

O/0209/26

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS. UK00003787643 &
UK00003787635 BY STRIPTWEEZE LTD TO REGISTER:

nkd

NKD

(SERIES OF TWO)

AS TRADE MARKS IN CLASS 44

AND

nkd ()

NKD ()

nkd ()

NKD ()

(SERIES OF FOUR)

AS TRADE MARKS IN CLASSES 3 & 44

AND

IN THE MATTER OF THE OPPOSITION THERETO
UNDER NOS. 436410 & 436411 BY L'OREAL

BACKGROUND AND PLEADINGS

1. On 13 May 2022, StripTweeze Ltd (“the applicant”) applied to register the trade marks shown on the cover page of this decision in the UK (“the applications”). The applications were published on 24 June 2022. In respect of the application number 3787643 (“the first application”), the applicant seeks registration for the following services:

Class 44: Salons (Beauty -); Tanning salons; Beauty salons; Salons (Hairdressing -); Hairdressing salons; Skin care salons; Salon services (Hairdressing -); Salon services (Beauty -); Hair salon services; Hairdressing salon services; Beauty salon services; Nail salon services; Sun tanning salon services; Skin care salon services; Hair dressing salon services; Tanning (Sun -) salon services; Airbrush tanning salon services; Spray tanning salon services; Tanning salon and solarium services; Hair salon services for women; Services of a [...] beauty salon; Services of a hair [...] salon; Providing information relating to beauty salon services; Beauty therapy treatments; Beauty therapy services; Beauty treatment; Beauty consultancy; Beauty consultation; Beauty care; Beauty consultancy services; Beauty treatment services; Beauty advisory services; Beauty spa services; Beauty consultation services; Beauty information services; Beauty care services; Hygienic and beauty care; Information relating to beauty; Providing information about beauty; Consultancy services relating to beauty; Hygienic and beauty care services; Advisory services relating to beauty; Personal hair removal services; Laser hair removal services; Permanent hair removal and reduction services; Cosmetic electrolysis for the removal of hair; Consultation services relating to body hair removal; Body waxing services for hair removal in humans; Waxing services for the

removal of hair from the human body; Depilatory treatment; Depilatory waxing; Cosmetic electrolysis; Electrolysis for cosmetic purposes; Beauticians (Services of -); Beautician services.

2. As for application number 3787635 (“the second application”), the applicant seeks the registration of the following goods and services:

Class 3: Cosmetics; non-medicated cosmetics and toiletry preparations; bath preparations, not for medical purposes; antiperspirants [toiletries]; cleansers for intimate personal hygiene purposes, non medicated; depilatory preparations / depilatories; depilatory wax; vaginal washes for personal sanitary or deodorant purposes.

Class 44: Beauty salons; beauty therapy services; beauty treatments; beautician services; beautification services; cosmetic electrolysis for the removal of hair; electrolysis for cosmetic purposes; personal hair removal services; depilatory treatments.

3. On 23 September 2022, the applications were opposed in full by L’Oreal (“the opponent”). By way of correspondence to the Tribunal dated 29 October 2025, the opponent limited the scope of its oppositions so that they were to be aimed only at those goods and services underlined above. The oppositions are both based on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”) and, under each ground, the opponent relies on the following trade mark:

NAKED

UK registration no. 905773511¹

¹ The opponent’s mark is a comparable mark based on an earlier EUTM. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. These comparable marks enjoy the same filing and registration dates as their European counterparts.

Filing date 20 March 2007; registration date 23 January 2008

Relying on all goods, namely:

Class 3: Cosmetics.

("the opponent's mark").

4. It is noted that the opponent's mark was initially registered for a wider range of goods. However, the EUTM upon which this comparable mark is based was subject to a revocation application in the EU. On 14 December 2021, the EUIPO revoked the opponent's EUTM with effect from 20 May 2019 for all goods save for "cosmetics". On 31 July 2024, the applicant made a request that the Office implement the EUIPO decision so that this UK comparable mark corresponded with the EUTM. The opponent was given until 12 September 2024 to file a derogation notice in the event that they believed that the outcome of the EUIPO decision should not be implemented on its mark. No response was forthcoming and the decision of the EUIPO was implemented on 7 October 2024 meaning that the opponent's mark now stands registered for "cosmetics" only.
5. Under the section 5(2)(b) ground, the opponent sets out that the marks in the applications are highly similar to its own mark and that the goods and services that the applicant seeks to register are either identical (in the case of the competing goods only) or highly similar to the opponent's registered goods. As a result, the opponent's position is that there is a likelihood of confusion on the part of the relevant public in the UK.
6. Turning to the section 5(3) ground, the opponent claims that its mark enjoys a reputation in the relevant territory and that the high degree of similarity between the marks is such to lead the consumers to immediately assume that there is a link between them. As such, the opponent claims that the use of the applications would result in the applicant obtaining an unfair advantage from the opponent's reputation

and that such use would be detrimental to the reputation and/or distinctive character of its mark.

7. The applicant filed counterstatements denying the claims against it and also requesting that the opponent provide proof of use for its mark.
8. Upon the filing of the counterstatements, the Tribunal consolidated the proceedings under the power given to it under Rule 62(1)(g) of the Trade Marks Rules 2008. This was communicated to the parties by way of written correspondence dated 17 January 2024.
9. Both parties filed evidence in chief. After the conclusion of the evidence rounds, the applicant made a request to cross-examine the opponent's witness due to alleged discrepancies between the evidence in these proceedings and the evidence in separate revocation proceedings between these parties. The request was refused but in light of the comments of the applicant, it was determined that the opponent could file further evidence to clarify the issue complained of. This was filed on 22 May 2025.
10. A hearing took place before me on 5 November 2025, by video conference. The applicant was represented by Mr Aaron Wood of Novagraaf, who have represented the applicant since 24 December 2024. The opponent was represented by Ms Rachel Wilkinson-Duffy of Baker McKenzie LLP, who have represented the opponent throughout these proceedings.
11. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

PRELIMINARY ISSUE

12. I note that the opponent's mark relied upon in these proceedings is presently subject to a revocation action brought by the applicant under sections 46(1)(a) and (b) of the Act (being proceedings under number 507625).² Any success of this revocation (insofar as the revocation dates precede the relevant date of these proceedings) will have a direct impact upon my decision on the basis that if that action is successful, the opponent's mark may no longer be deemed an earlier mark for the purposes of the present proceedings. The consequence of this is that any success of the oppositions would fall away.

13. In its skeleton argument prior to the hearing, the applicant requested that my decision in this matter be suspended pending the outcome of those proceedings. At the hearing, the opponent expressed no view as to whether the oppositions were suspended or not. I set out at the conclusion of the hearing that it was quite common for proceedings such as these to be issued on provisional basis pending the outcome of the later revocation proceedings. On this point, I remind myself that both the present oppositions and the aforementioned revocation actions were put forward for consolidation by the Tribunal in August 2024. This was opposed by the applicant on the basis that it would cause further delays and greater uncertainty to the applicant. At a case management conference to determine this point, I agreed with the applicant and overturned the preliminary view to consolidate the proceedings.

14. Having given further consideration to this point, I am of the view that issuing a decision in the oppositions at this time is the appropriate approach. I reach this finding for the following reasons:

² This revocation action is consolidated with case 507627. However, this has no bearing on the present opposition as it is aimed against a mark not at issue here.

- a. There is presently no hearing date listed for the revocation actions so it is unclear as to when those proceedings will conclude;
- b. While I appreciate that any success of the present oppositions means that my decision will only be provisional pending the outcome of the revocation action, this is not uncommon in Tribunal proceedings; and
- c. To withhold the decision will only create further delays and uncertainty to the parties. Of course in the event that the oppositions fail, this decision will become final.

