online forums* by virtue of the services' overlapping users, nature and purpose, methods of use and channels of trade.

The average consumer and the nature of the purchasing act

43. Trade mark questions, including the likelihood of confusion, must be viewed through the eyes of the average consumer of the goods or services in question. The word "average" here denotes that the person is typical.[15] The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect.

44. It is therefore necessary to determine who is the average consumer of the respective goods or services, and how the consumer is likely to select those goods. It must be

15 *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), paragraph 60

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.[16]

45. The average consumer of the parties' Class 9 goods will be the general public for things like *Mobile apps, Instant messaging software* and *Online payment software;* as well as a business consumer for goods such as *Software for operating an online shop* and *for evaluating customer behaviour.* The average consumer of the *messaging and* communications in Class 38 will be the general public (which may include a business or professional user). The goods and services are likely to be marketed online where the consumer will select the goods or services having viewed relevant webpages (or app stores on mobile device screens). The selection of the goods or services is therefore primarily visual.

46. I have no evidence on what the parties' goods and services may cost, but as a member of the general public, it is my experience that engaging with or accessing such software or services is often free of charge and the consumption process will not generally require an overly considered thought process – no more than a medium level of attention.

Distinctive character of the Redbook registration series

47. The distinctive character of the earlier mark must be assessed, as, potentially, the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion.[17]

48. In *Lloyd Schuhfabrik*, the Court of Justice of the European Union ("**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 *Windsurfing Chiemsee* v *Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

16 *Lloyd Schuhfabrik Meyer & Co. GmbH* v *Klijsen Handel BV*, Case C-342/97
17 *Sabel* at [24]

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)".

49. The logo of the Redbook Registration, composed of Chinese characters, is distinctive to **a medium degree**, on an inherent basis. It has no allusive or descriptive relation to the goods or services for which it is registered. However, its font is simple and unremarkable, and, in my view, the absence of a conceptual or aural hook lessens its ability to distinguish. It will strike the average consumer in the UK as a shortish combination of characters, likely from an East Asian language, but the unfamiliarity of the language may tend to lessen the distinctiveness of the particular characters and combination.

50. The distinctive character of a trade mark may be enhanced through its use. However, as is clear from my account of the evidence set out in the following paragraphs, and having regard to the factors from case law identified in paragraph 48, the extent of use shown in the evidence is very far from sufficient to have enhanced the distinctive character of the mark among the UK public.

51. **Exhibit JB1** is a Wikipedia entry, giving an account of the Cancellation Applicant's company background. While the open-editing nature of Wikipedia content means that it is not always a robustly reliable source of evidence, there is no reason to doubt the content in this instance, and PBS has raised no challenge. Moreover, even taken with the primary text of the witness statement, and with all other exhibits, nothing in this exhibit is sufficient to establish that the Redbook Registration has been used in the UK in such a way that its distinctive character had been enhanced by 27 July 2022, the filing date of the PBS Registration ("**the Relevant Date**").

52. The evidence shows that Xiaohongshu is a social media and e-commerce platform, which has been described as China's answer to Instagram or Pinterest. As of 2020, it had over 450 million registered users, and in 2021 had more than 150 million active monthly users. The app allows users and influencers to post, discover and share product reviews, most frequently related to beauty and health. The platform also includes an in-app shopping interface for users to browse, search and purchase products. Another article from April 2021 on daoinsights.com refers to the offering, variously, as Xiaohongshu, 小红书 or Little Red Book, but neither this source nor the Wikipedia entry refers to user numbers in the UK. Redbook's offering is a Chinese app, focused on the market in China, notwithstanding that it may seek to encourage advertisers from outside China (for example in Singapore) to promote their brands in China.

53. Jiang Beiyun explains that the actual operator of the social media platform and mobile app is the company Xingin Information Technology (Shanghai) Co., Ltd. He states, at paragraph 7 of his witness statement, that the owner of the copyright in the logo shown below is Shuxing Technology (Beijing) Co., Ltd., and that both the actual user (Xingin) and the Applicant (Redbook) are subsidiary companies /affiliates of the copyright holder (Shuxing).

