

O/0329/26

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003989364
BY NEUTRALNOTIONS LIMITED TO REGISTER:**

NEUTRAL NOTIONS

AS A TRADE MARK IN CLASS 25

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 446579 BY
LARS BECH**

BACKGROUND AND PLEADINGS

1. On 8 December 2023, NEUTRALNOTIONS LIMITED (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK (“the applicant’s mark”). The applicant’s mark was published on 22 December 2023 and registration is sought for the following goods:

Class 25: Clothing; footwear; headgear; leisure clothing; t-shirts; jumpers; jerseys; sweaters; sweatshirts; hooded sweatshirts and hooded tops; tracksuits; tracksuit tops; tracksuit bottoms; caps (headgear); shirts; polo shirts; dress shirts; baseball caps; sports caps; hats; beanie hats; socks; shorts; jackets; outer jackets; sports jackets; coats; fleece tops; denim jackets; leather jackets; waterproof jackets; wind-resistant jackets; vests; gloves; scarves; underwear; articles of underclothing; boxer shorts; briefs; shoes; sneakers; sandals and beach shoes; slippers; belts [clothing]; pyjamas; dressing gowns and bath robes; athletic tops; tops as clothing; ties; swimwear; sports clothing, footwear and headgear; waterproof clothing, footwear and headgear; rainwear; work clothing; overalls; trousers; jeans; sustainable clothing, footwear and headgear; organic clothing, footwear and headgear.

2. On 22 March 2024, the applicant’s mark was opposed by Lars Bech (“the opponent”). The opposition is based on sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under the section 5(2)(b) ground of opposition, the opponent relies on the following trade mark:

NEUTRAL

UK registration no. 904052163¹

Filing date 29 September 2004; registration date 25 November 2005

Relying on all goods, namely:

Class 25: Clothing, footwear, headgear.

("the opponent's mark").

3. Under the section 5(2)(b) ground, the opponent claims that the marks at issue are similar and cover goods that are identical and similar. As a result, the opponent's position is that there exists a likelihood of confusion.
4. Under the section 5(4)(a) ground, the opponent relies on the unregistered sign 'NEUTRAL', which he claims to have used throughout the UK since January 2009 in respect of the following goods:

"Clothing; footwear; headgear; t-shirts; polo shirts; tops; tank tops; workwear; shirts; trousers; leggings; gymwear; shorts; skirts; dresses; scarves; hats; beanies; caps; bucket hats; snoods; tube scarves; sweatshirts; hoodies; jumpers; sweaters; cardigans; socks; coats; gloves; jumpsuits; jackets; sweatpants; sweatshirts; twill bags; canvas bags; shoppers; grocery bags; gym bags; sling bags; laptop bags; panama bags; tote bags; beach bags; aprons; kitchen cloths; drawstring bags; uniforms; sleepwear."

5. It is claimed that through the opponent's use of his sign, he has developed goodwill in his brand. The opponent argues that use of the applicant's highly similar mark will cause a misrepresentation as consumers will believe that it is somehow connected to or endorsed by the opponent, or that the parties' products emanate

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

from the same undertaking. The opponent's position is that this will result in damage being caused to his brand and business.

6. The applicant filed a counterstatement wherein it conceded that the goods at issue are identical but, generally, denied the claims against it. The applicant also requested that the opponent provide evidence proving the genuine use of his mark.
7. While initially legally represented, the applicant is presently unrepresented. The opponent is represented by Zacco UK Ltd. Only the opponent filed evidence and, in doing so, also filed written submissions. No hearing was requested and neither party filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.
8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE

9. The opponent filed evidence in the form of a witness statement in his own name, dated 6 August 2024. In his evidence, the opponent refers to himself as the CEO of Neutral.com A/S and co-founder of the Neutral brand. The opponent's evidence is accompanied by 17 exhibits, and was adduced in order to demonstrate genuine use of his mark and to prove that he enjoys goodwill in the sign relied upon.
10. I do not intend to summarise the opponent's evidence in full here (or his submissions, for that matter). However, I confirm that I have taken all filed

documents into account and will summarise them to the extent that I deem necessary below.