15. If necessary, I will address this point further at the conclusion of this decision.

EVIDENCE

16. The opponent's evidence came in the form of the witness statement of Ms Isabelle Dini dated 18 April 2024. Ms Dini is the Intellectual Property Counsel for the opponent, a position she has held since October 2014. Ms Dini's evidence is accompanied by 14 exhibits, being ID1 to ID14, and was adduced in order to demonstrate that the opponent has genuinely used its mark and that it enjoys a reputation in the relevant territory. As set out above, the opponent filed additional evidence in the form of the second witness statement of Ms Dini dated 22 May 2025. This was unaccompanied and was adduced in order to clarify the issues raised by the applicant.

17. The applicant's evidence came in the form of the witness statements of Ms Rebecca Dowdeswell and Mr Aaron Wood, both dated 20 June 2024. Ms Dowdeswell is the sole director and company secretary of the applicant. Her evidence is accompanied by eight exhibits, being RD1 to RD8, and makes reference to the history of the applicant's business, its own use of its marks, its prior registration and the lack of confusion to date. Mr Wood is the applicant's representative and is, therefore, duly authorised to file evidence on the applicant's behalf. Mr Wood's statement is accompanied by six exhibits, being ARW1 to

ARW6, and was adduced in order to demonstrate that the opponent's mark should only be found to be low in distinctive character.

18. I do not intend to summarise the parties' evidence in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

DECISION

Proof of use

19. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“(6)(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or

protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.

[...]

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

20. Section 6A is also relevant. It reads:

“(1) This section applies where:

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

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

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

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

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

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

(5)-(5A) [Repealed]

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

21. Section 100 of the Act is also relevant. It reads:

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

22. As the opponent's mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

“7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A to the United Kingdom include the European Union”.

23. Given its earlier filing date, the opponent's mark qualifies as an earlier trade mark under the above provisions. The opponent's mark completed its registration process more than five years prior to the filing date of the applications. As above,

the applicant requested proof of use for the opponent's mark for the goods relied upon meaning that it is subject to the use provisions.

24. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods

and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

25. Section 6A of the Act (cited above) sets out that the relevant period for the present assessment is the five-year period prior to the filing date of the applications, being 13 May 2022. The relevant period is, therefore, 14 May 2017 to 13 May 2022 (“the relevant period”). For the avoidance of doubt, the relevant territory for genuine use prior to 31 December 2020 (“IP Completion Day”) is the EU at large but, thereafter, it is the UK only.

26. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real”³ because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark” is, therefore, not genuine use.

Evidence of use

27. The issue of genuine use was one that was discussed at length at the hearing. While I do not consider it necessary to discuss each and every point in detail, I can confirm that, for the avoidance of doubt, I have taken both parties’ positions into account in conducting the present assessment.

28. The opponent’s evidence includes discussion surrounding the overall company itself as well as the brand ‘Urban Decay’. I do not intend to discuss this in detail but note that ‘Urban Decay’ was a company that the opponent purchased in 2009 and has since operated within the opponent’s ‘Luxe’ division. It is claimed that this division is currently a global market leader for sales in luxury beauty. While noted, this has no bearing on the use of ‘NAKED’. The evidence also confirms that the opponent is the owner of all goodwill and repute that has been built in the ‘NAKED’ brands both by its predecessor in title and since the transfer of ownership. Documents discussing the acquisition are provided in evidence but I see no need to discuss them further.⁴

29. In terms of use of the NAKED cosmetics, the opponent confirms that it has sold a range of goods throughout the UK between 2017 and 2022. These goods include eyeshadow palettes, palette sets, blush, bronzer, highlighter powders, foundations and concealers. It is noted that the list of goods shown includes reference to brands such as ‘Naked Basics’, ‘Naked2’, ‘Naked Mini’, ‘STAY NAKED’ and ‘NAKED SKIN’.

³ *Jumpman* BL O/222/16

⁴ ID1 to ID3

I will discuss whether these examples of use constitute acceptable use or variant use of the mark at issue further below.

30. A range of images are shown within the body of Ms Dini's narrative evidence of how the word 'NAKED' appears on the goods at issue. In respect of this point, the opponent also refers to a range of printouts showing the goods listed for sale via various retailers.⁵ Firstly, the images provided in the narrative evidence are all undated. As for the printouts from retailers, I note that they include well-known retailers such as Boots, Cult Beauty and House of Fraser. However, the printouts are either undated or taken from screenshots dated February 2024. They are, therefore, of no real assistance here as the narrative evidence does not expressly confirm that this is how the goods appeared throughout the relevant period. That being said, images of the goods are shown in various articles which are from within the relevant period.⁶ This evidence includes 50 pages worth of articles and while I do not intend to discuss all of them, I refer to the following images of the goods for the purposes of illustration:⁷



⁵ ID6

⁶ ID10

⁷ See pages 1, 6, 8, 14 and 30 of ID10



31. The above images are all from within the relevant period and are taken from '.co.uk' websites or those that make reference to the UK in their titles (britishbeautyblogger, for example).

32. The evidence goes on to discuss a press article from Grazia wherein it is claimed that the Duchess of Cambridge (as she then was) was known to use the opponent's 'NAKED' products. The article is provided and is shown as being last updated on 6 January 2022.⁸ While this is noted, the article's claims are based on information obtained from a 'source'. There is no actual confirmation that the Duchess of Cambridge uses such goods and while the evidence does go on to make assertions as to the impact of an association with royalty has on a brand, I am not convinced that it is entirety relevant here. I say this primarily because the reliability of the article is somewhat up in the air as there is nothing sufficiently solid to confirm the claims made by the source.

⁸ ID7

33. Despite the above, the evidence does include a range of additional articles taken from various publications.⁹ I note that the articles provided are all from within the relevant period and cover those taken from UK-based nationwide publications such as Vogue UK, HELLO!, The Observer, Elle UK, Glamour Magazine UK and Grazia. Additionally, I note the presence of a local news publication, being Manchester Evening News. Having considered the articles, I note that they only cover the opponent's eyeshadow palettes.¹⁰ I do not consider it necessary to discuss the content of these articles in full but, as one example, I note that one of the articles (from Who What Wear UK), dated 31 July 2019, speaks to the popularity of the opponent's eyeshadow palettes in that one palette sells every five seconds.¹¹

34. In respect of the press coverage discussed in the preceding paragraph, I consider it necessary to address the fact that there is an article dated 24 August 2018 which confirms that the 'NAKED' palette was discontinued.¹² However, while the discontinuation relates to the palette branded solely as 'NAKED', the evidence does include another article dated 14 August 2018 which makes reference to the NAKED brand launching a product called 'NAKED HONEY' in 2019.¹³ Another article dated 15 February 2019 is provided which discusses NAKED's 'replacement' palette called 'NAKED RELOADED' which was revealed in 2019.¹⁴ These replacement palettes are shown in the articles and I note that their packaging is in line with the RELOADED and HONEY products shown at paragraph 30 above.

⁹ ID11

¹⁰ I note that images of other cosmetic goods are shown in images on the articles (see, for example, pages 20 and 21 of ID11). It was put forward by the applicant at the hearing that these images are auto-generated adverts and do not form part of the article itself. As the images shown include links to various retailers where the viewer can buy the goods, with credit for the image given to the brand owner, I am in agreement with the applicant that they do not form part of the actual article provided.

¹¹ See page 37 of ID11

¹² See pages 7 and 8 of ID11 but also pages 17 and 18 of ID11.