54. I note that the above logo shown in the witness statement is presented as reading horizontally, whereas the representation in the Chinese copyright registration certificate appears to read vertically (top to bottom). (The copyright certificate is shown at Exhibit JB5, translated into English in Jiang Beiyun's second witness statement).

55. **Exhibit JB2** confirms that there is a social media app, bearing Redbook's mark, stated to have been available in the UK since June 2018 and is available to download from Google Play and the App Store, but there is nothing at all to show, among the UK general public or business community, any significant awareness of, or engagement with the Redbook Registration or its services in the UK. The evidence shows that, in November 2022, Spanish and Belgian football federations agreed content deals with

Xiaohongshu. This is after the Relevant Date and has no obvious impact on the UK average consumer. The witness states that the app is popular with Chinese students living in the UK and that some universities actively market themselves through the platform. Exhibit JB2 includes references to the University of Bath, where a link to that university apparently features on Redbook's platform; and to the University of Leicester, where Redbook's platform is listed as one of the means by which international students may access social media. None of this shows meaningful use of the Redbook mark in the UK. There is no enhancement to the distinctive character of the Redbook Registration by the Relevant Date.

Conclusion as to likelihood of confusion

56. I turn now to make a global assessment of likelihood of confusion if the parties' marks were used concurrently in respect of their respective goods and services. This assessment takes account of my findings set out in the foregoing sections of this decision and of all of the various principles from case law outlined in my paragraph 29 above.

57. Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same, but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.

58. The assessment of likelihood of confusion involves factoring in the potential for a greater degree of similarity (or identity) between the goods or services to offset a lesser degree of similarity between the marks. I have found the goods and services to be identical (or else highly similar). I have found that the marks are visually similar to at least a medium degree, where visual considerations are most important in the purchasing process; the position is neutral with regard to aural and conceptual similarity. The earlier mark is inherently distinctive to a medium degree, and the average consumer will typically exercise no more than a medium level of attention in the purchasing process. In the circumstances, I find that it cannot be ruled out that a significant proportion of the relevant public is likely to be confused. I note that PBS emphasised "the stylistic font, striking red and white colourway, and spacing of the

Chinese Characters of the Contested Mark" and claimed that imperfect recollection cannot apply in this case since the relevant public will not be able to recollect Chinese characters. While I have acknowledged that the unfamiliarity with Chinese characters may moderate their distinctive character for the UK average consumer, and may avoid a conclusion that the marks (as registered) are identical to one another, I have rejected the assertion by PBS that the marks are visually dissimilar. Even if the differences between the marks are not so insignificant that they may go unnoticed by an average consumer (and thus not identical), they remain similar and apt to be mistaken one for the other, or else perceived as a variant brand choice by the same undertaking. Directly or indirectly, there is a likelihood that the average consumer will be confused as to the origin of the goods and services.

59. **OUTCOME UNDER SECTION 5(2)(b):** The application for invalidity based on section 5(2)(b) succeeds in full.

THE SECTION 5(3) CLAIM

60. Section 5(3) of the Act reads as follows:

> **(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."
>
> (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.

61. I find that the claim under this ground can be dealt with briefly. This ground is also directed against all of the applied-for goods and services, and Redbook claims a reputation in respect of the entirety of its registered goods and services.

62. The relevant case law for section 5(3) can be found in the following judgments of the CJEU: *General Motors*, C-375/97, EU:C:1999:408; *Intel Corporation Inc. v CPM*

United Kingdom Ltd, C252/07, EU:C:2008:655; *Adidas-Salomon & Anor v Fitnessworld Trading Ltd*, C-408/01, Page 34 of 61 EU:C:2003:582*; L'Oréal v Bellure*, C-487/07, EU:C:2009:378); and *Marks and Spencer v Interflora*, C-323/09, EU:C:2011:604.. 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 Saloman, 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) 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.*

(g) 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.*

(h) 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*.

