

**O/0234/26**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 4000881**

**BY NB9060 LIMITED**

**TO REGISTER:**

**NB9060**

**AS A TRADE MARK IN CLASSES 21, 25, 35 & 45**

**AND**

**IN THE MATTER OF THE OPPOSITION THERETO**

**UNDER NO. 447216 BY**

**NEW BALANCE ATHLETICS, INC.**

## BACKGROUND AND PLEADINGS

1. On 11 January 2024, NB9060 Limited (“the applicant”) applied to register **NB9060** as a trade mark in the United Kingdom in respect of the following goods and services:

### Class 21

*Drinking bottles; glassware, porcelain and earthenware not included in other classes.*

### Class 25

*Clothing, footwear, headgear; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, bodybuilding and weightlifting clothing straps, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands and wrist straps, sweatbands, headbands, underwear, socks, gloves, base layer clothing, compression wear clothing; hats, caps, beanie hats; shoes, trainers, track shoes, boots, sandals, flip flops.*

### Class 35

*Retail services relating to clothing; Retail services in relation to footwear; Online retail services relating to clothing*

### Class 45

*Online social networking services; social networking services provided via a website.*

2. On 25 April 2024, the application was opposed by New Balance Athletics, Inc. (“the opponent”). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns all the goods and services in the application.

3. The opposition under section 5(2)(b) is directed against the goods and services in Classes 25, 35 and 45 and the opponent relies on the following earlier marks:

UKTM No. 903477771 (“the 771 mark”)

**NB**

Filing date: 3 August 2005

Registration date: 21 August 2006

Class 25

*Footwear and clothing for men, women and children.*

UKTM No. 800944507 (“the 507 mark”)



Filing date: 2 November 2007

Registration date: 27 October 2008

Registered for goods in Classes 18 and 25, and relying on the following:

Class 25

*Hats, sweat bands, visors, sport shirts, singlets, running shorts, running suits, all-weather suits, recreational tops and shorts, socks, walking shoes, boat shoes, aerobic dancing shoes and hiking boots.*

UKTM No. 903458502 (“the 502 mark”)



Filing date: 20 October 2003

Registration date: 19 May 2005

Relying on the underlined terms:

Class 35

Retail store, computerized online retailing and catalog mail order services featuring athletic, sports, exercise and fitness clothing, luggage and footwear; arranging and conducting trade show exhibitions in the field of athletics, sports, exercise and fitness.

Class 36

Financial sponsorship of athletic teams, footrace marathons, athletic events, athletic matches and athletic tournaments; providing incentives to amateur athletes to demonstrate excellence in the field of athletic competition through the issuance of monetary awards.

Class 41

Providing information in the field of athletics, sports, exercise and fitness via the Internet.

4. The opponent claims that the marks are similar, all containing the identical element “NB”, and that the goods and services covered by the marks are either identical or similar. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

5. The opposition under section 5(3) is directed against all the goods and services in the application. The opponent claims that the earlier marks enjoy a reputation for all the goods and services listed above (including those of the 502 mark that are not underlined). It claims that the similarity between the earlier trade marks and the contested mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks. It also claims that use of the contested mark would bring the earlier marks to mind. Damage would occur in one of the following ways:

a) the applicant would take unfair advantage of the repute of the earlier marks, meaning that they would enjoy an enhanced recognition without having to have made the same investment in marketing;

b) the distinctiveness of the earlier marks would be diluted and blurred so that the marks would lose their ability to designate the origin of the goods and services, with an economic loss occurring through a possible diversion of sales; and/or

c) the reputation of the opponent would be damaged if the goods or services were of low quality.

6. Under section 5(4)(a), the opponent claims to have used the signs **NB, 9060** and **New Balance 9060** throughout the UK since 1987 (NB) and 2022 (9060 and New Balance 9060) for the following goods and services:

<b>NB</b>	<i>Clothing; footwear; trainers; headgear; sportswear; underwear; socks; gloves; hats; drinking bottles; services relating to the promotion of sports, exercise and fitness.</i>
<b>9060</b>	<i>Footwear; trainers.</i>
<b>New Balance 9060</b>	<i>Footwear; trainers.</i>

7. The opponent claims to have acquired goodwill under the signs. It asserts that the applicant has deliberately taken two of its brands and amalgamated them to form the contested mark to target the opponent's industry, adding that "New Balance" is abbreviated to "NB". It claims that this is a misrepresentation which will lead to damage to its business.

8. According to the opponent, use of the contested marks would constitute a misrepresentation to the public that would damage the goodwill in its business. Consequently, use of the contested marks would be contrary to the law of passing off.

9. The applicant filed a defence and counterstatement on 18 July 2024, denying all the claims and putting the opponent to proof of use of the goods and services in Classes 25, 35 and 41 for all three earlier marks. It states that the applicant is owned by two brothers, Narinder and Baldev Rai, and the contested mark and the name of the company are derived from the initials of their forenames and a number that is significant in Punjab, India, and reflects their heritage. Furthermore, it states that it targets a different segment of the market, focusing particularly on women's fashion

and gym wear, resulting in a distinct consumer base. The applicant also requests that the opponent provide proof of use for UK Trade Mark (“UKTM”) No. 4012806, **9060**, which has an application date of 9 February 2024 and a registration date of 3 May 2024. Its specific pleadings on each of the three grounds are set out below:

a) Under section 5(2)(b), it asserts that the marks are distinct and target different sectors of the market, and denies that there is a likelihood of confusion. It claims that consumers would *“recognize Applicant as a brand tied to Narinder and Baldev’s legacy and their focus on women’s fashion”*;

b) Under section 5(3), the applicant denies that the contested mark would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the opponent’s earlier marks. It further asserts that the use of the contested mark is in good faith; and

c) Under section 5(4)(a), the applicant denies the claim of passing off. It states that it has been using the contested mark since 2020 and has established a unique brand identity through its marketing and retail efforts. Therefore, there is no likelihood of misrepresentation or damage to the goodwill associated with the opponent’s signs.

## **EVIDENCE AND SUBMISSIONS**

10. The opponent filed evidence in the form of a witness statement from Alexandra DeNeve, Associate General Counsel of New Balance Athletics, Inc, a position she has held since August 2021. It is dated 15 October 2024 and accompanied by 18 exhibits that go to the use made of the marks and the claims to reputation and goodwill.

11. The applicant filed evidence in the form of a witness statement from Baldev Rai dated 6 January 2025. It is accompanied by 7 exhibits and goes to the origin of the name of the company and the contested mark, the target market and product range.

12. The opponent filed a document in reply to the applicant’s evidence on 14 February 2025, along with five annexes. Although this document is headed *“Evidence in strict reply”*, it is not in proper evidential format. It was admitted as submissions. This puts in question the status of the annexes and I shall deal with them briefly here. The first

two annexes are extracts from the Companies House website, providing the registered details for the applicant and information on the Standard Industrial Classification (SIC) codes used by Companies House. This information has no bearing on my decision. The third annex contains the results of a Google search for “9060”, which the applicant claims has cultural significance. The results do not produce any information on this point, but I would be unable to read much into that. Google’s algorithm uses previous searches in order to make any results more likely to be relevant to the individual conducting the search. Therefore, the same search query can come up with a different set of websites, depending on the user. The fourth annex lists directorships of one of the directors of the applicant. These include a number of companies beginning with the letters “NB” and followed by different numbers. The opponent argues that this undermines the claim that the contested mark is “*a combination of personal and cultural significance*”. As will be seen, my decision does not turn on the admissibility of this annex. Finally, the fifth annex contains the details of another trade mark application made by the applicant, this time for **N9060**. This application does not have any relevance to the decision I have to make.

13. The applicant filed further comments in response to these submissions on 18 February 2025.

14. Neither party requested a hearing and both parties filed written submissions in lieu of the same on 2 April 2025.

## **REPRESENTATION**

15. In these proceedings, the opponent is represented by Barker Brettell LLP. The applicant began as a litigant in person, and for a short period was represented by HCR Legal LLP, before representing itself again.

## **RELEVANCE OF EU LAW**

16. 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**

17. The applicant submits that the opponent has acted in bad faith by filing an application to register **9060** as a trade mark on 9 February 2024, a month after the application date in these proceedings.<sup>1</sup> The circumstances surrounding the later application are not relevant to the issues that I have decide here, namely whether there is a likelihood of confusion between the contested mark and the earlier marks relied upon by the opponent; whether the contested mark would take advantage of, or be detrimental to, the reputation or distinctive character of a mark with a reputation; or whether use of the contested mark would be prevented by the law of passing off. I therefore dismiss these arguments and shall say no more about them.

## **DECISION**

### **Proof of Use**

18. Section 6A of the Act is as follows:

“(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 sections 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

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<sup>1</sup> This application was registered on 3 May 2024 under Number UK00004012806. NB9060 Limited has filed an application to cancel this trade mark.

(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) 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.

...”

19. As the 771 and 502 marks are comparable marks, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It is as follows:

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

...

(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.”

20. The 507 mark is a comparable trade mark (IR) and so paragraph 7 of Part 1, Schedule 2B of the Act applies:

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

...

(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 (IR); and

(b) the references in section 6A to the United Kingdom include the European Union.”<sup>2</sup>

21. The case law on genuine use was summarised by Arnold LJ in *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247:

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<sup>2</sup> IP completion day means 31 December 2020 at 11pm.

“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 *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 Bundersvereinigung 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] and [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].”

107. The trade mark proprietor bears the burden of proving genuine use of its trade mark: see section 100 of the 1994 Act and *Ferrari* at [73]-[83]. The General Court of the European Union has repeatedly held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned: see e.g. Case T-78/19 *Lidl Stiftung & Co KG v European Union Intellectual Property Office* [EU:C:2020:166] at [25]. It has also repeatedly held that the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use: see e.g. *Lidl* at [33]. In *Awareness Ltd v Plymouth City Council* [2013] RPC 24 Daniel Alexander QC sitting as the Appointed Person said:

‘19. For the tribunal to determine in relation to what goods or services there has been genuine use of a mark during the relevant period, it should be provided with clear, precise, detailed and well-supported evidence as to the nature of that use during the period in question from a person properly qualified to know.

...

22. ... it is not strictly necessary to exhibit any particular kind of documentation but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal ... comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said the public.”

22. The relevant period during which use must be shown is the five-year period ending with the date of application for registration, i.e. 12 January 2019 to 11 January 2024. For the part of this period ending on 31 December 2020, the relevant territory is the EU. Thereafter, it is the UK. With regard to assessing use within the EU, I bear in mind that in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union (“CJEU”) held that while use of a Community trade mark in one Member State could suffice to establish genuine use in the Community, all facts and circumstances should be considered: see paragraph 55. These include the characteristics of the market concerned, the nature of the goods or services protected by the mark and the territorial extent and the scale of the use, as well as its frequency and regularity: see also *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Anor* [2016] EWHC 52, paragraphs 228-230, and *TVR Automotive Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-389/13.

### The evidence

23. Ms DeNeve states that the opponent has been using what she describes as “*the NB trade mark*” since at least as early as 1978, when the company opened its first international sales office in London. Its goods have been sold through its own website

and retailers such as Sports Direct, JD Sports and John Lewis. Ms DeNeve confirms that the main products are sporting footwear and trainers.

24. The table below shows approximate turnover figures for the UK:<sup>3</sup>

Rounded £	2019	2020	2021	2022	2023
Revenue for Footwear	100,000,000	125,000,000	160,000,000	270,000,000	460,000,000
Revenue for Clothing	68,000,000	28,000,000	34,000,000	40,000,000	35,000,000
<b>TOTAL per Annum</b>	<b>168,000,000</b>	<b>153,000,000</b>	<b>194,000,000</b>	<b>310,000,000</b>	<b>495,000,000</b>
TOTAL for Relevant Period					1.32bn

25. Ms DeNeve confirms that *“Every product which contributed to the revenue figure will have an internal NB label, and/or external NB branding on the product and/or NB on the tongue or inner sole of the footwear”*.<sup>4</sup> She says that the following is a typical example. The 507 mark can just be seen inside the shoe on the right of the image, albeit upside down, as well as on the tongue.<sup>5</sup>



26. Exhibit AD12 contains images of clothing. While these are undated, Ms DeNeve again says that they are typical of goods that would have been sold in the UK in the relevant period. The 507 mark can be seen on the front of clothing, as well as on

<sup>3</sup> Witness statement, paragraph 28.

<sup>4</sup> Paragraph 27.