¹³ See pages 12 to 14 of ID11

¹⁴ See pages 15 and 16 of ID11

35. In terms of sales figures, the opponent has provided net sales figures specific to the UK in relation to the NAKED brand.¹⁵ The evidence covers just 2020 to 2022 and explains that the figures for 2017 to 2019 are unavailable due to a change in financial software. On this point, I note that Ms Dini confirms that the NAKED products sold during 2017 to 2019 were significant and in line with the figures provided for 2020 to 2022, which are as follows:

Year	Net Sales (£)
2020	9,503,813
2021	7,591,850
2022	5,548,271
Total	22,643,934

36. Given that the end of the relevant period concluded in May 2022, it is likely that a significant portion of the 2022 figures is of no assistance here. As I have no way to accurately determine how much of this turnover is relevant here, this is a point I must bear in mind in making my overall assessment.

37. The opponent's evidence goes on to discuss its unit sale figures for the same years as covered by the above turnover, being 2020 to 2022. Again, the 2017 to 2019 figures were not available to Ms Dini. The 2020 to 2022 figures are as follows:

Year	Sale Items
2020	344,528
2021	269,800
2022	209,191
Total	823,519

¹⁵ It is confirmed in Ms Dini's second witness statement that this turnover is the 'sell-out' data as covering sales by the opponent's retailers direct to consumers.

38. As was the case with the turnover, some of the 2022 figures will inevitably have fallen after the conclusion of the relevant period. Again, this is a point that I will bear in mind going forward.

39. In Ms Dini's second witness statement, evidence is included showing additional sales figures, being figures taken from the opponent's 'sell-in' and 'sell-out' data. The 'sell-in' data is explained as being sales of the NAKED products by the opponent to retailers (such as Boots, as explained at paragraph 6 of Ms Dini's second statement). The 'sell-in' figures are confirmed as being specific to the UK. While the figures provided cover a period prior to the relevant date (which is not relevant to the present assessment), it may become relevant to the issue of reputation later on in this decision so I will reproduce the entirety of the evidence here. The figures are as follows:

Year	Net Sales (Sell-in) (£)
2015	19,409,800
2016	22,021,100
2017	25,149,000
2018	16,375,300
2019	7,753,100
2020	2,510,000
2021	3,346,000
2022	838,900
Total	97,403,200

40. Insofar as the above figures relate to the relevant period, they cover the sale of approximately **£55,972,300**. I say approximate because the relevant period began and ended in May of 2017 and 2022, respectively, meaning that some of the figures for each of those years will not be relevant here.

41.As for the sell-out data, the opponent confirms that this covers sales by the opponent's retailers to consumers. However, I do not consider it necessary to reproduce those figures here as, at paragraph 6 of Ms Dini's second statement, she confirms that the sales covered by the sell-out data are already covered in the sell-in data meaning that to combine the sell-in and sell-out data would result in effectively double counting sales. Therefore, to avoid any confusion, I will simply refer to the sell-in data.

42.Ms Dini's second witness statement also includes further unit sales figures. Again, the figures provided cover a period longer than the relevant period and for the same reasons as set out above, I will reproduce the entirety of these figures. They are as follows:

Year	Invoiced Units
2015	1,142,400
2016	1,372,100
2017	1,439,200
2018	966,100
2019	500,300
2020	230,100
2021	183,400
2022	111,100
Total	5,944,700

43.Insofar as the above relates to the relevant period, the opponent invoiced approximately **3,430,200** units. I say approximately for the same reasons as set out at paragraph 40 above.

44.In looking at the totality of the sales figures, I see no reason why the sell-in data at paragraph 39 and the net sales figures at paragraph 35 should not be treated as covering separate sales. I take this approach because while the opponent

conceded that the sell-in and sell-out data should not be combined or else sales would be double counted, it made no such comment with regard to the sell-in data and the net sales. As a result, I find that the opponent's evidence demonstrates that during the relevant period it sold approximately 4,253,719 goods for a total turnover of £78,616,234.

45. Even if the approach in the preceding paragraph is incorrect and these figures across the two witness statements are to be combined (on the basis that the sell-in data is included within the net sales figures), the sales are still substantial as they stand in the region of 3.7 million units sold for a turnover of £71.9 million during the relevant period. For the avoidance of doubt, these figures were calculated by taking the 'sell-in' figures for 2017 to 2019 and the net sales figures for 2020 to 2022 together. I took this approach on the basis that the net sales for 2020 to 2022 are larger and it is, therefore, more likely that the net sales encompass any sell-in data, rather than the other way around.

Form of the mark

46. As demonstrated at paragraphs 29 and 30 above, the opponent has used its mark in a variety of different ways. To deal with this point briefly, I consider that the images shown at paragraph 30 above are all use of the opponent's mark as registered. I say this because the opponent's mark is a word only mark that is capable of being used in any standard typeface and in any colour. In using that word alongside a number of other stand-alone and seemingly unconnected elements (such as the words 'URBAN DECAY HONEY' or 'RELOADED'), I consider that the opponent has used its mark as part of a composite mark wherein 'NAKED' remains an indicator of origin for the same.¹⁶ This finding applies to any similar example of the packaging used throughout the evidence (of which there are many).

¹⁶ *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

47. The above being said, I consider that a further assessment is required in respect of the opponent's use of 'NAKED SKIN' and 'STAY NAKED'. Dealing with these in turn, I consider that 'NAKED SKIN' does not fit the same mould as the examples discussed above. This is because whilst 'SKIN' alludes to goods being applied to the skin, it is connected to 'NAKED' in such a way that it does not stand-alone in the same way as the above examples. Instead, I find that it forms a unitary phrase that refers directly to someone's bare skin. As for 'STAY NAKED', I also consider this forms a unitary phrase in that it acts as an instruction for someone to remain naked. In considering the opponent's use of the mark in these ways, I find that the word 'NAKED', solus, no longer remains an indicator of origin for the goods. Further, the unitary meanings associated with 'NAKED SKIN' and 'STAY NAKED' are such that they both alter the distinctive character of the opponent's mark.¹⁷ As a result, I find that neither of these uses are use of the mark as registered nor are they use of the mark in an acceptable variant. Therefore, any use by the opponent of these brandings is not capable of being relied upon here.

Assessment of the evidence

48. Clearly, the use is at a high level, covering the sale of approximately 4.2 million units for a total of roughly £78 million during the relevant period.¹⁸ However, in considering the figures, I am of the view that some discussion is required surrounding the fact that sales may not be wholly attributable to the 'NAKED' mark (as opposed to 'STAY NAKED' or 'NAKED SKIN') or to eyeshadow.

49. The majority of the evidence before me covers sales of goods under marks that I consider to be valid use of the marks as registered. Therefore, while I appreciate

¹⁷ As per section 6A(4)(a) of the Act, an alternation to the distinctive character of a mark means that it cannot be an acceptable variant of the same.

¹⁸ At the hearing, the applicant argued that the discontinuance of the 'NAKED' palette in 2018 meant that the brand declined substantially after that time. While I note that the sales figures do drop off to some degree after this point, the amount of use during the subsequent years is still in the multiple millions of pounds per year.

that some of the sales/turnover may be attributable to 'STAY NAKED' or 'NAKED SKIN', I find that the overwhelming majority of it can reasonably be attributed to acceptable 'NAKED' marks. Where the marks used are acceptable uses of the opponent's mark, they are shown on a range of different eyeshadow palettes only. Further, the press coverage I have discussed above relates to the opponent's eyeshadow palettes as opposed to any wider range of cosmetic goods, thereby indicating that this is the opponent's main business focus. On the point of the goods used, I appreciate that the opponent's evidence claims that the use covers a broader range of cosmetic goods. However, any instances of use for additional goods (such as foundation, face and lip tint and concealer)¹⁹ are under the 'STAY NAKED' or 'NAKED SKIN' brandings which, as above, are not acceptable variants of the opponent's mark.²⁰ As a result, I am also satisfied that the overwhelming majority of the opponent's turnover can reasonably be attributed to eyeshadow.