(i) 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).*

Reputation

63. A trade mark has a reputation within the meaning of section 5(3) if it was known to a significant part of the relevant public at the relevant date; the relevant public are those concerned by the products or services covered by the trade mark. There is no fixed percentage threshold which can be used to assess what constitutes a significant part of the public; it is proportion rather than absolute numbers that matters. Reputation constitutes a knowledge threshold, to be assessed according to a combination of geographical and economic criteria. All relevant facts are to be taken into consideration when making the assessment, in particular the market share held by the

trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by undertaking in promoting it.[18]

64. The relevant public for Redbook's claimed goods and services is the UK public at large (including some professional / business use). It is clear from my account of the evidence in my assessment of enhanced distinctiveness, that it is insufficient to establish any reputation in respect of the Earlier Mark. In particular, the evidence shows essentially no use at all of the mark in the UK and does not come anywhere near to what is required to establish reputation. There is no evidence of any income generated, marketing spend, customer base/reach, geographic spread or market share.

65. Since I find that the Redbook's evidence has not established the claimed reputation, which is a required component of section 5(3), it follows that the claim must fail. In the circumstances it is not necessary for me to consider whether the necessary mental link would arise, nor the claimed bases of damage.

66. **OUTCOME UNDER SECTION 5(3):** The claim under section 5(3) fails.

THE SECTION 5(4)(b) CLAIM

67. Section 5(4)(b) of the Act reads as follows:

> **(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)
>
> ….
>
> **(b)** by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) [or (aa)] above, in particular by virtue of the law of copyright [or the law relating to industrial property rights].

18 See, for instance, ruling of Judge Hacon in *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC (IPEC),

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.

(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. Section 47 of the Act includes the following provisions:

(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

…

(2) […] 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.

69. The **Trade Marks (Relative Grounds) Order 2007** provides as follows:

5. (1) Only the persons specified in paragraph (2) may make an application for a declaration of invalidity on the grounds in section 47(2) of the Trade Marks Act 1994 (relative grounds).

(2) Those persons are—

(a) […]

(b) in the case of an application on the ground in section 47(2)(b) of that Act, the proprietor of the earlier right.

70. Copyright protection in a work comes automatically into existence once an original work is recorded in some form (e.g. written down or captured on film). No official registration, application, or formal procedure is required to secure copyright protection,

but, in common with many jurisdictions, China has a voluntary registration of works scheme, which enhances the inherent automatic copyright protection.[19]

71. **Exhibit JB5** shows Chinese copyright registration certificates namely, registration Nos. GUOZUODENGZI-2019-F-00820725 and GUOZUODENGZI-2019-F-00820726, where, from the English translation provided, I note the following:

i. The Certificates show the copyright works as set out in the pleadings and reproduced at paragraph 12 above, as follows:


ii. Author and owner of copyright: Shuxing Technology (Beijing) Co., Ltd.

iii. Creation completion date March 14, 2015

iv. Date of first publication: March 15, 2015

v. Voluntary registration of works Registration Date: June 14, 2019

The Licence Agreement

72. **Exhibit JB5** also shows a licence agreement, dated July 14 2019, between Shuxing Technology (Beijing) Co., Ltd. ("**the Licensor**") and Redbook Holdings Limited and Xingin Information Technology (Shanghai) Co., Ltd ("**the Licensees**"). It is clear from the Licence Agreement that, in line with the witness statement of Jiang Beiyun, the parties are part of the same group of companies and the Licensees are wholly owned subsidiary companies of the Licensor. It is also clear from Clause 2.5 of the Agreement that "the Licensor is the sole and exclusive owner of the Intellectual Property." The Schedule to the Licence Agreement defines "the Intellectual Property" as being the two signs that are the subject of the Copyright Certificates.

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19 China joined the Berne Convention for the Protection of Literacy and Artistic Works in 1992.