<sup>5</sup> Exhibit AD3.

internal labels and swing tags. It will sometimes be seen with the words “New Balance”. I reproduce two examples below.<sup>6</sup>

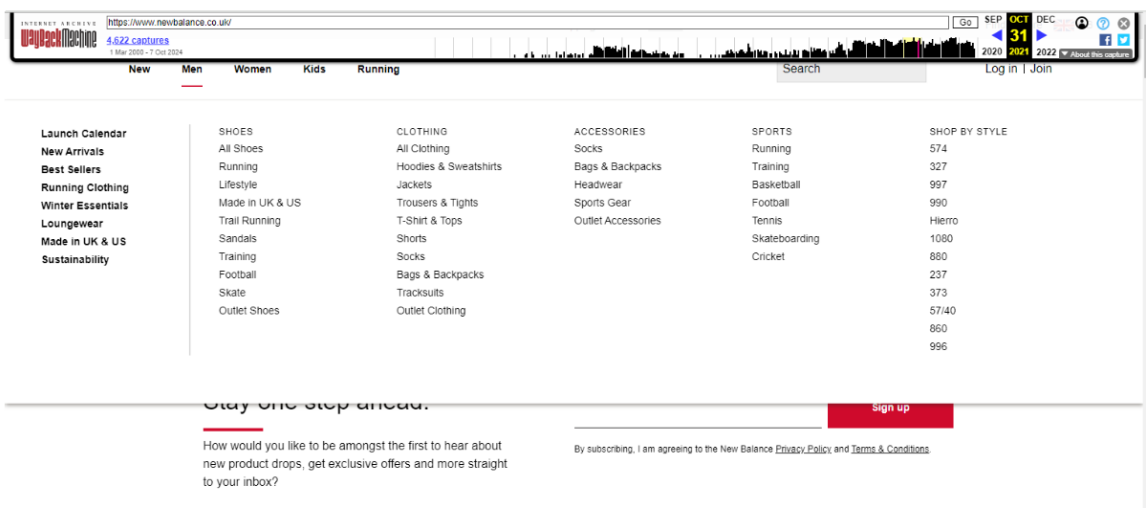
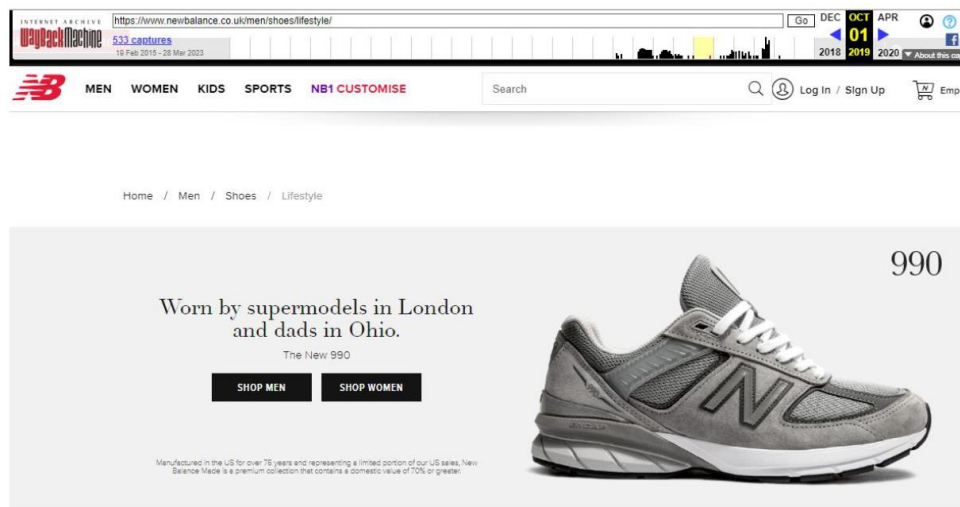


27. Exhibits AD6-AD11 contain screenshots from the opponent’s UK website, [www.newbalance.co.uk](http://www.newbalance.co.uk). These are dated 30 January 2019, 1 October 2019, 30 June 2020, 4 August 2020, 31 October 2021, 12 July 2022, 8 August 2022, 11 August 2022, 18 August 2022 and 19 September 2023. The 507 mark can be seen at the top left of the example below, dated 1 October 2019. The second example, dated 31 October

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<sup>6</sup> Exhibit AD12; witness statement, paragraph 16.

2021, shows a drop-down menu containing links to the different types of products sold.<sup>7</sup>



28. On the right of this second screenshot, there is a menu headed “Shop by Style”, which then lists a series of numerical signs. The evidence shows that a large number of the opponent’s footwear goods are described by one of these numbers, or by a similar one. They have three or, in a smaller number of instances, four digits.

29. The items of clothing that can be seen on the screenshots are the following: women’s t-shirts, tanks, shorts, running tops, tights, hoodies and trousers; men’s jackets, trousers, hoodies, t-shirts and sweatshirts; and unisex sweatpants and shorts. Sample pages from an autumn 2023 catalogue show a performance visor, shorts,

<sup>7</sup> Exhibits AD6, page 2, and AD9, page 1.

running top, cap, t-shirts, trousers, beanie, jackets and a bucket hat.<sup>8</sup> The 507 mark can be seen in the top right of each page of this catalogue. These exhibits are supported by 124 pages of sample invoices in Exhibits AD17 and AD18 that show sales of footwear for men, women and children, as well as clothing including the types shown on the websites, along with skorts, tennis dresses and sports bras. The invoices show goods to be delivered throughout the UK and date from 5 June 2019 to 15 August 2024 (with 4 of these invoices being dated after the relevant date).

30. Ms DeNeve states that the opponent first opened a store at its factory in Flimby in 1982 and now has 15 stores throughout the UK. These include shops in Oxford Street, London, and the Trafford Centre in Manchester. However, she does not say how many of these were operating during the relevant period.<sup>9</sup> The photographs below show the opponent's store at the London Designer Outlet in Wembley. Ms DeNeve explains that *"We aim for consistency in all our stores around the world and of course throughout the United Kingdom and so this is typical of what our customers will see."*<sup>10</sup>



<sup>8</sup> Exhibit AD12, pages 11 onwards.

<sup>9</sup> Paragraph 3 of her witness statement is written largely in the present tense.

<sup>10</sup> Paragraph 4; Exhibit AD2.

31. Advertising expenditure during the relevant period was around £200 million in the UK.<sup>11</sup> Exhibit AD13a contains examples of billboard advertising, including at London railway stations, and advertisements Ms DeNeve states were run in collaboration with the retailer JD Sports between 2019 and 2023. They show male and female clothing and footwear and the 507 mark can be seen on them. Many of them show the number of the style of footwear shown in the advertisement. The opponent was also a sponsor of the London Marathon in 2019 and Ms DeNeve says that it continues to promote the brand in this way. On-course advertising would have been seen by spectators and television viewers. The opponent also has relationships with a number of brand ambassadors, including footballers and rappers. Bukayo Saka and Raheem Sterling feature in advertising for trainers from 2021 and 2022 respectively.<sup>12</sup>

32. The opponent also uses social media platforms such as Facebook, X, Instagram and TikTok. Ms DeNeve says that they all use the NB branding and gives the following example from Instagram:<sup>13</sup>



She estimates that during the relevant period, around 1.5 million people in the UK visited the opponent's Instagram page. This has been calculated by taking 2.5% of all profile views, given that around 2.5% of followers are from the UK. The Facebook account had 9.3 million followers at the end of 2023, but this is a global figure.

### Assessment of the evidence

33. Before I go on to make my findings on the particular goods for which there is genuine use, I shall address the question of variant forms. The opponent submits that use of the stylised form protected by the 507 or 502 mark should be taken into account

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<sup>11</sup> Witness statement, paragraph 21.

<sup>12</sup> Exhibit AD13a, pages 10 and 11.

<sup>13</sup> Witness statement, paragraph 23.

as use of the 771 mark, which is the plain letters “NB”. The applicant made no submissions on this point.

34. In *LA Superquimica v European Union Intellectual Property Office (EUIPO)*, Case T-24/17, the General Court (“GC”) said:

“39. ... it should be noted that a word mark is a mark consisting entirely of letters, words or groups of words, without any specific figurative element. The protection which results from registration of a word mark thus relates to the word mentioned in the application for registration and not the specific figurative or stylistic aspects which that mark might have. As a result, the font in which the word sign might be presented must not be taken into account. It follows that a word mark may be used in any form, in any colour or font type (see judgment of 28 June 2017, *Josel v EUIPO – Nationale-Nederlanden Nederland (NN)*, T-333/15, not published, EU:T:2017:444, paragraphs 37 and 38 and the case-law cited).”

35. As a word mark protects the words (or, in this case, the combination of letters) themselves, and these letters are clearly visible in the 502 and 507 marks, I consider that they are acceptable variants of the 771 mark. The 507 mark also contains the ® symbol, indicating that the mark is a registered trade mark. This element makes no contribution to the distinctive character of the mark. The 507 mark is also used in a variety of different colours, such as red and blue, but, as the Court said, a word mark may be used in any form or colour. Such use is also an acceptable variant of the 507 mark, as it is registered in black and white: see *Specsavers International Healthcare & Ors v Asda Stores Ltd & Anor* [2014] EWCA Civ 1294, paragraph 5, and *J. W. Spear & Sons Ltd & Ors v Zynga Inc.* [2015] EWCA Civ 290, paragraph 47.

36. I can find no use of the 502 mark as registered. I have already mentioned the ® symbol, but there is a further difference between the 502 and 507 marks. Triangular sections have been cut out from each letter N. There are seven of these sections in the 502 mark and four in the 507 mark. The letters N and B are, in my view, the more distinctive element of the marks, with the stylisation playing a smaller role. In his summary of the case law on variant form in *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, Professor Phillip Johnson, sitting as the Appointed Person, said:

“15. ... where a mark contains words and a figurative element the word element will usually be more distinctive: T-1711/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.”

37. I have found that the letters “NB” constitute the more distinctive element of the 502 mark. I consider that the differences between the 502 and 507 marks have no impact on their distinctive character. I consider that use of the 507 mark is an acceptable variant of the 502 mark.

38. I must also address use of the 507 mark with the words “new balance”, as shown, for example, on the swing tags in the images reproduced in paragraph 26 and on the jacket itself. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the CJEU held that:

“32. ... the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.”

39. I find that this is also acceptable use of the marks.

40. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834, Kitchin LJ (as he then was) set out the approach to be followed when considering partial revocation of a trade mark or assessing which goods and services may be relied on under section 5(2). He said:

“244. As I described in *Maier v Asos*, the approach to be adopted is relatively straightforward (although I readily acknowledge that it may on occasion be difficult to apply) and it is in my view consistent with the earlier decisions of the Court of Appeal to which I referred at paragraph [63]. On reflection, I think it can be expressed more clearly as follows.

245. First, it is necessary to identify the goods or services in relation to which the mark has been used during the relevant period.

246. Secondly, the goods or services for which the mark is registered must be considered. If the mark is registered for a category of goods or services which is sufficiently broad that it is possible to identify within it a number of subcategories capable of being viewed independently, use of the mark in relation to one or more of the subcategories will not constitute use of the mark in relation to all of the other categories.

247. Thirdly, it is not possible for a proprietor to use the mark in relation to all possible variations of a product or service. So care must be taken to ensure this exercise does not result in the proprietor being stripped of protection for goods or services which, though not the same as those for which use has been proved, are not in essence different from them and cannot be distinguished from them other than in an arbitrary way.

248. Fourthly, these issues are to be considered having regard to the perception of the average consumer and the purpose and intended use of the products or services in issue. Ultimately it is the task of the tribunal to arrive at a fair specification of goods or services having regard to the use which has been made of the mark.

249. This approach does strike an appropriate balance. It gives effect to the clear intention of the EU legislature that marks must actually be used or, if not used, be subject to revocation. ... It is also fair to proprietors for it does not require a proprietor to prove that he has used his mark in relation to all possible variations of the goods or services covered by its registration but only those which are sufficiently distinct to constitute coherent categories or subcategories. I am also satisfied that it gives appropriate protection to the legitimate interest of a proprietor in being able in the future to extend his range of goods or services within the scope of the terms describing the goods or services for which its mark is registered.”

41. This approach was endorsed by the Supreme Court in *SkyKick UK Ltd & Anor v Sky Ltd & Ors (Rev1)* [2024] UKSC 36:

“261. ... First, there can be no doubt that an application to register a mark in respect of a broad category of goods or services may be made *partly* in

bad faith in so far as the broad description includes distinct sub-categories of goods or services in relation to which the applicant never had any intention to use the mark, whether conditionally or otherwise. In my view, that emerges clearly from the decision of the CJEU in this case. The approach to be adopted in such a case was explored and explained by the Court of Appeal in *Merck KGaA v Merck Sharp & Dohme Corp* [2017] EWCA Civ 1834; [2018] ETMR 10, at paras 241-2491 and, so far as I am aware, that approach has proved workable and appropriate and has stood the test of time, save that it must now be seen in light of the more recent guidance given by the CJEU in, for example: *Ferrari SpA v DU* (Joined Cases C-720/18 and C-721/18) EU:C:2020:854; [2021] Bus LR 106, at paras 36-53. There the CJEU explained, at para 40, that the essential criterion to apply for the purposes of identifying a coherent subcategory of goods or services capable of being viewed independently is their purpose and intended use.”

42. In *easyGroup Limited v Easy Live (Services) Limited & Ors* [2025] EWCA Civ 946, Arnold LJ gave further consideration to the approach to identifying independent subcategories:

“82. As the Court of Justice made clear in *ACTC* and *Ferrari*, the essential criteria which must be applied in determining whether a category of goods or services can be divided into independent subcategories are purpose and intended use. It is not sufficient that different goods may be aimed at different publics or sold in different shops or that different goods or services belong to different market segments. These criteria are easier to apply to goods than to services, in particular because it is easier to distinguish between the purpose and the intended use of goods than it is to distinguish between the purpose and the intended use of services. In the case of services, it seems to me that the logic of the Court of Justice’s approach means that one should consider the intended mode of use of the services in question.”

*The 507 mark*

43. For convenience, I set out again the goods that are relied on under this mark:

*Class 25*

*Hats, sweat bands, visors, sport shirts, singlets, running shorts, running suits, all-weather suits, recreational tops and shorts, socks, walking shoes, boat shoes, aerobic dancing shoes and hiking boots.*

44. The opponent admits that the evidence does not show that the 507 mark has been used for *Boat shoes* or *Aerobic dancing shoes*. In addition, I can see no evidence of use for *sweat bands* during the relevant period.

45. The main evidence for use of the mark on hats is the 2023 catalogue, which shows images of a cap, beanie and bucket hat. It also shows what is described as “a performance visor”.<sup>14</sup> All but the bucket hat are decorated with the 507 mark. I have noted that the 507 mark appears on the catalogue, but there is no information to tell me how widely this was distributed and the lack of price information suggests that it is unlikely to have been intended for the end-consumer. There is an undated image in the same exhibit showing a display of caps and visors. The mark is applied directly to some of the products, while for others it can be seen on the swing tag. It is Ms DeNeve’s unchallenged evidence that the photographs in this exhibit are typical of the goods offered for sale in the UK during the relevant period.<sup>15</sup> In addition, the opponent’s website lists “headwear” as a category: see paragraph 27 above. The purpose of hats in general, and of the specific hats shown in the evidence, is to protect the wearer’s head from the elements. Consequently, I find that caps, beanies and bucket hats are not independent subcategories of the broader *Hats*. A fair specification would include both *Hats* and *Visors*.