50. At the hearing, the applicant argued in reliance upon *Awareness Limited v Plymouth City Council*, Case BL O/236/13 ("*Plymouth Life*"), that the opponent's evidence is very messy and lacks sufficient detail. I appreciate that the opponent's evidence does not provide information as to marketing spend and neither does it breakdown, with any clarity, the turnover associated with the relevant goods under the acceptable 'NAKED' marks. That being said, I do not consider that the principle set out in *Plymouth Life* is necessarily applicable here. I say this because, as I have set out above, I consider it to have been reasonable to infer that a majority of the turnover provided covers eyeshadow products sold under the 'NAKED' brand. Given the level of sales provided (being 4.3 million product for around £78 million), I am of the view that even if I were to attribute some of this to irrelevant marks (STAY NAKED or NAKED SKIN), this leaves a significant level of turnover that is duly associated with the 'NAKED' brand. While I am unable to determine exactly how much, it is clear to me that it demonstrates a genuine attempt to create or

¹⁹ See, for example, pages 3, 4, 7 and 9 of ID6

²⁰ In respect of this point, it appears to me that the opponent's main argument for retaining "cosmetics" at large was in reliance upon such goods.

preserve a market share for eyeshadow goods under the 'NAKED' brand.²¹ As a result, I find that the use shown by the opponent is sufficient to give rise to a finding that it has genuinely used its mark in relation to "eye shadow" during the relevant period. It is only upon these goods that the opposition may proceed.

51. For the avoidance of doubt, I make the above finding whilst bearing in mind the recent case of *Eros Bodyglide* (O/0984/25), wherein Professor Phillip Johnson, sitting as the Appointed Person, set out that where global sales figures are provided for multiple goods sold under one trade mark, this is not going to be evidence of use for any of those goods.²² While noted, that comment was made in relation to claimed use 'across a full range' of products. In the present case, I do not consider that the evidence, on the whole, is too vague so as to trigger the principle set out in that case. As such, this issue does not point to a fatal flaw within the evidence that prevents me from reasonably determining what it covers. Instead, I am satisfied that it is abundantly clear what the overwhelming majority of the goods are (eyeshadow) and under what brand they were sold ('NAKED'). I do not consider that this conclusion is a result of any forensic or overly detailed analysis of the opponent's evidence. Lastly, I will say that to simply dismiss the evidence because no forensic breakdown of the turnover was provided would not, in my view, be an appropriate or reasonable outcome given (1) the sheer volume of use before me and (2) the significant focus on eyeshadow throughout the evidence.

Section 5(2)(b): legislation and case law

52. Section 5(2)(b) of the Act reads as follows:

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

²¹ This same finding applies when considering the alternative position that the use covers 3.7 million units sold for a total turnover of £71.9 million.

²² See paragraphs 26 and 27.

(a) [...]

(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.”

53. Section 5A of the Act states as follows:

“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.”

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

(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.

Comparison of goods and services

55. The competing goods and services are as follows:

The opponent's goods	The applicant's goods and services
<p><u>Class 3</u> Eye shadow</p>	<p><i>The first application</i></p> <p><u>Class 44</u> Salons (Beauty -); Beauty salons; Skin care salons; Salon services (Beauty -); Beauty salon services; Skin care salon services; Services of a [...] beauty salon; Providing information relating to beauty salon services; Beauty therapy treatments; Beauty therapy services; Beauty treatment; Beauty consultancy; Beauty consultation; Beauty care; Beauty consultancy services; Beauty treatment services; Beauty advisory services; Beauty spa services; Beauty consultation services; Beauty information services; Beauty care services; Hygienic and beauty care; Information relating to beauty; Providing information about beauty;</p>

	<p>Consultancy services relating to beauty; Hygienic and beauty care services; Advisory services relating to beauty; Beauticians (Services of -); Beautician services.</p> <p><u>Class 3</u> Cosmetics; non-medicated cosmetics and toiletry preparations.</p> <p><i>The second application</i></p> <p><u>Class 44</u> Beauty salons; beauty therapy services; beauty treatments; beautician services; beautification services.</p>
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56. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, the court stated at paragraph 23 that:

“Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

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

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

- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

58. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court (“GC”) stated that:

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

59. In considering the applicant’s term, I note that the class 44 services in the first application overlap heavily with the class 44 services in the second application. For reasons that become obvious below, I will assess them all together. However, I will consider the class 3 goods first.

Class 3

Cosmetics; non-medicated cosmetics.

60. The opponent's term is "eye shadow". This is a non-medicated cosmetic so, therefore, falls within both of the above terms, a point which the applicant agreed with at the hearing. These goods are, therefore, identical under the principle outlined in *Meric*.

Toiletry preparations.

61. While this term formed part of a larger term alongside 'non-medicated cosmetics', I consider it necessary to address it separately. This is because (1) separate submissions were made in relation to this term at the hearing and (2) a toiletry preparation is not a cosmetic so does not cover the same goods. Instead, I consider that toiletry preparations are goods used to clean or groom oneself. The opponent's term of "eye shadow" is not a toiletry so, therefore, differs in nature and purpose with the above. As for method of use, while the goods may be applied differently,²³ there is some overlap here as the goods are those that will be applied to the user's skin. In terms of trade channels, these overlap because (1) I consider that it is common in the trade for undertakings that produce and sell cosmetics to also sell toiletries and (2) the goods will be found in close proximity to one another (i.e. in the same aisles) or in the same sections of stores.²⁴ The goods will be selected by the same consumers as I consider it likely that someone looking for eye shadow will also use toiletry preparations to clean their skin prior to putting on eye shadow or after removing it at the end of the day. Turning to the issue of complementarity, I note that the opponent's position at the hearing was that these goods were

²³ Toiletries may be applied with a cloth or by hand whereas eyeshadow may be applied by a brush.

²⁴ At the hearing, the applicant argued that the opponent's submissions that there was an overlap on this basis was a bare assertion and not supported by any evidence. While noted, I consider that the overlap described here is common in the trade which is a sufficient basis upon which I can find that this factor overlaps.

complementary because, for example, consumers would consider make-up remover to be vital to the removal of eye shadow. I accept that this may be the case but the second stage of the test set out in *Boston*,²⁵ being whether the consumer would believe they originate from the same undertaking, is not satisfied. This is because the relationship between the goods is such that consumers will be aware that many different third parties produce and sell make-up remover so it is not the case that they would believe the goods come from the same undertaking. As a result, I do not find that the goods are complementary in nature. Lastly, I do not find that these goods are in competition. Taking all of this into account, I find that these goods are similar to between a low and medium degree.

Class 44

Salons (Beauty -); beauty salons; skin care salons; salon services (beauty -); beauty salon services; skin care salon services; services of a [...] beauty salon; beauty therapy treatments; beauty therapy services; beauty treatment; beauty treatments; beauty care; beauty treatment services; beauty spa services; beauty care services; hygienic and beauty care; hygienic and beauty care services; beauticians (services of -); beautician services; beautification services.

62. While all of the above terms are worded differently, they all essentially cover the same service, being one where a user seeks beautification treatments applied by a beautician. While these treatments can include those given for a wide range of reasons, they all suitably cover the application of make-up. As such, the above services cover those that require the application of make-up, including eye shadows. Whilst it is true that the goods and services differ in their nature and method of use, they still share the same general purpose, i.e. beauty care. The goods and services also target the same consumers meaning that there is an overlap in user. Further, there is a degree of complementarity between these goods

²⁵ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

and services as the applicant's goods can be said to be important and indispensable to the provision of a range of beauty services. Further, while I accept that it is not always the case that the average consumer would think that the undertaking responsible for the goods is also responsible for the services, (and vice versa),²⁶ a significant proportion will encounter the goods and services in such a way that the connection between them will be made.²⁷ This is particularly the case given that the goods and services share trade channels in that beauty salons where the opponent's services are likely to be provided often sell their own beauty products and recommend them for further home treatments.²⁸ Therefore, the commercial origin of these goods and services can coincide. Overall, I find that the applicant's goods and the opponent's services are similar to a medium degree.