73. Clause 4.1 states that "specific provisions governing the mode of use and exploitation of the Intellectual Property shall be set out in a separate agreement between the parties". There is no evidence that shows explicitly the content of a separate agreement between the parties governing how the copyright signs may be used.

74. Clause 6 is sub-titled "Action Against third parties, where Clause 6.1 reads: "both the Licensor and the Licensees shall have the right, either jointly or separately, to take action against third parties in respect of the Intellectual Property …". Clause 6.2 states that "The Licensees shall in no circumstances settle any Claim or action against third parties without the prior written consent of the Licensor." No such purported written consent is in evidence.

75. Clause 7 is sub-titled "Term and Termination" and reads: "7.1 This Agreement shall commence as of the date written, and shall continue in full force and effect for a period of (1) year, and may be renewed for additional one-year periods at the option of the parties." No evidence is included to show whether the Licence Agreement was renewed beyond July 2020 (one year on from the date of the evidenced licence).

76. I fully accept the close connection between the Cancellation Applicant (Redbook) and the owner of the copyright (Shuxing), but in light of the points highlighted in my previous paragraphs, I find that the evidence is unclear about the ongoing nature and remit of the licence. In any event, I find that Redbook does not have locus standi to rely on this ground, since paragraph 5(2) of the Trade Marks (Relative Grounds) Order 2007 provides that only the proprietor of the earlier right may apply for a declaration of invalidity under section 47(2)(b) based on a claim under section 5(4) of the Act. Redbook is not the proprietor, but at best (seemingly) a licensee of the copyright, and moreover, a non-exclusive licensee.

77. Although I would accept that the contested trade mark conflicts the copyright shown as protected in the Certificates, since Redbook is not the proprietor of the earlier right, its claim based on section 5(4)(b) of the Act must fail.

78. **OUTCOME UNDER SECTION 5(4)(b):** The application for invalidity based on section 5(4)(b) fails.

THE SECTION 3(6) CLAIM

79. Section 47(1) of the Act provides that a trade mark may be declared invalid if it was registered in breach of section 3(6), where a trade mark was applied for in bad faith.

80. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith.[20] I have recorded the way in which Redbook framed its allegation of bad faith in the pleadings part of this Decision. The case law principles on bad faith, insofar as they connect to Redbook's statement of claim, are set out below.

Case law principles on bad faith

81. In *SkyKick UK Ltd & Anor v Sky Ltd & Ors (Rev1)* [2024] UKSC 36, Lord Kitchin summarised the general principles applicable to bad faith at [240] as follows (omitting citations):

> "(i) […]
>
> (ii) The date for assessing whether an application to register [a] trade mark was made in bad faith is the date the application for registration was made
>
> (iii) […]
>
> (iv) While, in accordance with its usual meaning in everyday language, the concept of bad faith presupposes the presence of **a dishonest state of mind or intention**, the concept must also be understood in the context of trade mark law, which involves the use of marks in the course of trade. Further, it must have regard to the objectives of the […] law of trade marks, namely the establishment and functioning of […] a system of undistorted competition in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable

20 *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch).

consumers, **without any possibility of confusion**, to distinguish those goods or services from those which have a different origin.

(v) Consequently, the objection will be made out where the proprietor made the application for registration, not with the aim of engaging fairly in competition but either (a) with the intention of **undermining, in a manner inconsistent with honest practices, the interests of third parties**; or (b) with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, and in particular the essential function of indicating origin.

(vi) The intention of the applicant is a subjective matter, but it must be capable of being established objectively by the competent administrative or judicial authorities having regard to the objective circumstances of the case.

(vii) The burden of proving that an application for a registered mark was made in bad faith lies on the party making the allegation. But **where the circumstances of the case may lead to a rebuttal of the presumption of good faith, it is for the proprietor of the mark to explain and provide a plausible explanation of the objectives and commercial logic pursued** by the application for registration.

(viii) Whether the applicant was acting in bad faith must be the subject of an **overall assessment, taking into account all of the factors relevant to the particular case**.