46. The website and invoices show that singlets and running shorts have been offered for sale and purchased in the UK during the relevant period.<sup>16</sup>

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<sup>14</sup> Exhibit AD12.

<sup>15</sup> Witness statement, paragraph 16.

<sup>16</sup> See, for example, Exhibit AD17, pages 54, 55, 63 and 84.

47. I consider that the average consumer would understand the term *Sport shirts* to refer to tops that are intended for wear while playing a sport or exercising. They would therefore expect them to have qualities such as moisture-wicking that enable the wearer to remain comfortable. I cannot see any instances of clothing that fits into this category sold during the relevant period.

48. *Running suits* are intended to be worn while running and it is my view that tracksuits could fit within this category. The screenshot dated 8 August 2022 shows a selection of garments under the heading “Men’s Tracksuits”. The heading also appears as a category on the website screenshot reproduced in paragraph 27 above. I am therefore content that *Running suits* can be included in a fair specification. I do not hold this view with regards to *All-weather suits*. The average consumer would expect these to be at least rain-proof, and there is no evidence that any such clothing has been sold under the mark.

49. The term *Recreational tops and shorts* is fairly broad and would be understood to mean tops and shorts worn for exercise or for leisure. There are consistent examples of such garments on the website screenshots in the form of T-shirts, sweatshirts and hoodies, as well as shorts. The purpose of the goods shown in the evidence and the goods denoted by the term is to clothe the body in a comfortable way. I do not consider that T-shirts, sweatshirts and hoodies are independent subcategories of the broader term in the meaning set out in the case law. Consequently, I find that a fair specification for this mark would include *Recreational tops and shorts*.

50. Exhibit AD12 contains a photograph of packs of socks. The 507 mark can be seen on the socks themselves and on the packaging. I have already noted that Ms DeNeve’s narrative evidence that these images are typical of the goods on sale during the relevant period is unchallenged. The term “Socks” also appears consistently as a category on the website from 2020 onwards.

51. The final terms to consider in this specification are *Walking shoes* and *hiking boots*. “Hiking & Walking” is a category on the website screenshot dated 30 January 2019. By 30 June 2020, “Walking” appears on its own. There are no further references and no images of goods that purport to be walking shoes or hiking boots. In my view, the goods are specialist footwear intended to be used for long periods of time and to be

adapted for use on a range of different terrains. They are likely to be more bulky than running shoes. Given the absence of any images of the products from 2019 or 2020 and my inability to identify the sale of any such products on the invoices, I find that the mark has not been genuinely used for them.

52. A fair specification for Class 25 of the 507 mark is as follows:

*Hats, visors, singlets, running shorts, running suits, recreational tops and shorts, socks.*

*The 771 mark*

53. For convenience, I set out again the goods that are relied on under this mark:

*Class 25*

*Footwear and clothing for men, women and children.*

54. It is my view that the use shown by the opponent and described above justifies a fair specification of *Footwear and clothing for men and women*. In making this finding, I have taken account of the decision of the CJEU in *ACTC GmbH v EUIPO*, Case C-714/18 P, in which the court rejected the argument that weather-protective outdoor clothing was an independent subcategory of clothing. In *Ferrari SpA v DU*, Joined Cases C-720/18 and C-721/18, the CJEU referred to its judgment in *ACTC* and said:

“43. As is apparent from paragraph 37 of this judgment, the only relevant question in that regard is whether a consumer who wishes to purchase a product or service falling within the category of goods or services covered by the trade mark in question will associate all goods or services belonging to that category with that mark.”

55. The purpose of the goods for which use has been shown and the terms in the specification are the same. Many of the items of clothing (such as sweatshirts and T-shirts) and the footwear are likely to be worn not only when exercising or playing sport.

56. I shall now turn to the *Footwear and clothing for ... children*. The evidence here is lighter. The screenshots from the opponent’s website do not show any images of footwear for children, but there is evidence that shoes were offered for sale, as product

names and prices are given.<sup>17</sup> Exhibit AD8 shows the links on the website as of 4 August 2020. These include a range of options for “Kids Shoes” and a link to “Kids Clothing”. However, it is not clear what types of clothes were sold. A single advertisement in Exhibit AD13a shows a model wearing a boy’s hoodie with the mark emblazoned on the front. This is said to be dating from 2022.<sup>18</sup> Turning to the invoices, I can find evidence of sales of footwear. Following the guidance provided by Ms DeNeve as to the interpretation of these invoices, I am proceeding on the basis that goods shown in pairs are shoes. I also note that a number of invoices show these goods as being zero-rated for UK VAT purposes, indicating that they are in children’s sizes.<sup>19</sup> The only other goods shown as being zero-rated are cricket gloves, marked in the invoices as being “JNR”, which I infer means “Junior”. My interpretation of the nature of these goods is supported by the order reference, which is “CRICKET FEB 2021”.<sup>20</sup> These are specialist items of equipment with a particular purpose, and would fall within Class 28 of the Nice Classification. I do not consider that the opponent has provided sufficiently solid evidence to justify reliance on children’s clothing. Consequently, I consider that a fair specification for this mark is:

*Class 25*

*Footwear and clothing for men and women; footwear for children.*

*The 502 mark*

57. For convenience, I set out the services for which the applicant has requested that the opponent prove use:

*Class 35*

*Retail store, computerized online retailing and catalog mail order services featuring athletic, sports, exercise and fitness clothing, luggage and footwear; arranging and conducting trade shows exhibitions in the field of athletics, sports, exercise and fitness.*

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<sup>17</sup> See, for example, Exhibit AD6, pages 8-9.

<sup>18</sup> Page 6.

<sup>19</sup> Exhibit AD17, pages 27-28, 43-44, 98, 99.

<sup>20</sup> Exhibit AD17, page 69.

Class 41

*Providing information in the field of athletics, sports, exercise and fitness via the Internet.*

58. The opponent says “*It is also accepted that there is no specific evidence under - 502 in relation to the ‘retail of luggage’ but there is an example of the retail of a rucksack (Exhibit Ad2b, pg 23).*” This exhibit is undated so it is unclear whether it was available during the relevant period. I therefore find that no use is shown for services relating to the retail of luggage, and shall go on to consider the remaining retail services.

59. While Ms DeNeve states that the first of the opponent’s stores opened in 1982 at the factory in Flimby and that “*presently*” there are 15 New Balance Stores in the UK, she does not say what the position was during the relevant period. I would have to make the supposition that at least some of these were operating during that time and I consider that this is the kind of supposition that Arnold LJ said in paragraph 107 of *easyGroup v Nuclei* was one that I should not make. It should have been easy for the opponent to provide evidence on this point. I therefore find that the evidence does not show genuine use for *Retail store services*. I also find no evidence of *Catalog mail order services*. While there is a catalogue in Exhibit AD12, it contains no price information which leads me to infer that it was not intended to be used by a member of the public to select and order goods.

60. The evidence adduced to prove use in relation to online retailing is the website. This shows goods for sale throughout the relevant period that fit within the definition of *athletic, sports, exercise and fitness clothing ... and footwear*. In *Netto Marken-Discount AG & Co, KG v Deutsches Patent- und Markenamt*, Case C-420/13, the CJEU held that it was possible to register a trade mark for services involved in the bringing together of other services, even where some of the latter services were provided by the trade mark proprietor itself. By analogy, services for the bringing together or retailing of goods may therefore include services where some of the goods brought together are the proprietor’s own. Indeed, given that the subject matter of the services in Class 35 is the bringing together of a selection of goods for the convenience of the public, and other related services intended to encourage consumers to purchase those goods from the trade mark owner, the trade origin of the goods themselves does

not appear to be particularly important. Therefore, provided there is sufficient selection in the range and/or quality of goods brought together for the public's convenience so as to constitute a service to consumers and/or other identifiable retail services are provided, such services may be protected by a trade mark in Class 35. In principle, this should be possible even where the services in question are intended to induce the consumer to purchase the proprietor's own goods.

61. However, in *Apple, Inc. v Deutsches Patent- und Markenamt*, Case C-421/13, the CJEU ruled that a trade mark registered for retail services may be protected for services intended to induce the consumer to purchase the goods provided that those services do not form an integral part of the offer for sale of the goods. It said:

“26. ... it must be held that, if none of the grounds for refusing registration set out in Directive 2008/95 preclude it, a sign depicting the layout of the flagship stores of a goods manufacturer may legitimately be registered not only for the goods themselves but also for services falling within one of the classes under the Nice Agreement concerning services, where those services do not form an integral part of the offer for sale of those goods. Certain services, such as those referred to in Apple's application and clarified by Apple during the hearing, which consist of carrying out, in such stores, demonstrations by means of seminars of the products that are displayed there, can themselves constitute remunerated services falling within the concept of 'service'.”

62. It follows that merely selling goods is not a service for which a trade mark may be protected in Class 35. The 4 August 2020 print out in Exhibit AD8 invites consumers to sign up to receive a newsletter by email and there is a link on the final page to student promotions.<sup>21</sup> The website screenshot dated 31 October 2021 also invites customers to sign up to hear about new products and receive special offers.<sup>22</sup> By 19 September 2023, the website offered a chat service.<sup>23</sup> While there is no evidence on the extent of use made of these services, I consider that the opponent may rely on *Computerized online retailing ... services featuring athletic, sports, exercise and*

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<sup>21</sup> Pages 1 and 24 respectively.

<sup>22</sup> Exhibit AD9, page 1.

<sup>23</sup> Exhibit AD11.

*fitness clothing ... and footwear*. I say this because it is my understanding that the term *Computerized online retailing* means internet retailing.

63. The opponent has not specifically stated what parts of the evidence it considers support a claim to genuine use of the 502 mark for *Arranging and conducting trade show exhibitions in the field of athletics, sport, exercise and fitness*. Having reviewed the evidence carefully, I can find no evidence of use of the mark in relation to these services.

64. The opponent submits that paragraphs 23 and 24 of Ms DeNeve's witness statement are evidence of use of the marks for the Class 41 services as they relate to "*Instagram content of NB with high profile footballers such as Bukayo Saka and Raheem Sterling who provide information on sports training and diet and exercise regimes as part of the ambassador role.*"<sup>24</sup> Ms DeNeve does indeed refer to both footballers but she does not explain what they do in their roles as brand ambassadors. The only evidence in the exhibits are advertisements from 2021 and 2022.<sup>25</sup> The opponent also submits that its use of social media platforms is evidence of use of the mark for services in this class.<sup>26</sup> However, this argument is undermined by the absence of any examples of posts containing such information. I can see no evidence of use of the mark for the Class 41 services.

65. I consider that a fair specification for this mark is:

*Class 35*

*Computerized online retailing ... services featuring athletic, sports, exercise and fitness clothing ... and footwear.*

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

66. Section 5(2)(b) of the Act is as follows:

"A trade mark shall not be registered if because—

...

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<sup>24</sup> Written submissions in lieu of a hearing, paragraph 13.

<sup>25</sup> Exhibit AD13a, pages 10 and 11.

<sup>26</sup> Written submissions in lieu of a hearing, paragraph 34.

(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.”

67. 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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

- g) a lesser degree of similarity between the goods or services may be offset by a 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***

68. It is settled case law that I must make my comparison of the goods and services on the basis of all relevant factors. These include the nature of those goods and services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. As the GC said in *Boston Scientific Ltd v OHIM*, Case T-325/06, goods and services are complementary when

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

69. The goods and services to be compared are shown in the table below:

Contested goods/services	Earlier goods/services
<p><u>Class 25</u>  <i>Clothing, footwear, headgear; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, bodybuilding and weightlifting clothing straps, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands and wrist straps, sweatbands, headbands, underwear, socks, gloves, base layer clothing, compression wear clothing; hats, caps, beanie hats; shoes, trainers, track shoes, boots, sandals, flip flops.</i></p>	<p><u>Class 25</u>  <i>Footwear and clothing for men and women; footwear for children.</i>  <b>(771 mark)</b>  <i>Hats, visors, singlets, running shorts, running suits, recreational tops and shorts, socks.</i>  <b>(507 mark)</b></p>
<p><u>Class 35</u>  <i>Retail services relating to clothing; Retail services in relation to footwear; Online retail services relating to clothing.</i></p>	<p><u>Class 35</u>  <i>Computerized online retailing services featuring athletic, sports, exercise and fitness clothing and footwear.</i>  <b>(502 mark)</b></p>
<p><u>Class 45<sup>27</sup></u>  <i>Online social networking services; social networking services provided via a website.</i></p>	

Comparison with the 771 mark

70. Where goods in the specification of one party are included in a broader term from the other party's specification, those goods are considered to be identical: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. On this basis, I find that the following

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<sup>27</sup> These services are opposed by the 502 mark only.

goods in Class 25 of the contested specification are identical to the opponent's *Clothing for men and women*:

*Clothing; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands, sweatbands, underwear, socks, gloves, base layer clothing, compression wear clothing; ...*

71. I find that the following goods are identical to the opponent's *Footwear ... for men and women; footwear for children*:

*Footwear; shoes, trainers, track shoes, boots, sandals, flip flops.*

72. I shall now consider *Bodybuilding and weightlifting clothing straps*. I understand that these are straps that help users maintain their grip when they are lifting weights. In my view, they have a different purpose from that of clothing, which is to protect, cover or adorn the body. There is an overlap in user and trade channels, and some similarity in method of use, as both parties' goods are worn on the body. The straps may be made from similar materials to clothing. I do not find the goods to be in competition or complementary. Taking all these factors into account, I find that *Bodybuilding and weightlifting clothing straps* are similar to *Clothing for men and women* to a low degree. I consider that the same rationale also applies to *Wrist straps*.