Beauty consultancy; beauty consultation; beauty consultation services; beauty consultancy services; consultancy services relating to beauty.

63. As far as I am aware, the above services are those that involve a user visiting a beautician and asking for advice on what make-up to wear. Such a service is often referred to as a 'consultation' and the beautician will provide suggestions and advice on what make-up suits the purpose for which the user wishes to wear it (be that for use whilst modelling or everyday use, for example) or which make-up suits their specific skin tone. While these services clearly differ in nature and method of use from the opponent's "eye shadow", I consider that the trade channels and user of these services will overlap. My reasons for this are the same as those set out in the preceding paragraph. Further, there remains a degree of complementarity between these goods and services, again, for the same reasons as discussed above. As for the purpose of the present services, while they will mostly aim to provide advice as to what make-up suits the user, their end goal will be to provide

²⁶ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

²⁷ For example, where the beauty salons are tied to a particular brand of product.

²⁸ As was the case with my findings above regarding trade channels, the applicant argues that there is no evidence in support of this point. However, as was the case above, I consider that this is common in the trade and a point that does not need to be borne out in evidence.

beauty care to the user. As such, there is a degree of overlap in purposes, albeit not one that is overly pronounced. Taking all of this into account, I find that these goods and services are similar to a medium degree.

Advisory services relating to beauty; beauty advisory services.

64. While not expressly referred to as ‘consultancy services’, I consider that the above services are the same as those discussed in the preceding paragraph, being services provided to advise users as to suitable make-up. As a result, I reach the same conclusion as that reached above, namely that these services are similar to a medium degree with the opponent’s goods.

Providing information relating to beauty salon services; beauty information services; information relating to beauty; providing information about beauty.

65. The above services relate to the provision of information for beauty services. Plainly, these terms differ in nature and method of use with the opponent’s “eye shadow”. However, I consider that the overlap in trade channels that I have discussed above extends to these services. This is on the basis that given that the producer of eye shadows will commonly offer beauty services, it is likely that they will also provide information to said services. The user seeking such information will also be the user of the opponent’s goods. All this being said, I do not consider that the same findings as to purpose or complementarity apply here. As a result, I consider that these services are similar to the opponent’s goods to a low degree.

The average consumer and the nature of the purchasing act

66. The case law, as set out earlier, requires that I determine who the average consumer is for the parties’ respective goods and services. I must then decide the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *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), Birss J. (as he then was) described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

67. The average consumer of the goods and services at issue is a member of the general public with the goods also being sought by members of the trade who will use the goods for the provision of services (such as beauticians and make-up artists). The goods and services are selected fairly frequently. The goods at issue are most likely to be obtained by self-selection from the shelf of retailers such as supermarkets or beauty salons, or from the pages of a website. As such, visual considerations are likely to dominate the selection process. However, the selection of the goods (for members of the public) could also require the intervention of a sales assistant and the goods could be discussed with beauticians, so aural considerations must not be discounted. With regard to the services, they will, in my view, be selected primarily from signage on the high street or from the pages of magazines and websites, so, once again, visual considerations are likely to dominate in the selection process. However, as such services may also be the subject of oral recommendations, aural considerations must not be discounted.

68. The goods and services at issue are likely to range in cost from relatively inexpensive items such as eye shadow to relatively expensive beauty treatments such as higher end make-up services that are sought on a bride's wedding day, for example. As for the level of attention paid by the average consumer, this will also

vary on the basis that the average consumer, depending on what they are selecting, is likely to have different considerations. For example, when selecting eye shadow, the average consumer is likely to consider such things as suitability, ingredients used or ethical considerations such as sustainability. However, for beauty services, members of the general public are likely to consider such things as qualifications held by the person providing the treatment, what make-up is being used and photographs of make-up applied to previous clients. Overall, regardless of the identity of the consumer, I consider that they are likely to pay a medium degree of attention when selecting the goods and services.

Comparison of the marks

69. It is clear from *Sabel BV v Puma AG*, Case C-251/95, (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

70. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

71. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the

marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

72. The respective trade marks are shown below:

The opponent's mark	The applications
<p>NAKED</p>	<p>nkd NKD (Series of two) ("the first application")</p> <p>nkd () NKD ()</p> <p>nkd () NKD () (series of two) ("the second application") (Series of four)</p>

73. While there is a total of six marks across the applications, the marks in the first application are identical save for their use of case. As for the second application, the first two marks are identical save for their use of case. As for the third and fourth marks in that application, they are figurative marks but are simple presentations of the same text that appears the first and second marks, namely 'nkd/NKD ()'. As word only marks are capable of use in any case and in any standard typeface, I do not consider that any of differences between the marks in the separate applications are of any consequence in these proceedings. Therefore, I will consider each

application as just one mark, being 'NKD' ("the applicant's first mark") and 'NKD ()' ("the applicant's second mark"). For the avoidance of doubt, when I refer to the marks in the applications throughout the remainder of my decision, these are the definitions that I will adopt.

74. In respect of the applicant's marks, I note that, at the hearing, the opponent took me to the evidence of Ms Dowdeswell in order to demonstrate that the applicant's intentions were for its marks to allude to nudity as a "cute and witty" reference to the product and the need of the consumer. Further, the opponent referred to a printout from the applicant's website which, in talking about its waxing services, recommended that the customer aims "to get nkd once a month".²⁹ It was argued that this was a clear example of the way in which the branding is intended to convey that 'NKD' means 'NAKED'. While this is noted, the assessment I must make in respect of the applicant's marks is a notional one and the way in which the applicant has actually used its marks is not relevant here. As such, these submissions are of no assistance to the opponent.³⁰

Overall impression

75. The applicant's first mark is a word only mark, consisting of the three letters 'NKD'. There are no other elements that contribute to the overall impression of the mark which lies in these letters. As for its second mark, this is also a word only mark for 'NKD ()'. I consider that the letters will play the greater role in the overall impression of the mark due to the fact that they are the only element of the mark that can be read and understood. As for the set of brackets, these will play a lesser role.

²⁹ Page 41 of RD2

³⁰ While this may be the case, it does not mean that I am prevented from making such a finding if I am satisfied that this is how consumers would see the marks.

76. The opponent's mark is a word only mark for the word 'NAKED'. There are no other elements that contribute to the overall impression of the mark which lies in the word itself.

Visual comparison

77. In comparing the opponent's mark and the applicant's first mark, I note that they share the letters 'N', 'K' and 'D'. The marks differ in the presence of the letters 'A' (between 'N' and 'K') and 'E' (between 'K' and 'D') in the opponent's mark. While the absence of these two letters in the applicant's first mark is a considerable point of difference, I consider that the marks are still visually similar to a medium degree due to the fact the applicant's mark shares three of the opponent's five letters.

78. The opponent's mark and the applicant's second mark share the same points of similarity and difference as discussed above. However, the applicant's second mark has an additional point of difference stemming from the presence of the open and closed brackets after the letters 'NKD'. While these brackets play a lesser role, they are still a point of visual difference between the marks. As such, I find that they reduce the level of visual similarity, albeit only to a slightly below medium degree.