(ix) The applicant for a trade mark is not required to indicate or to know precisely when the application is filed or examined, the use that will be made of it.

(x) Nevertheless, the registration by an applicant of a mark without any intention to use it in relation to the goods and services covered by the registration may constitute bad faith where there is no rationale for the application in the light of the aims referred to in Regulation 40/94 and Directive 89/104.

(xi) Such bad faith may, however, be established only where there are objective, relevant and consistent indicia tending to show that, when the application was filed, the applicant for registration had the intention either of undermining, in a

manner inconsistent with honest practices, the interests of third parties, or of obtaining, without targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark.

(xii) .[…]

(xiii) […]

(xiv) If, at the end of the day, the court concludes that, despite formal observance of the relevant rules and conditions for obtaining registration, the purpose of the rules has not been achieved, and that there was an intention to take advantage of the rules by creating artificially the conditions laid down for obtaining the registration, this may amount to an abuse sufficient to find that the application was made in bad faith.

(xv) […]"

82. Earlier in the same judgment, Lord Kitchin considered the question of what amounts to bad faith. He underlined that the categories of bad faith and the circumstances which may constitute bad faith are not closed, and continued:

"152. In seeking to identify the relevant principles, it is necessary to have in mind two fundamental aspects of trade mark law to which I have already referred: first, it is concerned with **the use of marks in trade to denote the origin of goods and services**. Secondly, the aim of the trade mark regime is to contribute to a system of **undistorted competition in which businesses are able to attract and retain customers by the quality of their goods and services, and for that purpose are able to have registered signs which enable consumers to distinguish the goods and services of one undertaking from those of another**. Such a system must also provide an incentive and protection for the investment by a brand owner in the quality and other beneficial aspects of its goods and services, and so allow it to develop a goodwill in its business relating to their sale and supply.

153. Against this background, the **essence of the objection** that an application to register a mark was made in bad faith may be understood: it **is that the motive or intention of the applicant was to engage in conduct that departed from accepted**

principles of ethical behaviour or honest commercial practices having regard to the purposes of the trade mark system which I have described. Whether the conduct was undertaken with that motive or intention and did indeed depart from such ethical behaviour or honest commercial practices must be assessed having regard to all the objective circumstances of the case […].”

83. I also note the following observations from earlier case law. In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited* and others [2009] RPC 9 (approved by the COA in [2010] RPC 16), Arnold J. (as he then was) stated, with regard to knowledge of third party use of similar or identical distinctive sign, that:

> “189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark **merely** because he **knows** that third parties are using the **same** mark in relation to **identical** goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. ….”

84. With regard to balancing considerations of unfair competitive advantage, the legal rights of others and the motives for applying for a trade mark, I note that in *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH,* Case C-529/07, the CJEU stated that:

"46. […] **the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith**.

47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark **might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection**.

48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.

49. That may in particular be the case […] where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. Moreover […] the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitor's freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products.

51. Furthermore, in order to determine whether the applicant is acting in bad faith, consideration may be given to the extent of the reputation enjoyed by the sign at the time when the application for registration as a Community trade mark is filed.

52. The extent of that reputation might justify the applicant's interest in ensuring wider legal protection for his sign."

85. Finally, I note that, according to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

86. Redbook's section 3(6) claim, as expressed in the Statement of Grounds, is that the PBS mark was filed in bad faith because:

(i) it was calculated to wrongfully associate PBS and its goods and services with Redbook and its goods and services (or vice versa), when no such association exists, and to generate a wrongful financial gain for PBS;

(ii) Redbook claims that the PBS mark identically duplicates the colour and stylisation of the Redbook's mark as currently used on Redbook's website, which it states to be (https://www.xiaohongshu.com/explore).

87. It seems to me that the above statement of claim answers question (a) of paragraph 85 above, and in answer to question (b), it is, in my view, an objective for the purposes of which the contested application could not be properly filed. Answering question (c) will therefore determine the claim.