73. The remaining terms in Class 25 are *Headgear; headbands; hats, caps, beanie hats*. I shall compare these goods to *Clothing for men and women*. In my view, the goods will be sold through the same trade channels to the same users. They will all be worn on the body, although on different parts, and their purpose will overlap, as both parties' goods are intended to provide some covering and protection for the body. The physical nature of the goods is likely to differ, although there may be some overlap in the materials from which the goods are manufactured. There is no competition or complementarity. I find the goods to be similar to a medium degree.

74. I shall also compare the Class 35 retail services to *Clothing for men and women*. In *Oakley, Inc. v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use from goods,

retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

75. In *Tony Van Gulck v Wasabi Frog Ltd*, BL O/391/14, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, reviewed the law concerning the comparison of retail services and goods. He said:

“9. The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent’s earlier trade mark in all the circumstances in which the trade mark applies for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are ‘*similar*’ to goods are not clear cut.”

76. However, on the basis of the European courts’ judgments in *Sanco SA v OHIM* (Case C-411/13 P) and *Assembled Investments (Proprietary) Ltd v OHIM* (Case T-105/05), upheld on appeal in *Waterford Wedgwood Plc v Assembled Investments (Proprietary) Ltd* (Case C-398/07 P), Mr Hobbs concluded that:

- i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer’s point of view, they are unlikely to be offered by one and the same undertaking;
- ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent’s goods and then to compare the opponent’s goods with the retail services covered by the applicant’s trade mark;

iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark were registered for goods X;

iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

77. It is clear from this case law that where the applicant's retail services are to be compared to the opponent's goods, the retail services will be different in nature, purpose and method of use from those goods. Despite these differences, where there is some complementarity and shared trade channels, retail services *may* be similar to goods. It is equally clear that complementarity alone will not suffice for a finding of similarity, where from the consumer's point of view, the retail services of the applicant would not normally be offered by the same undertaking as the goods. Furthermore, I note that I must not treat the retail services as goods, although consideration of the retail services normally associated with the opponent's goods should be made.

78. In my view, the parties' goods and services would be supplied through the same trade channels and they are complementary. Consequently, I find that they are similar to a medium degree.

#### Comparison with the 507 mark

79. The terms *Socks* and *Hats* appear in both specifications. The two terms in the applicant's specification are self-evidently identical to their equivalents in the opponent's specification.

80. *Clothing* is a broader term that encompasses goods covered by the fair specification of the 507 mark, such as *recreational tops and shorts*. Consequently, I find that it is identical to the opponent's goods.

81. It is my view that the following contested terms include goods covered by the 507 mark, for example *Singlets: Bodybuilding clothing, fitness clothing, gym clothing, Lifting fitness and gym accessory clothing*. I find them to be identical.

82. Earlier in this decision, I said that I considered *Recreational tops* to mean tops that were worn for exercise or for leisure. I therefore find that the following contested goods would be included in that broader category: *T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers*. They are considered to be identical.

83. The applicant's *Shorts* is a broader term that includes the opponent's *Running shorts* and so I find that the goods are identical per *Meric*.

84. I shall compare the contested *Trousers, tracksuits, tracksuit bottoms* and *jogger bottoms* to the opponent's *Running suits*, on the basis that the trousers and the bottoms may be part of suits. I find that *Tracksuits* are identical and that *Tracksuit bottoms* and *Jogger bottoms*, and by extension *Trousers* (which would include both aforementioned terms), are highly similar to *Running suits*.

85. I compare the applicant's *Gloves* with the opponent's *Recreational tops*. The goods are worn on different parts of the body. The applicant's goods are worn to protect the hands or to keep them warm. There is a degree of overlap with the purpose of the opponent's goods. The applicant's goods are most likely to be made from leather, or imitations of leather, sheepskin or wool. The degree of overlap in physical nature with the opponent's tops is very small. The goods are likely to share some of the same trade channels, but are unlikely to be sold in close proximity. They are not in competition or complementary. I find that they are similar to a low degree.

86. The applicant's *Base layer clothing* consists of clothing items that are worn next to the skin, keeping the wearer warm and comfortable. They will therefore be worn under the opponent's *Running suits* and *recreational tops*. Both are worn on the body, so there is an overlap in method of use. There is also likely to be a degree of overlap in physical nature as the goods can be made of the same materials. They will share the same users and same trade channels but are unlikely to be sold in adjacent areas of a shop or the same part of a website. They are not in competition or complementary. I find them to be similar to a medium degree.

87. I understand that the applicant's *Compression wear* includes garments worn to enhance performance in sport as the pressure they apply to the limbs leads to improved blood circulation and promotes faster recovery times. It is my view that the

opponent's *Singlets, running shorts* and *running suits* would include compression garments and so I find that the parties' goods are identical.

88. *Headgear* includes the opponent's *Hats* and so I also find that these terms are identical. The applicant's *Caps* and *Beanie hats* are included in the opponent's broader *Hats*, and so are also identical.

89. *Headbands* are bands of fabric worn round the head with the aim of preventing sweat from running down into the wearer's eyes. I shall compare these goods to the opponent's *Visors*. The goods would have the same users and are likely to be sold through the same trade channels. The method of use is the same, with both goods being worn on the head. However, they differ in purpose as visors are worn to shield the wearer's eyes from the sun. They are also likely to be made from different materials. The goods are not in competition and they are not complementary. I find that they are similar to a low to medium degree.

90. For the reasons set out in paragraph 72 above, I find that *Bodybuilding and weightlifting clothing straps* are similar to a low degree to the clothing items in the fair specification of the 507 mark. In my view, the same rationale also applies in the case of *Wristbands and wrist straps* and *Sweatbands*, although the purpose of the wristbands and sweatbands is to stop sweat running onto the wearer's hands.

91. I shall compare the applicant's *Shoes, trainers, track shoes, boots, sandals* and *flip flops* to the opponent's *Socks*, as both parties' goods are worn on the feet. They are likely to be made from different materials, as the applicant's goods will be more robust. The goods are sold to the same user and there is some overlap in trade channels. However, the goods are unlikely to be sold in close proximity to each other. They are not in competition and neither are they complementary. I find that there is a low degree of similarity between them.

92. Turning to the retail services, I find that the reasoning above applies to the comparison with the goods that made up a fair specification of the 507 mark. I find them to be similar to a medium degree.

### Comparison with the 502 mark

93. The services that survived the proof of use assessment are *Computerized online retailing services featuring athletic, sports, exercise and fitness clothing and footwear*. For the reasons I have already set out in paragraphs 74-78 above, I find that the following goods are similar to these services to a medium degree:

*Clothing, footwear; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands and wrist straps, sweatbands, underwear, socks, gloves, base layer clothing, compression wear clothing; shoes, trainers, track shoes, boots.*

94. I consider that *Headgear; bodybuilding and weightlifting clothing straps, headbands, hats, caps, beanie hats* are likely to be sold through some of the same trade channels. I do not find them complementary, as they are not important or indispensable for the supply of the services as they are worded in the fair specification, which reflects the wording used in the registration. There is an overlap in user who would not, in my view, be surprised to see a retailer producing its own version of these goods. I find that there is a low degree of similarity between the goods and the services.

95. In my view, *Sandals* and *Flip-flops* are not customarily worn for athletics, sports, exercise and fitness purposes. I take the view that they would be unlikely to share the same trade channels as the opponent's retail services. I find the goods and services to be dissimilar.

96. The applicant's *Retail services relating to clothing; Retail services in relation to footwear; Online services relating to clothing* all include the opponent's retail services and so are identical per *Meric*.

97. The opponent compared the applicant's Class 45 services to the Class 41 services for which the 502 mark is registered. However, I found that these services were not part of a fair specification for that mark, as the evidence did not show that the mark had been genuinely used for them. The only similarity between these services and the Class 35 services on which the opponent may rely is that they are provided online to

some of the same users and I do not consider that this is sufficient for me to find similarity.

#### Final remarks on the comparison of goods and services

98. Section 5(2)(b) requires the goods and services to be identical or similar. Where there is no similarity, there can be no confusion: see *eSure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842 CA, paragraph 49. The section 5(2)(b) ground therefore fails with respect to the services applied for in Class 45.

#### **Average consumer and the purchasing process**

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

“16. First, the average consumer is both a legal construct and a normative benchmark. They are a legal construct in that consumers who are ill-informed or careless and consumers with specialised knowledge or who are excessively careful are excluded from consideration. They are a normative benchmark in that they provide a standard which enables the courts to strike a balance between the various competing interests involved, including the interests of trade mark owners, their competitors and customers.

17. Secondly, the average consumer is neither a single hypothetical person nor some form of mathematical average, nor does assessment from the perspective of the average consumer involve a statistical test. They represent consumers who have a spectrum of attributes such as gender, age, ethnicity and social group. ... It follows that assessment from the perspective of the average consumer does not involve the imposition of a single meaning rule akin to that applied in defamation law (but not malicious falsehood). ... if having regard to the perceptions and expectations of the average consumer, the court considers that a significant proportion of the relevant public is likely to be confused, then a finding of infringement may properly be made.

18. Thirdly, assessing from the perspective of the average consumer is designed to facilitate adjudication of trade mark disputes by providing an objective criterion, by promoting consistency of assessment and by enabling courts and tribunals to determine such issues so far as possible without the need for evidence. ...

19. Fourthly, the average consumer's level of attention varies according to the category of goods or services in question.

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

100. The average consumer of both the goods and the services is a member of the general public. I note at this point that the applicant submits that the parties target their goods and services towards different markets, with the focus of the applicant's activities being young women between 15 and 25. I am, however, required to make my assessment of this ground on the basis of the terms as they appear in the specification, and the goods and services in the application are worded generally. Therefore, I consider that the average consumer for both parties' goods and services is identical.

101. The goods vary in price and are likely to be purchased on a reasonably frequent basis, from bricks-and-mortar shops, catalogues or websites. The average consumer may have seen the goods advertised on television, online, in print or on billboards. They are likely to select the goods themselves from racks or shelves (or printed material or web pages), although they may also seek advice from sales staff. They will, in my view, consider features such as the colour of the goods, their size, the materials from which they are made and their suitability for the purpose for which they will be worn. I consider that they will pay a medium degree of attention, and the purchasing process will largely be visual.

102. In my view, the level of attention paid during the selection of the Class 35 services would be medium. The services may be selected after browsing the internet or, in the case of services supplied in bricks-and-mortar shops, seeing signage on physical

premises. The average consumer may also have seen advertisements on television, in the printed media or on the internet. There may also be a role for word-of-mouth recommendations, although the selection process will be largely visual.



### ***Comparison of marks***

103. It is clear from the judgment of the CJEU in *SABEL BV v Puma AG*, Case C-251/95 (particularly paragraph 23), that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM*, Case C-519/12 P, that:

“34. ... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”

104. Artificial dissection of the marks would therefore be wrong, although it is necessary for me to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

105. The respective marks are shown below:

Contested mark	Earlier marks
<p data-bbox="284 398 402 430"><b>NB9060</b></p>	<p data-bbox="852 313 1056 344"><u>The 771 mark</u></p> <p data-bbox="852 398 903 430"><b>NB</b></p> <p data-bbox="852 483 1056 515"><u>The 507 mark</u></p>  <p data-bbox="852 792 1056 824"><u>The 502 mark</u></p> 

106. The 771 mark consists of two letters. These letters do not have an obvious meaning in the context of the goods and services at issue. I consider that the average consumer will think that they probably stand for something, but they would not be sure what those words are. The overall impression of the 771 mark lies in the combination of the letters.

107. I shall consider the 507 and 502 marks together. This is because there are only minor differences between them. The first is that the 507 mark contains the ® symbol, but this plays no distinctive role in the mark and is likely to be overlooked. Secondly, in the 507 and 502 marks the letters N and B are joined together, with a triangular pattern visible on the letter N. In the 507 mark, these triangles are broader and therefore fewer in number than in the 502 mark. Nevertheless, the two letters N and B are clearly recognisable. The combination of the two letters makes the greater contribution to the overall impression of the mark, with a smaller role played by the stylisation.

108. The contested mark is a string of six characters, beginning with the two letters “NB” and ending with a four-digit number, “9060”. The opponent submits that the average consumer will identify these two elements. I agree. In my view, the letters will play a greater role in the overall impression. This is because the beginnings of words and marks tend to have more visual and aural impact than the ends: see *El Corte Inglés SA v OHIM*, Joined cases T-183/02 and T-184/02, paragraphs 81-82.

#### *Comparison with the 771 mark*

109. The 771 mark is wholly replicated at the beginning of the contested mark. The longer length of the contested mark is a point of visual difference between them. Considering this difference and the identity of the letters in the context of the overall impressions of the marks, I find that they are visually similar to a medium degree.

110. The 771 mark would be articulated as the two letters “ENN-BEE”. This is also how the beginning of the contested mark would be spoken. The average consumer may articulate the numbers as “NINE-ZERO-SIX-ZERO”, “NINETY-SIXTY” or “NINE THOUSAND AND SIXTY”. Whichever way they choose, the contested mark is noticeably longer. I consider that the marks are aurally similar to a low to medium degree.

111. The opponent submits that the letters “NB” have no conceptual meaning, or that if they do (and were I to agree that the earlier marks have a reputation) they denote “New Balance”. I have not considered the question of reputation yet, but, even if I had, this second submission does not get the opponent anywhere. In *Retail Royalty Company v Harringtons Clothing Limited*, BL O/593/20, Mr Philip Harris, sitting as the Appointed Person, said:

“74. The Opponent is trying to equate reputation in a trade mark sense with conceptual meaning. They are not the same thing. Reputation can mean different things, and in trade mark law the term is sometimes used loosely, but in this context, it concerns the factual extent to which a sign is recognised by a significant part of the public *as a trade mark*.”