Aural comparison

79. When considering the applicant's second mark, I do not consider that the brackets will be pronounced and, therefore, have no impact on the aural comparison of the marks. As such, the aural element of both of the applicant's marks is the letters 'NKD'. At the hearing, the opponent relied on the case of 'NXTWEAR S' (BL O/0233/24) wherein a Hearing Officer found that the letters 'NXT' would be pronounced as 'NEXT'. It was argued that this was applicable here in that 'NKD' would be pronounced as 'NAKED'. While I appreciate that the present case is not on all fours with the one cited, and neither is it binding on me, I am, in any event,

of the view that 'NKD' will be pronounced, by at least a significant proportion of consumers, as 'NAKED'. I will expand upon my reasons for this below when assessing the conceptual comparison of the marks.³¹ Therefore, focusing on this significant proportion of consumers,³² I find that the marks are aurally identical.

Conceptual comparison

80. The concept of the opponent's mark derives solely from the word 'NAKED', which is an English word with a well-known meaning, i.e. '*having the body completely unclothed or undressed*' or '*having no covering*'.³³ As for the applicant's marks, while the second mark includes open and closed brackets, the concept of both marks will lie in the letters 'NKD'. I consider that a significant proportion of consumers will, upon seeing this mark, believe it to be a deliberate misspelling of the word 'NAKED'. I say this in reliance upon the case of *In Usinor SA v OHIM*, Case T-189/05, wherein the GC found that:

"62. In the third place, as regards the conceptual comparison, it must be noted that while the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Lloyd Schuhfabrik Meyer*, paragraph 25), he will nevertheless, perceiving a verbal sign, break it down into verbal elements which, for him, suggest a concrete meaning or which resemble words known to him (Case T-356/02 *Vitakraft-Werke Wührmann v OHIM – Krafft (VITAKRAFT)* [2004] ECR II-3445, paragraph 51, and Case T-256/04 *Mundipharma v OHIM – Altana Pharma (RESPICUR)* [2007] ECR II-0000, paragraph 57).

³¹ On the basis that it is the concept of these letters that will inform the user's understanding of the mark and consequently influence their pronunciation of the same.

³² In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ set out that if the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement. While relating to an infringement case, the principle equally applies here.

³³ <https://www.collinsdictionary.com/dictionary/english/naked>

81. In addition, it is my understanding that consumers are used to the removal of vowels from words (as a result of an attempt to shorten messages or using modern slang) with there being no impact on their meanings (or how they are pronounced, for that matter). In my view, the removal of 'A' and 'E' from 'NAKED' does not substantially alter the ability to perceive the word as 'NAKED', especially when it is considered what goods/services protection is sought for. In my view, the idea that the applicant's goods/services cover skin care (cosmetics or beauty services, for example) alludes to the fact that they relate to the user's bare (or *naked*) skin, further establishing a connection between the letters 'NKD' and 'NAKED'.³⁴ For the avoidance of doubt, it is for these reasons that I base my primary finding in respect of the aural comparison above.

82. As a result, I find that the concept of the applicant's marks will be dominated by their reference to the word 'NAKED'. As this is also the sole concept associated with the opponent's mark, I find that the marks at issue are conceptually identical.

Distinctive character of the opponent's mark

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

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-

³⁴ On this point, I refer to paragraph 32 of *LIGHT VITAMIN* (BL O/1174/25) wherein Mr Thomas Mitcheson KC, sitting as the Appointed Person, set out that an assessor should normally consider if the goods have a potential effect on conceptual meaning as a result of any link or allusion between the mark and the goods.

108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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).”

84. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of marks can be enhanced through use, and I note that the opponent has filed evidence of use. I will, therefore, consider whether the opponent’s evidence is sufficient to give rise to a finding that the distinctiveness of the opponent’s mark has been enhanced through use. Before doing so, I will consider the inherent position.

85. The opponent’s mark is a word only mark consisting of the word ‘NAKED’. This is an ordinary dictionary word that will carry an immediately recognisable meaning to the UK consumer. The applicant sought to argue that in respect of the goods at issue, ‘NAKED’ is low in distinctive character. In support of this argument, the applicant filed evidence in the form of the witness statement of Aaron Wood. This sets out that the word ‘NUDE’ in the field of cosmetics is used to describe the hues of those cosmetics. In support of this, Mr Wood provided a number of printouts of

Google searches for the terms “nude eyeshadow”, “nude cosmetics” and “nude shade”.³⁵ In addition, Mr Wood provided a printout of search results from Cambridge Dictionary for the word ‘nude’.³⁶ It is noted that the printout includes a definition that ‘nude’ is ‘the same colour as a person’s skin’. While this evidence is noted, it relates to the word ‘nude’, and not ‘naked’. At the hearing, the applicant sought to suggest there was some allusion between these words as a basis for its argument that ‘NAKED’ is lower in distinctive character. While I accept that they both may be used as a reference to ‘bare skin’, the use of a different word (‘nude’) cannot, in my view, be said to demonstrate that the distinctive character of another (‘NAKED’) is low. As such, this evidence is of no assistance to the applicant.

86. Further to the above, the applicant did file evidence in respect of uses of the word ‘NAKED’. This evidence is as follows:³⁷

- a. A printout from the website ‘thirdlove.com’ which makes reference to a range of goods in ‘naked shades’. The article shown on this website is dated 8 February 2017, but it makes reference to US dollars and, further, shows the American flag at its footer;
- b. A printout showing a product named ‘NAKED CONTOURS CUSTOM COLOUR NAIL POLISH’ listed for sale on the website ‘jessicacosmetics.co.uk’;
- c. A printout showing a product named ‘Victoria Vynn Bottle Gel One Phase Naked Nude’ listed for sale on the website ‘roxiecosmetics.co.uk’. The product itself appears to show ‘NAKED NUDE’ as the colour of the product; and

³⁵ See ARW1 to ARW3

³⁶ ARW4

³⁷ ARW5

- d. A printout showing a product named 'Lip Duos' listed for sale on the website 'sculptedbyaimee.com'. The product shown has the colour 'Naked' selected. While a '.com' website, the product is shown as being for sale in British pounds.

87. The printouts referred to at points b. to d. above are all undated but appear to have been accessed on 20 June 2024, being after the relevant date. At the hearing, the applicant set out that it was not claiming that this evidence demonstrated the fact that enough people were using 'NAKED' in trade marks to the point that it weakened the distinctiveness of the opponent's mark. Instead, the applicant set out that the evidence pointed to an argument that, inherently, the mark was low in distinctive character. I appreciate the applicant's clarity on this point as, plainly, evidence of just four products where a third party has used the word 'NAKED' on its products (even ignoring the fact that the printouts are either from after the relevant date or from a US-based website) is not sufficient to demonstrate a weakening of its distinctive character. However, I fail to see how this evidence assists the applicant in its position that 'NAKED' is outright low in distinctive character. Even though I appreciate that the inherent meaning of 'NAKED' may be understood as alluding to the user's skin tone (implying that that the eye shadow may be used to appear as though the skin around the eye is 'naked'), I do not consider that it is heavily allusive to, or descriptive of, a characteristic of the goods at issue (which would, in opposition proceedings, result in a finding that it only benefits from a low or very low degree of distinctive character). I say this because the number of people with different skin tones that use eye shadow means that 'NAKED' is not capable of indicating what colour the product actually is. As a result, there is a degree of vagueness in the reference to something being 'naked' in colour. Therefore, while I accept that the distinctiveness of the opponent's mark is on the lower end of the scale, it is to between a low and medium degree as opposed to outright low.