88. The onus lies with Redbook to establish a prima facie evidential basis for its claim. Its allegation is clearly put and its evidence shows that the mark has been used in respect of a social media brand that has been very successful in China, having garnered 450 million registered users by 2020. The brand has made some promotional efforts outside China, including in European through football sponsorships, though there is no real evidence of marketing or usage in the UK, beyond the possibility that Chinese students in the UK may be aware of and use the app. The company group to which Redbook belongs uses the mark in branding its app, which is distributed and available through Google Play and the App Store. The company group has taken the additional

step to strengthen the protection of the copyright in the logo of Chinese characters of its brand, by opting for registration of the copyright in China for the particular artistic expression of those characters. It has registered, as a trade mark in the UK, essentially the same characters in respect, inter alia, of goods in Class 9 and services in Class 38, reflecting its core business interests in software apps and messaging services.

89. I note that PBS requested that Redbook adduce evidence of ownership of the website that Redbook highlighted in its statement of grounds as using the pinyin little red book sign. While the evidence response on that challenge could have been stronger and clearer, Redbook has explained in its evidence that the actual operator of the social media platform and mobile app is the company Xingin Information Technology, which is its sister in the company group, and co-Licensee (with Redbook) of the Xiaohongshu copyright, owned by Shuxing.

90. Having in mind the distinctive particular representation of the pinyin characters in respect of which copyright exists (and is registered), along with all circumstances of the case, as highlighted in the case law principles, I find that the presumption of good faith has been rebutted, and it is for PBS to provide a plausible explanation of the objectives and commercial logic pursued by the application for registration. I find that the counterstatement by PBS falls short of that challenge, where the defence consists essentially of a bare denial of the allegation.

91. PBS offers no explanation of how it came to choose its trade mark, comprising the same characters associated with Redbook and presented in precisely the same font and colour combination as protected by copyright and used by the Xiaohongshu brand, and registered in respect of precisely the same field of goods and services in which Redbook operates. The (wrongful) association of PBS and its goods and services with those of the Redbook seems a likely consequence and PBS has not explained why that would not generate a wrongful financial gain for PBS. The PBS Registration has been deployed to oppose Redbook in its attempt to register a mark that is identical to the PBS mark and identical to the mark used by Redbook's company group, where Redbook has applied for trade mark protection in Class 41 for services that may reasonably align with its own established business interests, such as *online publication of electronic books and journals; providing online electronic publications, not downloadable; providing online videos, not downloadable.*

92. In the circumstances there are objective criteria from which I may find that the applicant was aware of the success and business of Redbook, not limited to China, and where due diligence would have revealed protection of the same or similar sign in the UK, and that by applying for the PBS Registration, and using it to contest Redbook's trade mark protection in the UK may be considered conduct departing from accepted principles of ethical behaviour or honest commercial practices having regard to the purposes of the trade mark system. I find that the PBS trade mark was filed in bad faith.

93. **OUTCOME UNDER SECTION 3(4)(b):** The application for invalidity based on section 3(6) succeeds in full.

94. **OVERALL OUTCOME**: Subject to any successful appeal of this Decision, the PBS Registration is deemed never to have been filed and UK Trade Mark No. 3813822 is declared invalid as from its filing date of 27 July 2022.

95. In the circumstances, PBS has no basis for its opposition to Trade Mark Application No. 3936109. Opposition No. 443956 fails and Redbook's Trade Mark Application No. 3936109 may proceed to registration in full.

COSTS

96. The Applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice1/2023, as these proceedings commenced after 1 February 2023.

- Considering the Notice of opposition / preparing a counterstatement: £300
- Filing of Form TM26(I): £400
- Official filing fee: £200
- Considering the PBS defence and preparing evidence: £1400
- Preparing submissions in lieu of a hearing: £500

TOTAL **£2800**

97. I order Private Business Solutions Investment Limited to pay Redbook Holdings Limited the sum of £2800, to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 26th day of February 2026

Matthew Williams
For the Registrar