75. In contrast conceptual meaning is, in simple terms, something akin to recognition in dictionaries (beyond a mere trade mark acknowledgement) or

a level of immediately perceptible notoriety/independent meaning, outside the confines of a purely trade mark context, of which judicial notice can be taken. Whilst a trade mark's reputation might evolve or be converted into a conceptual meaning (possibly to its detriment in terms of genericity), it needs to be properly proven.

76. It is true that there are cases where an extensive reputation has been parlayed into conceptual meaning (for example C-361/04 P *PICASSO/PICARO* and C-449/18 *MESSI*) but these are the exception rather than the rule and depend on their own facts. Furthermore, the 'reputation' element in those cases related to the fame attached to the names of the individuals for their roles in society, rather than specifically to a trade mark function. In other words, it was a different sort of reputation."

112. The letters "NB" do stand for "*Nota bene*", used where a writer wishes to draw the reader's attention to a particular point. However, I consider that it is more likely that the letters will have no conceptual meaning for the average consumer.

113. The applicant submits that the letters in its mark are the initials of the two founders of the business and that the digits "9060" relate to "*land in India, which holds cultural and personal value for the founders*". No evidence has been filed to support the latter claim, and I do not consider it likely that the average consumer will perceive the letters as indicating the initials of the founders. Consequently, I find that the average consumer is likely to consider that the contested mark also has no conceptual meaning, and therefore no comparison can be made between them.

#### *Comparison with the 507 and 502 marks*

114. The 507 and 502 marks are stylised versions of the letters "NB". This stylisation creates a further point of visual difference between the parties' marks, to add to the digits "9060" in the contested mark. For the purposes of my comparison, I cannot ignore the stylisation. I find that the marks are visually similar to a low degree.

115. As the stylisation cannot be articulated, I adopt the findings I made on the aural comparison in paragraph 110 above. The marks are aurally similar to a low to medium degree.

116. Neither party has suggested that the stylisation of the 502 and 507 marks has any meaningful concept. I consider it likely that the average consumer will perceive them to be purely decorative. As such, both parties' marks have no conceptual meaning.

***Distinctive character of the earlier marks***

117. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*, Case C-39/97:

“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).”

118. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, 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 the mark can be enhanced by the use that has been made of it.

119. I have already found that the letters “NB” have no meaning in the context of the goods and services on which the opponent may rely. That said, the 771 mark is only two letters long and will be perceived as two initials. As such, I do not find it to hold a particularly high degree of inherent distinctive character. In my view, the 771 mark has a low to medium degree of inherent distinctive character. In the case of the 502 and 507 marks, I find that the stylisation gives the marks a medium degree of inherent distinctive character.

120. The opponent submits that the inherent distinctive character of the earlier marks has been enhanced through use. In particular, it refers me to the evidence of Ms DeNeve that the brand has a 74% awareness rating in the UK, measured by a survey carried out in November and December 2023. She says that *“It was confirmed that the brand awareness was obtained by showing the brand logo, which for my company would be the NB logo, and the written brand name which would be New Balance.”*<sup>28</sup> Importantly, this does not show that the earlier marks were known to this proportion of the public, as they were informed of the name “New Balance”. This evidence therefore provides little assistance to the opponent.

121. In paragraph 24 above, I reproduced the table from Ms DeNeve’s witness statement that shows approximate turnover figures for the UK, which is the relevant market for the purpose of the assessment of this particular point. The figures for footwear are large: £100m in 2019, £125m in 2020, £160m in 2021, £270m in 2022 and £460m in 2023. While I have no figures on the overall size of the market, this is likely to be a sizeable share of the market for trainers and sporting footwear. Use has been long-standing, with Ms DeNeve’s unchallenged evidence being that the initials “NB” have been used since 1978 and that the company’s main products are sporting footwear and trainers. The earlier marks have been promoted through advertising, with activities including sponsorship of the London Marathon and relationships with footballers. The opponent’s trainers feature prominently in the marketing materials. Advertising in locations such as Oxford Street in London and Euston Station, as shown in Exhibit AD13A, are likely to have reached a wide audience. I am satisfied that the evidence shows that the distinctive character of the 771 mark has been enhanced to a medium to high degree for sporting footwear and trainers.

122. Turnover for clothing was lower: £68m in 2019, £28m in 2020, £34m in 2021, £40m in 2022 and £35m in 2023. It is not broken down by type of clothing. Some of the advertisements in the evidence show clothes such as jackets, hoodies and T-shirts. Again, I have no evidence on the size of the market for the goods in the opponent’s specifications, but I consider that the clothing market as a whole will be very large, while the evidence is insufficiently disaggregated for me to be able to find that the use is of a level to enhance the distinctive character of the 507 mark in respect of any of

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<sup>28</sup> Paragraph 20. The table from the report can be found in Exhibit AD14.

the goods in the fair specification. There is also insufficient evidence for me to find that the distinctive character of the 502 mark has been enhanced for the Class 35 services in the fair specification. Therefore, the only mark with an enhanced distinctive character is the 771 mark and this is solely in respect of sporting footwear and trainers.

***The global assessment of the likelihood of confusion***

123. Making an assessment of the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer of the goods and services at issue and determining whether they are likely to be confused. When doing this, I am required to bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely on the imperfect picture of them that they have in their mind. This means that the global assessment emulates what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the earlier mark. The courts have not said what weight should be attached to each of the factors or provided a formula that can be applied to any set of circumstances. However, I am required to take account of the interdependency principle, i.e. that 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 or vice versa.

124. At this point, I shall address an argument made by the applicant in its final written submissions, namely, that there are other marks on the register that consist of the letters “NB” and are registered for goods in Class 25. There is, however, no evidence that any of these marks have been used on the market. In *Zero Industry Srl v OHIM*, Case T-400/06, the GC said:

“73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word ‘zero’, it should be pointed out that the Opposition Division found, in that regard, that ‘... there are no indications as to how many of such trade marks are effectively used in the market’. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue

contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 *GfK v OHIM – BUS (Online Bus)* [2005] ECR II-4865, paragraph 68, and Case T-29/04 *Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH)* [2005] ECR II-5309, paragraph 71).”

I therefore dismiss this argument.

125. There are two types of confusion that may occur. Direct confusion is where the average consumer mistakes one mark for the other, while indirect confusion is where the average consumer recognises that the marks are different but assumes that the later mark also identifies the goods or services of the owner of the earlier mark, or that the two undertakings are related: see *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, paragraph 16.

126. I shall deal with direct confusion first. The opponent submits that:

“39. ... Given that the Opponent has used and been known as NB since at least as early as 1978 for the provision of sport and leisure clothing and footwear, and is also known to use numeric style numbers for its footwear range, it is inevitable that the relevant public (who are identical) would see the Applicant’s Mark, NB9060, as being from the opponent.”

127. I consider that what the opponent is describing here is a form of indirect confusion and I shall deal with this shortly. In my view, the differences between the parties’ marks are sufficient for there not to be a likelihood of direct confusion, even where the goods and/or services are identical. To my mind, the average consumer is not likely to mistake a mark consisting of an alphanumeric string of six characters for a mark consisting of two letters.

128. I turn now to consider the likelihood of indirect confusion. In *L.A. Sugar*, Mr Iain Purvis QC, sitting as the Appointed Person, gave the following examples of instances where the average consumer might be expected to conclude that the contested mark is another brand of the owner of the earlier mark, or that there is an economic connection between them:

“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).”

129. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

“12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition.

13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] ‘a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion’. Mr Mellor went on to say that, if there is no likelihood of direct confusion, ‘one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion’. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion.”

130. The opponent submits that it is known for using numeric product codes and I have given examples of these earlier in my decision: see paragraph 27 above. The applicant also notes this pattern of use by the opponent.<sup>29</sup> It further submits that such use is common in the industry, although it has filed no evidence to support this observation.

131. I found that the 771 mark has a medium to high degree of distinctive character for sporting footwear and trainers. I consider that all the following goods listed in Class 25 of the applicant's specification are identical to these goods: *Footwear; shoes, trainers, track shoes, boots*. Given this identity and the medium to high degree of distinctive character of the earlier mark, it is my view that it is likely that the average consumer on encountering the contested mark will see it as another mark of the opponent denoting another product or product range.

132. In paragraphs 70 and 71 of my decision, I found that *Clothing; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands, sweatbands, underwear, socks, gloves, base layer clothing, compression wear clothing; sandals, flip-flops* were identical to goods in the fair specification of the 771 mark, but not ones for which the distinctive character of the earlier mark has been enhanced. Given the identity of the goods, the predominantly visual nature of the purchasing process, the medium degree of visual similarity between the marks, the interdependency principle, and the acceptance by both parties that numbers are used in the industry to differentiate products, I find that it is likely that the average consumer will be indirectly confused with respect to these goods.

133. In the case of *Headgear; headbands; hats, caps, beanie hats*, which I found to be similar to a medium degree to *Clothing for men and women*, and *Bodybuilding and weightlifting clothing straps and Wrist straps*, which I found to be similar to the same earlier goods to a low degree, I do not find that the earlier mark is so distinctive for Clothing that the average consumer would assume that only the opponent would be using the letters "NB". Unlike the situation described in the previous paragraph, the interdependency principle does not come to the aid of the opponent with respect to

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<sup>29</sup> Written submissions dated 18 February 2025, paragraph 10.

these goods. I can see no other reason why the average consumer would be indirectly confused. If I were to compare the goods to the trainers and sporting footwear for which the 771 mark has a high distinctive character, the lower degree of similarity between the goods leads me to come to the same finding, i.e. that they would not be indirectly confused. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor QC (as he then was), sitting as the Appointed Person, said at paragraph 81.4 that “... *I think it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element*” and he drew a distinction between indirect confusion, where the average consumer assumes the marks belong to the same, or economically-connected, undertaking(s), and mere association, where the earlier mark has only been called to the mind of the average consumer. In my view, there may be mere association, but not indirect confusion.

134. However, I found that *Headgear; hats, caps, beanie hats* were identical to *Hats* in the fair specification of the 507 mark. The marks are visually similar to a low degree and aurally similar to a low to medium degree. Bearing in mind the interdependency principle and the parties’ positions on the use of numbers in the industry, I find that there is a likelihood of indirect confusion for these goods, as the average consumer is accustomed to seeing stylised and plain word versions of marks and is likely, in my view, to assume that the contested mark relates to a particular good produced by the opponent. In the case of *Bodybuilding and weightlifting clothing straps and Headbands*, I consider that the distances between both the marks and the goods make it unlikely that the average consumer will be indirectly confused. At most, there may be mere association.

135. I found that the contested Class 35 services were identical to the opponent’s *Computerized online retailing ... services featuring athletic, sports, exercise and fitness clothing* in the fair specification of the 502 mark. The marks are visually similar to a low degree and aurally similar to a low to medium degree. In this instance, though, I do not consider that the parties’ positions on practice in the industry help the opponent. In my view, it is not likely that the average consumer would assume that there is a connection between the 502 mark used for the Class 35 retail services and the contested mark used for online and physical retail services. The addition of the numbers is not, to my mind, an obvious brand extension for retail outlets.

136. The opposition succeeds under section 5(2)(b) in respect of the following goods:

Class 25

*Clothing, footwear, headgear; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, shorts, trousers, tracksuit bottoms, jogger bottoms, wristbands, sweatbands, underwear, socks, gloves, base layer clothing, compression wear clothing; hats, caps, beanie hats; shoes, trainers, track shoes, boots, sandals, flip flops.*

137. It fails in respect of the following goods and services:

Class 25

*Bodybuilding and weightlifting clothing straps, wrist straps; headbands.*

Class 35

*Retail services relating to clothing; Retail services in relation to footwear; Online retail services relating to clothing.*

Class 45

*Online social networking services; social networking services provided via a website.*

**Section 5(3)**

138. Section 5(3) of the Act is as follows:

“A trade mark which—

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

[...]

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

139. As the 771 and 502 marks are comparable marks, paragraph 10 of Part 1, Schedule 2A of the Act is also relevant. It reads as follows:

“(1) Sections 5 and 10 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the reputation of a comparable trade mark (EU) falls to be considered in respect of any time before IP completion day, references in sections 5(3) and 10(3) to-

(a) the reputation of the mark are to be treated as references to the reputation of the corresponding EUTM; and

(b) the United Kingdom includes the European Union.”

140. The 507 mark is a comparable trade mark (IR) and so paragraph 10 of Part 1, Schedule 2B of the Act applies:

“(1) Sections 5 and 10 apply in relation to a comparable trade mark (IR), subject to the modifications set out below.

(2) Where the reputation of a comparable trade mark (IR) falls to be considered in respect of any time before IP completion day, references in section 5(3) and 10(3) to-

(a) the reputation of the mark are to be treated as references to the reputation of the corresponding (IR), and

(b) the United Kingdom includes the European Union.”

141. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L’Oréal SA & Ors v Bellure & Ors* (Case C-487/07), *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09) and *Environmental Manufacturing LLP v OHIM* (Case C-383/12 P). 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 and/or services, the extent of the overlap between the relevant consumers for those goods and/or 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 that there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68. Whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.
- f) The more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oréal*, paragraph 44.
- g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or 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 and/or services for which the earlier mark is registered, or a serious risk that this will happen in the future; *Intel*, paragraphs 76 and 77, and *Environmental Manufacturing*, paragraph 34.

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

i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oréal*, paragraph 40.

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

### **Reputation**

142. In *General Motors*, the CJEU held that:

“24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

143. As with the proof of use assessment, the relevant territory for the period up to IP completion day is the EU. The evidence filed by the opponent focuses on the position in the UK. The courts have held that the mark must have a reputation in a substantial part of the territory of the EU, but that, depending on the particular facts of the case, that may be a single EU Member State: see *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, paragraphs 20-30.