88. As set out above, the opponent has filed evidence of use. I have summarised this at paragraphs 27 to 45 above. I do not intend to repeat it here but remind myself

that it shows that the opponent sold approximately 6.7 million products for a total turnover of £120 million between 2015 and the relevant date.³⁸ Alternatively, the evidence could be said to cover the total sales of approximately 6.2 million units for £113 million if the net sales and 'sell-in' data are combined. As set out above, I am satisfied that while the whole of the turnover is not attributable to the mark/goods at issue, the majority of it can be and given the size of the turnover, it is reasonable to infer that this still equates to a significant level of use regardless of whether it is meant to cover £120 million or £113 million worth of sales.

89. In addition, I remind myself that there is a range of press coverage relating to the opponent's brand which, while not extensive, it does cover appearances in well-known UK-wide publications and contributes to a finding that 'NAKED' was known to consumers prior to the relevant date. I accept that the opponent's level of use is fairly sizeable in the context of the market at issue, which relates solely to eye shadow as opposed to cosmetics at large. As a result of this use, I am satisfied that the evidence is sufficient to demonstrate that the opponent's mark enjoys an enhanced degree of distinctiveness. Given that the inherent position is on the lower end of the scale, I do not consider that the use points an outright high degree of distinctive character. However, the use is sizable and relatively longstanding (with turnover shown from 2015 onwards)³⁹ so I am content to find that the distinctiveness has been enhanced to a higher than medium degree.

Lack of confusion

90. In her evidence, Ms Dowdeswell sets out that she has been directly involved with the day-to-day operations of the opponent since its incorporation in 2009 and, during that time, she has never become aware of anyone believing that her

³⁸ This figure differs from those discussed when considering genuine use above as the present assessment is not constrained by the relevant period so use from prior to that timeframe is now of assistance.

³⁹ On this point, I appreciate that the sell-in data for 2015 sits at £19m. While no evidence is provided for the years prior to this, I consider it unlikely that a turnover of such a high level accrued overnight, implying a significant level of use in the years preceding this.

company was in any way connected to the opponent. This argument was not forwarded to any degree at the hearing and while the statement by Ms Dowdeswell on this point is noted, it has no bearing on these proceedings. I say this in reliance upon the case of *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, wherein Millett L.J. stated that:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

Likelihood of confusion

91. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

92. I have found the goods and services to be identical or similar to varying degrees, including low. The average consumer base is formed of members of the general public and members of the trade who will select the goods and services via

primarily visual means (though not discounting an aural component) whilst paying a medium degree of attention. In respect of the similarity of the marks, I have found that the applicant's first mark is visually similar to a medium degree with the opponent's mark whereas the applicant's second mark is visually similar to a slightly below medium degree with the opponent's mark. As for the aural and conceptual comparisons between the marks, I have found these to be identical. Lastly, in respect of distinctiveness, I have found the opponent's mark to be inherently distinctive to between a low and medium degree, but this has been enhanced to a higher than medium (but not high) degree due to the use made of it.

93. Taking all of the above factors into account together with the principle of imperfect recollection, I am of the view that the parties' marks will be misremembered or inaccurately recalled for one another. I make this finding primarily on the basis that a significant proportion of consumers will see the applicant's marks as a misspelling of 'NAKED' meaning that the marks have an identical concept. Further, I found that those consumers will pronounce both parties' marks as 'naked' which is a factor in favour of them being directly confused for one another. Even taking into account the fact that the visual element will dominate the selection process for the goods and services at issue, I do not consider the fact that the marks are visually similar to lesser degrees (when compared to the findings in respect of the aural and conceptual comparisons) offsets this finding. I say this because while the visual similarity may be lower, it still sits at a suitable level, being either to a medium or slightly below medium degree. As a result, I find that consumers are likely to misremember which mark was 'NAKED' misspelled without its vowels and which was just the word 'NAKED', especially considering that the removal of vowels from words is, for reasons I have set out at paragraph 81 above, rather unremarkable so is more likely to go unnoticed. Lastly, in respect of the applicant's second mark, I consider that the use of the brackets at its end is likely to be overlooked when the consumer is looking to recall the marks and, as such, it has no impact on the issue of confusion. Consequently, I find that there exists a likelihood of direct confusion

between the marks at issue. Notwithstanding the medium or slightly below medium degree of visual similarity, the aural and conceptual identity between the marks is sufficient to find that this finding applies even where the goods and services at issue are only similar to a low degree.

94. For the sake of completeness, I will proceed to consider indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

95. While the above examples in *L.A. Sugar* are noted, they are not intended to be treated as an exhaustive list of the only instances whereby indirect confusion occurs.

96. It is noted that in the applicant's skeleton argument, it was argued that the opponent should not be permitted to rely on an indirect confusion because it was not adequately pleaded at the outset of these proceedings. In short, I do not see any merit in this argument as while the opponent's notices of opposition did not expressly set out the circumstances wherein indirect confusion would occur; it did broadly argue that there existed a likelihood of confusion on the part of the relevant public. Such a pleading can, plainly, be taken as though both direct and indirect confusion apply.

97. In respect of indirect confusion, the applicant argued at the hearing that the brand extensions associated with the opponent are 'NAKED' plus a generic descriptor at the end, such as 'HONEY' and 'SMOKY'. It was argued that the applicant's marks are an entirely different type of mark and there seemed to be an insinuation that something should have been filed to take the opponent down that line. While this argument is noted, the assessment I must make is a notional one and it does not follow that simply because the evidence of the opponent shows use of 'NAKED

HONEY' or 'NAKED SMOKY' does not automatically mean that 'NKD' cannot be indirectly confused with 'NAKED'.

98. In the event that the consumers are able to accurately recall which mark was which, I am of the view that they will still believe that they originate from the same or economically connected undertakings. This is particularly on the basis that consumers will recognise 'NKD' as being the word 'NAKED' with the vowels removed, thereby being a variation of the opponent's mark. When confronted by both marks, I consider that the removal of the vowels from 'NAKED' will be viewed as an alternative mark used by the opponent. I say this because the alteration from 'NAKED' to 'NKD' does not change the conceptual message of the marks and will, instead, be seen as an attempt to 'modernise' the 'NAKED' brand by using a shortened version of the word (i.e. by removing the vowels). In addition, given the identical concepts of the marks, it is plausible to suggest that consumers would believe them to simply be alternative marks used in different contexts by the same undertaking. For example, the consumer may believe that the word 'NAKED' was used in textual promotional materials whereas the shortened 'NKD' was used on packaging or signage. Lastly, I consider these points are bolstered by the fact that the opponent's mark will be known to the consumers due to the enhanced degree of distinctiveness it enjoys in respect of identical or similar goods. Consequently, I find that there exists a likelihood of indirect confusion between the marks. For the same reasons as set out above, I find that this conclusion applies in scenarios where the marks are viewed on goods or services that are similar to a low degree.

99. For the avoidance of doubt, I consider that the finding applies if I was incorrect to find that the opponent's mark enjoys an enhanced distinctive character. This is on the basis that while the inherent distinctiveness may sit below medium, it is not outright low so I do not consider that the shared reference to 'NAKED' would be viewed as coincidental use. In addition, I note that while I have referred to confusion applying to the applicant's first and second marks, I remind myself of the comments

made at paragraph 73 above and, hereby, confirms that my above findings are made in respect of all marks in each of the applications.

Honest concurrent use

100. I note that the applicant filed evidence pertaining to its own use of its marks since 2010. While it could be said that such evidence points to the defence of honest concurrent use, the applicant did not raise any further argument in support of such a defence. On this point, I note that, as per *Match Group, LLC & Ors v Muzmatch Ltd & Anor* [2023] EWCA Civ 454 at [115] to [117],⁴⁰ Arnold LJ set out that once infringement has been found, the burden shifts to a defence to establish that, by virtue of its honest concurrent use, there is no longer an adverse effect on any of the functions of the earlier trade mark. As this point was not advanced any further beyond the evidence filed,⁴¹ I do not consider that the applicant has satisfied the aforementioned burden. Therefore, an honest concurrent use defence does not apply.