144. I note that the opponent claims a reputation for the following services, which were not put to proof of use:

Class 35

*Arranging and conducting trade show exhibitions in the field of athletics, sports, exercise and fitness.*

Class 36

*Financial sponsorship of athletic teams, footrace marathons, athletic events, athletic matches and athletic tournaments; providing incentives to amateur athletes to demonstrate excellence in the field of athletic competition through the issuance of monetary awards.*

145. I find no evidence of use of the 502 mark for *Arranging and conducting trade show exhibitions in the field of athletics, sports, exercise and fitness*. Therefore, there can be no reputation.

146. I turn now to the Class 36 services. I have already referred to the opponent's sponsorship of the London Marathon in 2018 and 2019. Ms DeNeve states that this sponsorship has continued in the following years. There also appears to have been sponsorship of an event called the "New Balance Big Relay" on 1 March 2020. The 507 mark is shown on a flyer inviting participants to an after-event party.<sup>30</sup> It will be recalled that I found that use of the 507 mark was acceptable variant use of the 502 mark. There is no further evidence relating to these services. There is nothing to say how much has been spent on such sponsorship. I consider that the evidence of sponsorship of a handful of events is not sufficient for me to find that the 502 mark has a reputation for these services.

147. With regards to the remaining goods and services, the relevant public is the public at large. I recall that I found that the distinctive character of the 771 mark had been enhanced for sporting footwear and trainers. While I acknowledge that reputation and distinctive character are not the same thing, the factors that are relevant to an assessment of both have a significant degree of overlap. In addition, I note that the advertisements in Exhibit AD13a stress the high-performance and comfort of the shoes, with the following examples taken from 2020 and 2023:<sup>31</sup>

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<sup>30</sup> Exhibit AD13a, page 5.

<sup>31</sup> Pages 1 and 3.

RUN FUELCELL new balance  
**ACCESS FAST**  
**FUELCELL TC**  
**FUELCELL OFFERS THE HIGHEST ENERGY RETURN OF ANY NEW BALANCE PERFORMANCE FOAM TODAY**  
 Engineered to meet the demands of marathons and training runs alike, this shoe combines a fast and fierce feel with impressive durability. The FuelCell midsole is designed to deliver high rebound, and it's complemented by a high strength internal carbon fiber plate that helps to provide an engaging ride. The sleek, breathable upper is designed to help keep feet cool and dry from 08 to 20.2.  
**£179.99**  
 Men's: 8.5M - 10.5M  
 Women's: 6.5W - 9.5W  
**LIGHTWEIGHT SUPPORT**  
 Engineered mesh upper provides flexible support without compromising durability.  
**ENHANCED PROPULSION**  
 High rebound FuelCell midsole combined with an internal carbon fiber plate adds exceptional responsiveness to each step.  
**VERSATILE PERFORMANCE**  
 Fast through the streets, flexible enough for marathons, this shoe stays on top for day after day.  
 DISCOVER FUELCELL AT SPORTSHOES.COM/NEW-BALANCE-FUELCELL

RUN  
**Fresh Foam X 1080v13**  
 Lighten up.  
 Get comfortable.  
 Upgrade to first class cushioning.  
**£169.99**  
 Men's: 8.5M - 10.5M  
 Women's: 6.5W - 9.5W  
**Energy you can see and feel**  
 The Fresh Foam X 1080v13 is a game-changer. A soft, plush, and responsive midsole provides a cushioned, comfortable ride with the softest landing and most responsive takeoff. The lightweight, breathable upper is designed to help keep feet cool and dry from 08 to 20.2.  
 Discover Fresh Foam X 1080v13 at sportshoes.com/new-balance-fresh-foam-x-1080v13

148. The opponent's website also emphasises performance and comfort, along with a history of innovation, craftsmanship, sleek appearance and a range of products that covers all requirements. For example, the following text appeared on the website on 11 August 2022:

## **“Running Trainers for Women: The Range**

Whichever kind of running you prefer, we’ve got all bases covered. Some of our most notable silhouettes include the FreshFoam collection and the 880 series, but the collection is vast and regularly updated with brand new models. All trainers benefit from our advance running shoe technology systems, such as our innovative REVLite midsoles and NB Memory Sole Comfort inserts. Whichever model you choose, you’ll know you’re benefitting from a shoe that’s been crafted with precision to meet the needs of the track, treadmill or trail.

One of our most recognised running trainer silhouettes is the 860v11 – favoured by athletes, it’s renowned for its combination of cushioning stability and clean-cut style. Or for a shoe better suited to speed running, opt for the FreshFoam 1080v11, a track-inspired sneaker featuring a sleek outer with an impressive toe-spring to cushion your ride.

## **New Balance Running Shoes: The History**

New Balance has a rich heritage in the world of running, dating back to the 1960s when we produced the first ever running shoes with a ripple sole. From there, we produced model after model, always innovating and introducing new technology to take our running trainers to the next level. Today our running shoes production shows no sign of slowing down, with many styles being the preferred choice for medal-winning athletes.”<sup>32</sup>

149. I am content that the 771 mark has a high reputation for sporting footwear and trainers. I find that the evidence does not show that the earlier marks have a reputation for the remaining goods and services.

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<sup>32</sup> Exhibit AD10, page 6.

## **Link**

150. In assessing whether the public will make the required mental link between the marks, I must take account of all relevant factors, which were identified by the CJEU at paragraph 42 of its judgment in *Intel*. I shall consider each of them in turn.

### *The degree of similarity between the conflicting marks*

151. Under section 5(2)(b), I found the contested mark and the 771 mark to be visually similar to a medium degree and aurally similar to a low to medium degree. I considered that neither mark had any conceptual meaning to the average consumer.

### *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*

152. I find that the following contested goods from Class 25 are identical to the goods for which the 771 mark has a reputation: *Footwear; shoes, trainers, track shoes, boots. Sandals* and *flip flops* will also be worn on the feet, although they are unlikely to be worn for exercise. The method of use is the same and they may be made from similar materials. There are also likely to be some shared trade channels. There may be a degree of competition between the goods, as both trainers and sandals or flip-flops may be worn as casual footwear. I find that these goods are similar to trainers to a low to medium degree.

153. The following Class 25 goods are all types of clothing (or include types of clothing) that may be worn when exercising or taking part in a sport: *Clothing; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands, sweatbands, underwear, socks, gloves, base layer clothing, compression wear clothing.* While the inclusion of *Jumpers* within this grouping may initially appear surprising, I am aware that they are frequently worn by people playing cricket. The parties' goods are therefore likely to be purchased by the same public to be worn for the same activities. In my view, they will share the same trade channels. The physical nature of the goods is different, although there is some similarity in the method of use, with all the goods being worn on the

body. They are not in competition. I find that there is a low degree of similarity between the goods. I consider that the same reasoning applies with respect to *Hats, caps, beanie hats, headbands*.

154. The remaining Class 25 goods are *Bodybuilding and weightlifting clothing straps; wrist straps*. In my view, these will be sold to the same public as the goods for which the 771 mark has a reputation and there is also an overlap in trade channels. I find a low degree of similarity.

155. Of the Class 21 goods, I consider that *Drinking bottles* may be sold through the some of the same trade channels as the goods with a reputation and to the same public, i.e. the general public. However, I do not consider that there are any other similarities between them. In *Unicorn Studio Inc v Veronese (Société par Actions Simplifiée)* [2024] EWHC 1098 (Ch), Mr Iain Purvis KC, sitting as a deputy High Court Judge, said:

“23. ... It seems to me the greater the level of generality at which some similarity under *Canon* factors can be found (i.e. both goods are ‘*sold in large department stores*’ or both goods are ‘*used by ordinary people*’) the less relevant could it be to any question of confusion, and any assessment of similarity of goods should take that into account.”

156. I find that any similarity is at a significant level of generality and so, to my mind, the goods are dissimilar. This finding also applied to the remaining contested goods in this class (*Glassware, porcelain and earthenware not included in other classes*).

157. I turn now to the contested services. *Retail services in relation to footwear* are complementary to the goods for which the 771 mark has a reputation, as the goods are indispensable for the supply of the services and the average consumer is, in my view, likely to believe that they are the responsibility of the same undertaking. Both goods and services are delivered through the same trade channels to the same users. I find that they are similar to a medium degree. The remaining retail services are likely to overlap in trade channels and user. I find them to be similar to a low degree.

158. Earlier in my decision, I found that the Class 45 services were dissimilar to the opponent’s goods. The purposes are different, as are the nature of the service and the

method of use. The services are neither in competition nor complementary to the goods for which the 771 mark has a reputation. That said, I consider that the relevant public for both parties' goods and services is the general public.

*The strength of the earlier mark's reputation*

159. I have already found that the 771 mark has a high reputation for sporting footwear and trainers.

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

160. I refer to the findings I have already made under section 5(2)(b) in respect of the marks. The distinctive character of the 771 mark has been enhanced to a medium to high degree for the goods for which it has a reputation.

*Whether there is a likelihood of confusion*

161. I cannot simply apply my findings from section 5(2)(b) here, as the goods for which the 771 mark has a reputation are fewer than the goods and services the opponent could rely on in the previous ground. In my view, taking account of the medium to high degree of distinctive character of the mark, there is a likelihood of confusion for the following goods: *Footwear, shoes, trainers, track shoes, boots, sandals, flip flops*. I do not consider that the marks are sufficiently similar for there to be a likelihood of confusion for any of the other goods and services in the application.

*Conclusions on link*

162. A link would be made in the mind of the relevant public if the mark were used for *Footwear, shoes, trainers, track shoes, boots, sandals, flip flops*, as where there is a likelihood of confusion, there will automatically be a link. At this point, I note that the applicant has stated that it is not currently in the business of trading in footwear. However, I must make my assessment on the basis of what is in the specification that has been applied for, rather than the extent of the applicant's current activities.

163. I consider that there will also be a link to *Retail services in relation to footwear* as fair and notional use of the mark would include use for services retailing precisely the

same goods as those for which the opponent's mark has a reputation and the use of the letters "NB" at the start would call the 771 mark to the mind of the relevant public. I find that there would also be a link in relation to the other retail services, as these will sell clothing that is worn for similar purposes and there are likely to be some shared trade channels. It is also my view that there will be a link for the Class 25 goods in respect of which I did not find confusion, given the same channels of trade and the same relevant public, along with the high reputation of the 771 mark.

164. I do not find a link for the Class 21 goods or the Class 45 services, and so the opposition under section 5(3) fails for them.

### **Damage**

165. I shall address unfair advantage first. This means that consumers are more likely to buy the goods and services of the contested mark than they would otherwise have been if they had not been reminded of the earlier mark(s).

166. The applicant submits that it has been acting in good faith and intended to create a distinct brand. It adds that in *Intel*, "*it was established that good faith use and the intent behind the mark's adoption are critical in evaluating claims under Section 5(3).*"<sup>33</sup> The applicant correctly observes that, according to this authority, all relevant factors must be taken into account in establishing whether there is a link and that the existence of reputation and a link are not sufficient to establish that there will be damage. I cannot, however, find any reference in this case to the intent behind the adoption of the mark.

167. 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

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<sup>33</sup> Counterstatement, section dealing with section 5(3), point 3.

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."

168. It is therefore possible to find that there has been unfair advantage based purely on the objective effect of use of a later mark. The opponent's pleaded case is that the applicant would receive more attention for its goods and services because of the link with the 771 mark, without having made the same level of investment in marketing activities as the opponent has done.

169. To the extent that the relevant public believe that the goods of the applicant are those of the opponent, there will plainly be unfair advantage. Unfair advantage can be taken of an earlier mark where there is no likelihood of confusion between it and the later mark. In these circumstances, the unfair advantage is usually the result of the transfer of the image of the earlier mark, or of the characteristics it projects, to the goods or services identified by the later mark. It is important to keep in mind that the existence of a link does not automatically mean that there is unfair advantage.

170. I consider that there is a sufficiently serious risk that the applicant would benefit from the opponent's investment in advertising, if the contested mark were used for the goods in Class 25. The qualities portrayed in the advertising and promotional messages used by the opponent are likely to be attractive for all these goods.

171. Fair use of the contested mark for the Class 35 services would include retail services relating to clothing and footwear for use in exercise. In my view, the image of the 771 mark would transfer to these services. The public would perceive that the services bring together a selection of goods with the same qualities as those of the opponent's goods.

172. I find that damage is made out for the goods and services in relation to which I have found a link.

### ***Due cause***

173. The applicant has not pleaded that it has due cause to use the contested mark. It claims that use is in good faith. In *Leidseplein Beheer v Red Bull GmbH*, Case C-65/12, the CJEU identified at paragraph 60 three factors particularly relevant to an assessment of due cause. These are:

- “- how that sign has been accepted by, and what its reputation is with, the relevant public;
- the degree of proximity between the goods and services for which that sign was originally used and the product for which the mark with a reputation was registered, and
- the economic and commercial significance of the use for that product.”

174. The applicant makes several assertions about the reputation of the contested mark. However, the evidence it has filed is limited. In particular, I have been provided with no information on sales or marketing of goods and services using the mark that has been applied for. Consequently, a claim of due cause, even if it had been explicitly made, could not succeed on the basis of the evidence filed.

175. The claim under section 5(3) is successful for all the goods in Class 25 and all the services in Class 35.

### **Section 5(4)(a)**

176. Section 5(4)(a) of the Act states that:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

- (a) by virtue of any rule or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

...”

177. Subsection 4(A) is as follows:

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

178. In *Reckitt & Colman Products Limited v Borden Inc. & Ors (“Jif Lemon”)* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off at [406]:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

### **Relevant Date**

179. The opponent is relying on three signs. One of these is **NB**, which it claims to have used from 1987; the other two are **9060** and **New Balance 9060**, both of which it claims to have used from 2022. The applicant argues that its use of the contested mark precedes the opponent’s use of these latter two signs.

180. In *CASABLANCA*, BL O-349-16, Thomas Mitcheson QC, sitting as the Appointed Person, said:

“31. Whilst accepting that it was settled English Law that the relevant date for assessing passing off was the date of the commencement of the conduct complained of (*Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429), the Opponent emphasized that the nature of the antecedent use had to be examined carefully. In particular the Opponent relied on examples of a number of types of use that it was submitted would not be sufficient to establish a senior user, suggesting the following conditions must apply:

(a) The use in question must be *distinctive* use. Thus use of the phrase ‘*Our tea is from Casablanca*’ would not give rise to relevant antecedent use of the mark in the Application.

(b) *Internal* use would not be relevant – an inter-office memo referring to ‘Casablanca’ tea would be insufficient to constitute antecedent use for the purposes of defeating a passing off claim.

(c) Use for goods/services different to those against which the opposition is directed would not be relevant use. Thus use of ‘Casablanca’ for perfumes would be insufficient to constitute antecedent use for this purpose.

(d) Use which did not involve UK marketing or sales would not be relevant even if it generated knowledge of the mark in the UK.

(e) One-off or sporadic use would be insufficient. A business which makes a one-off sale under a given sign does not thereby immunize itself against a passing off claim aimed at the use of that sign, for all time. It was also suggested that small sporadic sales, for instance every year, of an ordinary consumer product, would be insufficient to give rise to relevant antecedent use.

32. The Opponent submitted that the Hearing Officer had not assessed the issue of antecedent use with these factors in mind, and accordingly had fallen into error.

33. I accept that the type of use which is alleged to amount to antecedent use must be assessed carefully. Some of the factors referred to are clearly relevant – nondistinctive use, use on different goods and use outside the UK would rarely give rise to antecedent rights. Internal use and sporadic use are more difficult and must turn on the particular facts of the case. For example the suggestion that it would be wrong if a user could ‘inoculate’ itself against a later trade mark application with a single use of a particular mark clearly has weight – although those are not the facts of the present case. Further, the boundaries for precisely what sort of intermittent use can amount to antecedent use are not well defined by the authorities and must be a matter of fact and degree. The question for me is whether this uncertainty has any bearing on the conclusions reached by the Hearing Officer and whether it can be shown that she fell into error.

34. I consider that adequate guidance to determine the present case can be obtained from the authorities before the Hearing Officer and further discussed before me at the hearing. The guidance in §165 of the *Assos* case emphasises that the party opposing the application or the registration must show that, as at the date of application, a normal and fair use of the Community trade mark would have amounted to passing off. It goes on to say that if the Community trade mark has in fact been used from an earlier date then that is a matter which must be taken into account. The Hearing Officer clearly sought to apply this in §50 of her decision. The question raised by the Opponent is whether she did so correctly and how should the earlier use be taken into account. In particular, does such use, as the Opponent submitted, have to be sufficient to generate its own goodwill?

35. I think it is clear from the remainder of §165 of the judgment of Kitchin LJ that generation of goodwill *by the applicant* is not required. This is because he goes on to explain that it is *the opponent* who must show that

he had the necessary goodwill and reputation to render that use actionable *on the date that it* (i.e. the applicant's use) *began*.

36. This is entirely consistent with the more lengthy discussion of the topic in the decision of Daniel Alexander QC in the *Multisys* case (*Advanced Perimeter Systems Ltd v Keycorp Ltd* [2012] R.P.C. 14). See the passage at §§35-45 which reviews many of the authorities which were cited to me, including the earlier *Croom* decision of Geoffrey Hobbs QC. It is correct that, as the Opponent pointed out, §49 of *Croom* refers to the build up of goodwill (rather than mere use) as justifying the designation of senior user, but it does not appear that the precise point in issue in *Multisys* or the present case was in issue there, and in any event I consider that I am bound by *Assos* and I would have followed the later *Multisys* case anyway.

37. Accordingly the relevance of the activities of the applicant is limited to establishment of the date that the actionable use began. Once that date is established, the only question of goodwill arises in respect of the opponent's activities. As the Applicant in the present case pointed out, self-evidently it would only be in very exceptional circumstances that a party would have established goodwill at the point in time at which it commenced the use complained of. The establishment of goodwill would take much longer. But the authorities recognise that it is the date that the activity commenced which is the crucial one, and so in my judgment it cannot be necessary for goodwill to have been accrued at that time.

38. That does not mean that it is irrelevant what happens after the first alleged date of commencement. Clearly if the activity ceased or changed materially between the date of commencement and the date of application for the trade mark then this must be taken into account, as it may mean that the true date of commencement of the activity complained of is later or that the activity complained of cannot properly be said to have properly commenced at all (if it was later abandoned). This is all a matter of fact and degree and is no doubt why Kitchin LJ expressed it as '*a matter which must be taken into account*' rather than as being determinative of the issue. However it does not mean that what is required is anything more than the

commencement of the activity which is carried on in such a way as to fix the date of assessment. There is no greater requirement to prove goodwill on that date. For this reason I do not consider that the Hearing Officer erred in law in her assessment.”

181. Mr Rai states that the contested mark was conceived in 2020 and a designer was commissioned to produce a logo. Exhibit BR2A contains an invoice dated 8 June 2020 which has as the description of the work “*Design Logo for NB9060*”. Exhibit BR3A is an invoice dated 22 June 2020 for “*Vinyl cutting for NB9060*”. I do not consider that these documents establish that at this date the applicant was the senior user.

182. Mr Rai says that trading began after the logo and clothing designs had been finalised. Exhibit BR4 is said to be a 2021 catalogue of products. It is a table showing the item number, a picture of that item and information on colour and size. The quality of the images is not of the best, but the contested mark can be seen on some of the goods, as in the following example:



183. Mr Rai does not say how widely this document was distributed and it does not include any information on the cost of the items, which suggests that it was not distributed to the end consumer.

184. Exhibits BR5 and BR6 contain photographs, which Mr Rai says show in-store and window displays dating from 2021. A precise date is not given. Although he does not say where the shops are located, I can see that the window displays show prices in

sterling. Not all the photographs are clear, but I can see that the contested mark appears on jackets, T-shirts, other tops and trousers. There is no information on how long the goods were on sale in the shop or how many items were sold. I note that the applicant refers in its counterstatement to “*achieving its first million in sales*”, but this is after a statement about the physical stores which it had earlier said were operated under a sister company ENVI.

185. The applicant must persuade me that it has used the contested mark. I note that I am not obliged to regard the written evidence of a witness as sufficient to establish a set of facts: see *Williams and Williams v Canaries Seaschool SLU (CLUB SAIL)* [2010] RPC 32 at [38]. The Appointed Person in that case cited Lord Mansfield’s judgment in *Blatch v Archer* (1774) 1 Cowp 63 at 65:

“... all evidence is to be weighed according to the proof which it was in the power of one side to have produced, and in the power of the other to have contradicted.”

186. The opponent criticised the applicant’s evidence on a number of points in its written submissions in reply. These included the observations that it was not clear when or where the photographs in Exhibits BR5 and BR6 were taken or how long the goods were on display, and the lack of evidence of use from 2022 and 2023. The applicant did not make a request to file additional evidence in response to these criticisms. In particular, it ought to have been possible to state when and where the photographs had been taken. It should have been straightforward for it to give this information. The case law is clear that the applicant does not have to show sufficient use to have established goodwill, but to my mind it has insufficiently substantiated the claim that it used the contested mark prior to the application date. Consequently, I find that the relevant date for the purposes of this ground is 11 January 2024.

### **Goodwill**

187. The opponent must show that it had goodwill in a business at the relevant date and that the signs relied upon are associated with, or distinctive of, that business. The signs relied on and the goods and services for which the opponent claims they have been used are shown in the table below:

<b>NB</b>	<i>Clothing; footwear; trainers; headgear; sportswear; underwear; socks; gloves; hats; drinking bottles; services relating to the promotion of sports, exercise and fitness.</i>
<b>9060</b>	<i>Footwear; trainers.</i>
<b>New Balance 9060</b>	<i>Footwear; trainers</i>

188. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at [224]:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

#### The NB sign

189. On the basis of the evidence I have summarised earlier in my decision, I am satisfied that at the relevant date the opponent had acquired a goodwill from the sale of Clothing, footwear, trainers, headgear, sportswear, socks, and hats. The opponent submits that the evidence also shows use of the sign in relation to gloves and refers me to Exhibit AD2b. On page 4 of this exhibit, two styles of batting gloves can be seen on an extract from the website of JD Sports. However, this extract is undated. Cricket gloves are shown on one of the invoices in Exhibit AD17, dated 17 March 2021. There is no indication how many of these were sold, but the value on the invoice is shown as £222.75. In relation to drinking bottles, the opponent refers me to Exhibit AD12a which shows images of bottles marked with the 507 mark and the words “New Balance”. These images are undated. I can find nothing in the invoices that appears to be a drinking bottle. Consequently, I find that goodwill has not been shown for gloves or drinking bottles. Finally, the opponent claims goodwill for services relating to the

promotion of sports, exercise and fitness. The evidence relied on here is the same that was relied on to prove use of the Class 41 services of the 502 mark. In paragraph 64 above, I explained why this evidence fell short of proving use of the mark for the services, and I rely on the same reasoning to find that no goodwill has been shown in relation to these services.

190. I now come to the question of whether the NB sign is distinctive of the goodwill I found in the previous paragraph. Ms DeNeve states that *“NB is used extensively and consistently across our product range and retail outlets”*.<sup>34</sup> The evidence shows that the plain letters “NB” are used in the descriptions of products, such as NB Pride T-shirts on a screenshot from 30 June 2020 and various items of clothing in screenshots dated 8 August 2022 and 19 September 2023.<sup>35</sup> A screenshot from 4 August 2020 shows “NB Running” and “NB Launches” as links in menus.<sup>36</sup> Finally, there is a reference to *“NB Memory Sole Comfort inserts”* in the text reproduced in paragraph 148 above. The number of these instances is small, when compared with the use of the stylised NB, as seen in the 507 mark.

191. While the opponent does not explicitly say so, it is clear from its submissions that it considers that use of the stylised “NB” can be relied on. Among the examples it refers me to are the following:<sup>37</sup>



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<sup>34</sup> Witness statement, paragraph 3.

<sup>35</sup> Exhibit AD6, page 8; Exhibit AD10, pages 7-10; Exhibit AD11, pages 1-4.

<sup>36</sup> Exhibit AD8, page 8.

<sup>37</sup> Exhibit AD12, pages 7 and 10.



192. It will be recalled that in the assessment of proof of use of the trade marks, the opponent was able to rely on use of several variants, including that stylised “NB”, as use of the 771 mark, which consisted of the plain letters “NB”. The question of whether such variants may be relied on under passing off is a different matter. In his first instance decision in *Athleta (ITM) Inc v Sports Group Denmark A/S & Anor* [2024] EWHC 2449 (Ch), Mr David Stone, sitting as a Deputy High Court Judge, considered that they could not. On appeal, Arnold LJ found that he did not need to address the ground of appeal that concerned this point and described it, in paragraph 65 of the judgment, as a “*novel question*”.<sup>38</sup>

193. The ability to rely, subject to certain conditions, on variants of a trade mark is written into the Act. The objective of this provision is to enable a trade mark proprietor “*in the commercial exploitation of the sign, to make variations in the sign, which, without altering its distinctive character, enable it to be better adapted to the marketing and promotion requirements of the goods or services concerned*”: see *Specsavers International Healthcare Ltd v Asda Stores Ltd*, C-252/12, paragraph 29.

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<sup>38</sup> [2025] EWCA Civ 1584.

194. According to the editors of *Wadlow on the Law of Passing-Off*, 6<sup>th</sup> edition:

“8-2. In law, the single question to be answered is whether the defendant is to be found liable for making a material misrepresentation, and in answering that question all the relevant circumstances are to be taken into account. In this respect, passing-off differs substantially from the law of registered trade marks. In that field the question of the distinctiveness of the claimant’s mark arises as a separate issue; the test for confusing similarity (where relevant) relates only to the claimant’s mark as registered and the defendant’s corresponding ‘sign’, ignoring any other matter which might be distinctive of the claimant in fact or any other circumstances which might contribute to deception; and the defendant cannot escape liability by using any amount of distinctive matter of his own, although that may effectively remove whatever risk of deception might have arisen from closeness to the claimant’s mark alone. In passing-off it is often convenient to divide the question of misrepresentation into the same three issues of the distinctiveness of the claimant’s mark, the degree of resemblance with the defendant’s, and the presence or absence or [sic] other confusing or distinguishing features. However, the three issues are not separated in the same fashion in trade mark law and are always capable of interacting with one another.

8-3. In particular, the claimant in a passing-off case is given complete freedom in asserting what distinguishes his goods from others in the market. He is not put to an election, as in the case of registered trade marks, which has to be made before any individual competitor is in his sights. There are few restrictions in passing-off as to what can be distinctive ...”