101. The present ground succeeds in full and I will now proceed to consider the section 5(3) ground.

Section 5(3)

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

“5(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

⁴⁰ While an infringement case, the guidance set out within applies to opposition proceedings before the Tribunal.

⁴¹ Which, in my view, mostly relates to use of the applicant’s marks in respect of waxing services which are not subject to the present oppositions in any event.

United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

103. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora*, Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows:

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

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

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there

is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

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

(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'Oreal 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 holder 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'Oreal v Bellure*).

104. In considering the issue of a reputation, I remind myself that I have assessed the opponent's evidence of use at paragraphs 27 to 45 above. I do not intend to repeat this evidence in full here but note that it was sufficient to find genuine use and an enhanced degree of distinctive character for the opponent's mark for the term "eye shadow". The latter point is relevant here because while I appreciate that the test for reputation differs from that for enhanced distinctiveness, it is common in proceedings before the Tribunal that, when all factors are equal, the outcomes of these assessments mirror one another. In the present case, the relevant date is the same, so are the marks and the goods relied upon.⁴² Therefore, following the same reasons given at paragraphs 88 and 89 above, I find that the opponent's mark enjoys a reputation in the relevant territory for the term "eye shadow".⁴³ In respect of the strength of this reputation, I find that it is relatively strong due to the size of the use before me.

Link

105. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

⁴² The relevant territory for reputation may include use shown in the EU prior to IP Completion Day. This was not the case for enhanced distinctiveness which relates to use in the UK only. However, the evidence before me has a sole focus on use in the UK so, essentially, the relevant territories are also the same.

⁴³ In reaching this finding, I remind myself that establishing a reputation is not a particularly onerous requirement, as confirmed by Arnold J (as he then was) at paragraph 120 of his judgment in *Enterprise Holdings Inc v Europcar Group UK Ltd* [2017] ECC 11.

The degree of similarity between the conflicting marks.

106. Under the section 5(2)(b) ground, I found that that the applicant's first mark is visually similar to a medium degree and aurally and conceptually identical with the opponent's mark. As for the applicant's second mark, I find that this is visually similar to slightly below a medium degree and aurally and conceptually identical with the opponent's mark.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.

107. The reputed good of the opponent is "eye shadow". This formed the basis of my comparison above which resulted in findings of identity or similarity to varying degrees (including low) with the applicant's goods and services. Those same findings apply here.

The strength of the earlier mark's reputation.

108. The opponent's mark enjoys a relatively strong reputation.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use.

109. The opponent's mark is inherently distinctive to between a low and medium degree. However, this has been enhanced to a higher than medium (but not high) degree due to the use made of it.

Whether there is a likelihood of confusion

110. I have found that there is a likelihood of both direct and indirect confusion between the parties' marks.

Conclusion on link

111. Given that I have found confusion, I consider that a link between the marks at issue is inevitable. For the avoidance of doubt, I will say that in reaching this finding, I rely on the same reasons given at paragraphs 93 to 99 above. As such, I find that there is a sufficient link between the marks in respect of all goods and services at issue, even if they were found to only be similar to a low degree.

112. Even if I was wrong to have found either type of confusion, I am of the view that the level of distinctiveness and reputation that vests in the opponent's mark, the identity/similarity of the goods and services as well as the identity/similarities of the marks at issue are sufficient to result in consumers being caused to wonder if the marks were linked to one another. On this point, I accept that the visual similarities between the marks do not sit at the higher end of the scale (in respect of the applicant's second mark, this is slightly lower than medium). However, the concept associated with 'NKD' (being identical to 'NAKED', in which the opponent's repute resides) is such that consumers who were aware of the opponent's 'NAKED' mark would believe that the marks were linked to one another.

Damage

113. The opponent has pleaded that use of the applicant's marks would, without due cause, lead to an unfair advantage in favour of the applicant and cause a detriment to the distinctive character and/or reputation of the opponent's mark.

Unfair Advantage

114. I bear in mind that unfair advantage has no effect on the consumers of the opponent's goods. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to select the goods and services of the applications than they would otherwise have been if they had not been reminded of the opponent's mark.

115. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. (as he then was) considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

116. In the present case, I have found that there would be a link between the marks on the basis that consumers would wrongly believe them to derive from the same or economically linked undertakings. In such circumstances, I consider it inevitable that use of the marks in the applications would give rise to an unfair advantage. This is on the basis that the consumers may engage the goods or services of the

applicant based on the strength of the reputation of the opponent's mark, without the applicant needing to go to the effort and expense of promoting and marketing its goods and services itself. Such commercial advantage would not exist were it not for the reputation of the opponent's mark. Therefore, I find it likely that the applications take unfair advantage of the opponent's mark.

117. Even if the marks were not directly or indirectly confused as being the responsibility of the same or economically connected undertakings, the consumers being caused to wonder if the marks were linked remains sufficient for there to be an unfair advantage. I say this because while neither the opponent's reputation or enhanced degree of distinctiveness is at the highest level, they do sit towards the top of the scale and are, plainly, factors in favour of the opponent. These points, together with the shared association with 'NAKED' across both parties' marks, are such that I find it to be quite clear that there is potential for the applicant to gain an unfair advantage by using the similar marks 'NKD' and 'NKD ()'. Upon being confronted by the marks at issue, the consumer (being aware of the opponent's mark) would, as above, be caused to wonder if they were linked and may, therefore, choose the applicant's products on this basis, creating an unfair advantage in favour of the applicant. Again, such commercial advantage would not exist were it not for the reputation of the opponent's mark. Therefore, I find it likely that even if the marks were not confused for one another, the applications still take unfair advantage of the opponent's mark.

118. It is noted that the applicant relied on a defence of due cause by relying on the fact that it has been using the sign 'NKD' since 2009. The use relied upon was under a trade mark registration which has since expired. In respect of due cause, I note that the sole basis for the use being with due cause is based on prior use of a mark. This was not advanced to any material degree at the hearing but I will address it briefly. I appreciate that such a defence may be of assistance if an applicant is able to demonstrate its sign/mark was used before an opponent's mark

was filed and used for identical products in good faith.⁴⁴ However, notwithstanding the issue of the use being in good faith, the first step of this test is not satisfied in the present case. This is because the earliest claimed use by the applicant is from 2009, being after the opponent's mark was filed, being 2007. As such, in the event that any such argument on this point was relevant,⁴⁵ it is not applicable in the current circumstances.

119. As damage is made out on the basis of unfair advantage, I do not consider it necessary to go on to consider the opponent's other heads of damage.

CONCLUSION

120. The oppositions, whilst partial in nature, succeed in full. However, the success of the oppositions is provisional pending the outcome of the revocation actions mentioned at paragraphs 12 to 15 above. When the outcome of those proceedings is decided, I will issue a supplementary decision confirming the final outcome of the opposition proceedings, which will formally bring them to a close. That supplementary decision will also include a decision on costs though I note that, as the provisionally successful party in these proceedings, the opponent elected not to pursue an award of costs at the hearing. Lastly, the appeal period for these proceedings will not begin until the issuance of my supplementary decision.

Dated this 12th day of March 2026

A COOPER

For the Registrar

⁴⁴ See paragraph 60 of *Leidseplein Beheer BV v Red Bull*, Case C-65/12

⁴⁵ I raise this because the degree of proximity between the services for which the applicant's marks were used (being mostly waxing services) is a factor to consider here. These services are not at issue so any use in respect of the same is not, on the face of it, relevant. On this point, I remind myself that the burden to prove due cause (as per paragraph 44 of *Leidseplein*) is on the applicant and, in the present case, this was not advanced at the hearing.