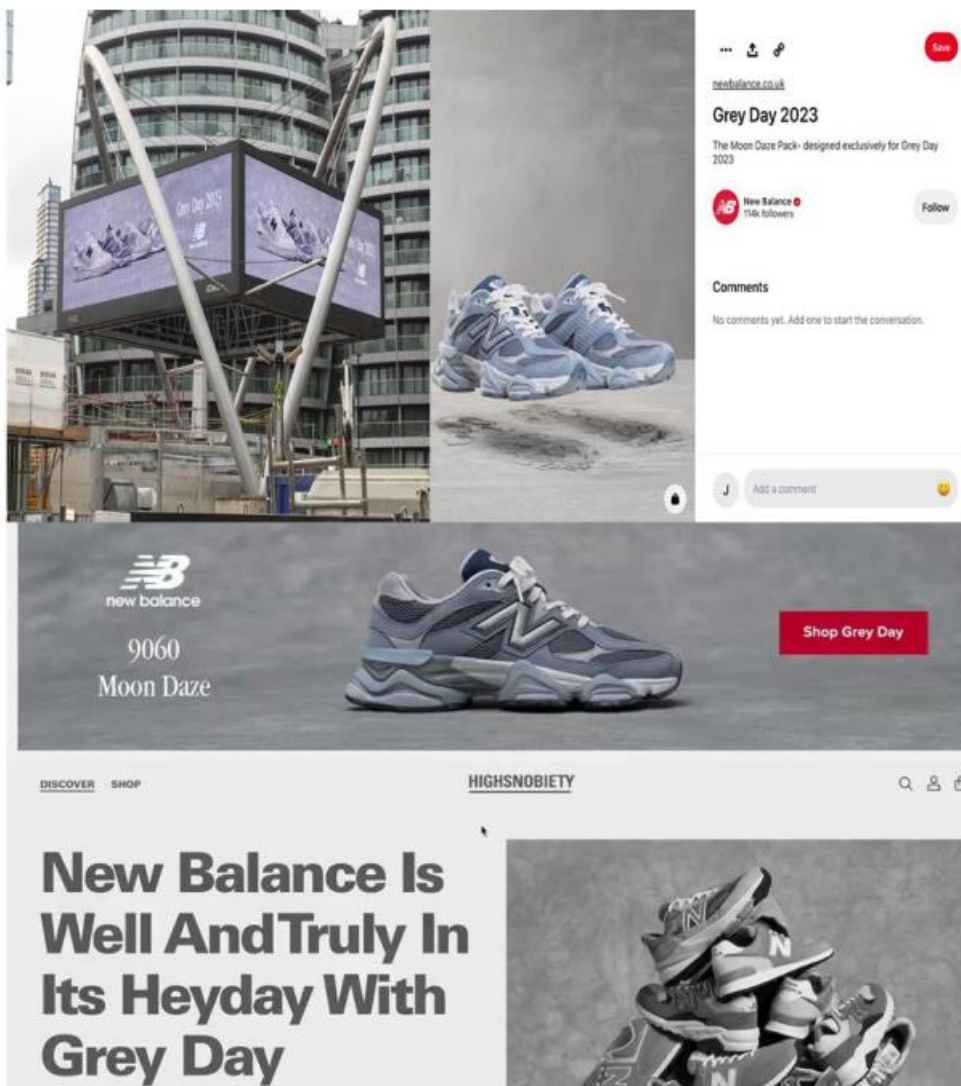
195. It would have been open to the opponent to include the 507 mark in the list of signs relied on under this ground. It did not. Without guidance from a higher authority, I have difficulty in applying a principle of variant use to signs relied on for passing off.

196. In paragraph 191, I set out the evidence of use of the unstylised letters “NB”. It is limited and on the basis of this I do not consider that the letters “NB” alone would, in

the words of Lord Oliver of Aylmerton in *Jif Lemon* be “*recognised by the public as distinctive specifically of the [opponent’s] goods or services*”.

The 9060 and New Balance 9060 signs

197. Ms DeNeve states that the 9060 trainer was launched in 2022.<sup>39</sup> Exhibit AD15 contains examples of advertising from 2023. Ms DeNeve does not explain what “Grey Day” is, but it appears to be a promotional event. She states that the billboard shown below was located in Old Street, London.



<sup>39</sup> Paragraph 25 and Exhibit AD15.

198. Ms DeNeve goes on to refer to an overview of the marketing campaign. This shows details of window displays. She also states that “*The shoes themselves are in boxes with 9060 and NB on them*”.<sup>40</sup>



However, the relevant images in the exhibit are shown under the heading “*The 2024 launch*”. It is not clear whether this is a mistake.

199. Exhibit AD16 contains undated images of a pair of trainers with “9060” showing on the tongue.

200. A selection of 17 invoices for the goods can be found in Exhibit AD18. These date from 29 July 2022 to 15 August 2024. Four are after the relevant date. However, in those four instances, the orders were all placed in 2023. The invoices dated prior to the relevant date show sales of over 5,000 pairs; the four 2024 invoices show sales of almost 1,000 pairs. The quantities on each invoice suggest that these were supplied to businesses who would sell them on to their customers. The delivery addresses include locations around the country, from Scotland to Poole in Dorset.

201. I am satisfied that the opponent had built up a moderate level of goodwill associated with the sign **9060** for *Trainers* by the relevant date of 11 January 2024. The evidence shows that the trainers are promoted in such a way as to be associated with the number. I do not consider that the goodwill relates to *Footwear* more broadly.

202. I have the same difficulties with the **New Balance 9060** sign as I did with the **NB** sign. There is no evidence that this particular form is used. Indeed, in a press release, a new version of the trainer is described either as “*the 9060*” or “*the Mowalola 9060*”.<sup>41</sup>

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<sup>40</sup> Paragraph 25.

<sup>41</sup> Exhibit AD15, page 1.

## NEW BALANCE AND MOWALOLA UNVEIL FIRST COLLABORATION WITH THE LAUNCH OF THE MOWALOLA 9060

Release Date: 14 Nov 2022.

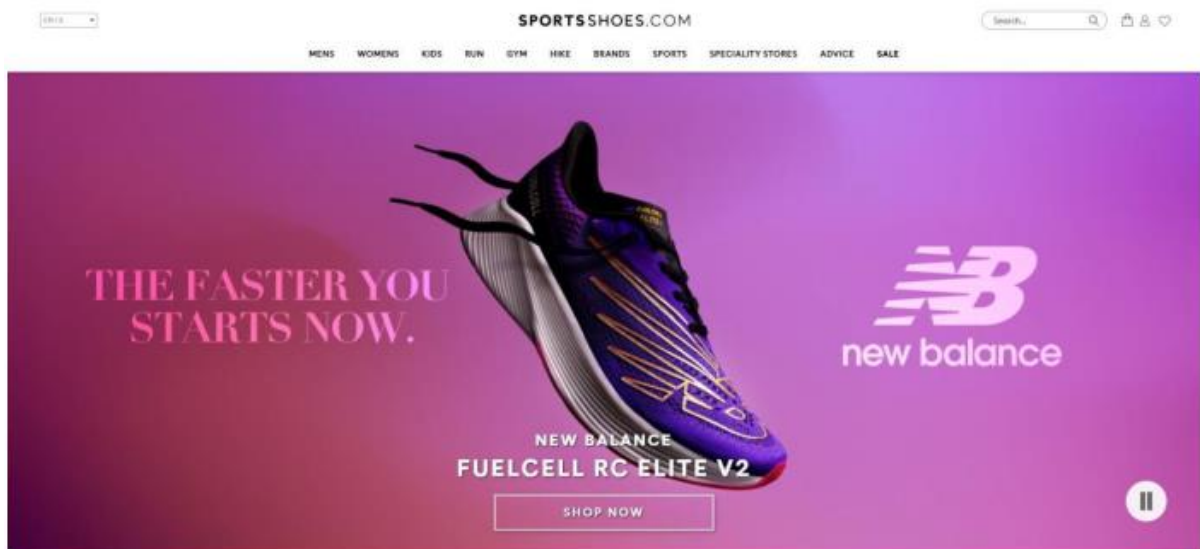
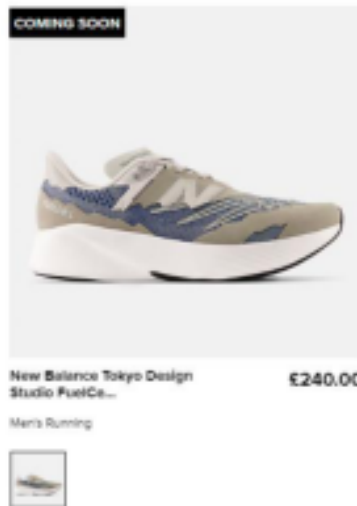


**BOSTON, MA - November 14, 2022** - New Balance and Mowalola are proud to introduce their first collaboration with the launch of the Mowalola 9060. Initially debuting on the runway for Mowalola's Spring/Summer 2023 collection at Paris Fashion Week, the new 9060 collaboration includes two colorways: black/purple/yellow, and black/teal/pink. The former pair will be exclusive to Mowalola's platforms. Both versions of the 9060 silhouette will be available first on **November 11th at 7pm UK** and globally on November 18.

203. The evidence contains a small number of references to model numbers or names preceded by the words “New Balance”:<sup>42</sup>

“There’s something for every lifestyle in our kids’ range, from athletes in the making to young trend-setters. For a wearable show with a sleek silhouette and clean-cut style, there’s the 274 classic, which is designed to be worn morning, noon and night. Distinctive and fashionable is the New Balance 373, which comes in a range of eye-catching colourways including purple and lilac. And for a lifestyle shoe with an athletic feel, the 574 Sport is one of our newest and most popular models. ...”

<sup>42</sup> Exhibit AD6, page 8 (30 June 2020); Exhibit AD10, page 2 (10 August 2022); Exhibit AD13a, page 3 (2022)



204. This is the sum total of such references in the evidence. I am not persuaded that the opponent has shown goodwill associated with use of the sign **New Balance 9060**. My consideration of this ground proceeds on the basis of the **9060** sign alone.

### ***Misrepresentation***

205. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc*

[1990] RPC 341 at page 407 the question on the issue of deception or confusion is:

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

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

206. Later in the same judgment, he said:

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

207. In *Lumos Skincare Limited v Sweet Squared Limited & Ors* [2013] EWCA Civ 590, Lloyd LJ commented on the paragraph above as follows (with my emphasis):

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

Claimant's business, then the substantial number will also be proportionately small."

208. *Halsbury's Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

"Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

- (a) the nature and extent of the reputation relied upon,
- (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the claimant;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged are likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

209. The parties’ signs are shown in the table below:

<b>Applicant’s Sign</b>	<b>Opponent’s Sign</b>
NB9060	9060

210. The opponent’s sign is wholly contained in the applicant’s sign, the only difference being the prefix “NB”. I find that the signs are highly similar, both visually and aurally. The fields of activity are identical for some of the applicant’s goods in Class 25 (*Footwear; shoes, trainers, track shoes*) and they overlap for the remaining goods. I consider that there is an overlap with the Class 35 retail services for the reasons I set out under section 5(3). I have also found that the strength of goodwill is moderate.

211. I remind myself that deception in passing off cases is not the same thing as confusion under trade mark law. In *W S Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 18 (PCC), Mr Iain Purvis QC, as a Recorder of the Court, stated that:

“54. Mr Aikens stressed in this argument the difference between ‘mere wondering’ on the part of the consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone4U.co.uk Internet Ltd* [2007] RPC 5 at 16-17 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

‘This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below)

be passing off if there is a substantial number of the latter even if there is also a substantial number of the former.”

212. In contrast, part (k) of the Supreme Court-approved summary of the principles applying to cases under section 5(2)(b) states that “*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*” (my emphasis).

213. Taking account of all the relevant factors, I consider that use of the contested mark for the goods in Class 25 and the retail services in Class 35 would be a misrepresentation. Although the overlap is larger for *Retail services in relation to footwear*, I consider that it is likely that many providers of retail services relating to clothing would also sell footwear. However, I consider that the degree of overlap is not sufficient for there to be a misrepresentation if the mark were used for the remaining goods and services, given the moderate level of goodwill.

### **Damage**

214. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett LJ described the requirements for damage in passing off cases at [715]:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff’s business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff’s goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff’s reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant’s plastic irrigation equipment might be dissuaded from buying one of the plaintiff’s plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

215. Were the contested mark to be used for *Footwear, shoes, trainers or track shoes*, there is a risk of damage by substitution. With respect to the remaining goods in Class 25 and the services in Class 35, damage is more likely to be caused by the opponent losing control over its reputation.

216. The section 5(4)(a) claim is successful for the goods in Class 25 and the services in Class 35.

## **OUTCOME**

217. The opposition is partially successful. Subject to a successful appeal, registration is refused for the following goods and services:

### *Class 25*

*Clothing, footwear, headgear; bodybuilding clothing, fitness clothing, gym clothing, T-shirts, vests, tank tops, hoody jackets and jumpers, jumpers, Lifting fitness and gym accessory clothing, bodybuilding and weightlifting clothing straps, shorts, trousers, tracksuits, tracksuit bottoms, jogger bottoms, wristbands and wrist straps, sweatbands, headbands, underwear, socks, gloves, base layer clothing, compression wear clothing; hats, caps, beanie hats; shoes, trainers, track shoes, boots, sandals, flip flops.*

### *Class 35*

*Retail services relating to clothing; Retail services in relation to footwear; Online retail services relating to clothing*

218. Application No. 4000881 may proceed to registration for the following goods and services:

### *Class 21*

*Drinking bottles; glassware, porcelain and earthenware not included in other classes.*

### *Class 45*

*Online social networking services; social networking services provided via a website.*

## **COSTS**

219. Both parties have enjoyed some success in these proceedings, with the greater share going to the opponent. In the circumstances, I award the opponent £2100 as a contribution towards its costs in line with the scale set out in Tribunal Practice Notice No. 1/2023 and reflecting the relative share of success. The award has been calculated as follows:

*£300 for preparing a statement and considering the other side's statement;*

*£1200 for preparing evidence and considering and commenting on the other side's evidence;*

*£400 for preparing written submissions in lieu of a hearing;*

*£200 for official fees.*

***£2100 in total***

220. I therefore order NB9060 Limited to pay to New Balance Athletics, Inc. the sum of £2100. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the determination of this case if any appeal against this decision is unsuccessful.

**Dated this 19<sup>th</sup> day of March 2026**

**Clare Boucher**

**For the Registrar,**

**Comptroller-General**