DECISION

Proof of use

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

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

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

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

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.

[...]

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

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

“(1) This section applies where:

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

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

(5)-(5A) [Repealed]

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

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

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

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

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

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

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

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

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

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

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

15. Given its earlier filing date, the opponent’s mark qualifies as an earlier trade mark under the above provisions. The opponent’s mark completed its registration process more than five years prior to the filing date of the applicant’s mark. As above, the applicant requested proof of use for the opponent’s first mark meaning that the opponent’s mark is subject to the use provisions.

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

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

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

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

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

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

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent

of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

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

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

17. Section 6A of the Act (cited above) sets out that the relevant period for the present assessment is the five-year period prior to the filing date of the applicant’s mark, being 8 December 2023. The relevant period is, therefore, 9 December 2018 to 8 December 2023 (“the relevant period”). For the avoidance of doubt, the EU is the relevant territory for the period of 9 December 2018 to 31 December 2020 and, thereafter, it is the UK only.

18. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real”² because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark” is, therefore, not genuine use.

² *Jumpman* BL O/222/16

Evidence of use

19. The evidence begins with a focused discussion of the various certificates that the opponent holds in respect of the 'NEUTRAL' brand.³ While noted, none of this pertains to actual use of the mark so I will not discuss it any further.
20. Mr Bech discusses the fact that it is his company that has used the 'NEUTRAL' mark in the UK, as opposed to there being any actual use by him in his capacity as the opponent and the owner of the earlier mark. In accordance with section 6A(3)(a) of the Act, use of a mark may be acceptable if it is used by the opponent himself or with his consent. Given Mr Bech's roles in his company, it is reasonable to infer that any use by his company is with his own consent. As such, any use by his company is relevant here. For ease of reference, I will refer to any use of the mark made by the company simply as use by the opponent.
21. The evidence includes what is referred to as the opponent's latest catalogue.⁴ While this shows a range of different clothing goods, it is from 2024 so it is of no assistance here as it pertains to use after the relevant period.
22. In terms of sales in the UK, the opponent has provided a schedule of sales to UK customers from 2018 to 2023.⁵ The narrative evidence claims that this shows sales to a range of customers such as a number of different UK Universities and Students' Unions. While this is noted, the spreadsheet is heavily redacted and, further, the data provided is merely the reproduction of a range of figures with no reference to the 'NEUTRAL' brand or as to what goods it covers. As such, I do not consider that this evidence is of any particular assistance.

³ Exhibits 1 to 6

⁴ Exhibit 7

⁵ Exhibit 8

23. The above being said, the more relevant evidence on the point of goods sold comes via around 40 pages worth of invoices covering sales from 2018 to 2023 to customers in the UK.⁶ These are all dated between 19 December 2018 and 17 August 2023. While the identity and addresses of the customers are mostly redacted, the opponent has left in the fact that the addresses are all in the UK. On this point, the amount of each invoice (the majority of them being in the multiple thousands of pounds) indicates that they cover the shipment of goods to retailers. The invoices all show sales of various clothing goods for men, women and children and include items such as polo shirts, hoodies, sweatshirts, different styles of t-shirts (such as long sleeve, roll-up sleeve and quarter sleeve t-shirts) and jackets. Despite the overwhelming majority of the goods shown being items of clothing, I note that they also include sales of various bags which are of no assistance here as class 18 goods are not relied upon.⁷ For the avoidance of doubt, the brand of each item covered is shown in the relevant column as being 'NEUTRAL'.

24. The opponent has provided evidence as to his turnover for the years 2018 to 2024. While the entirety of the turnover is noted, the relevant period ended on 8 December 2023, meaning that the 2024 figures are not relevant here (and neither will they be relevant at any point in this decision). I also note that any turnover for 2023 after that date will not be relevant either, though I appreciate that this will be minimal due to its proximity to the end of that year. In respect of the 2018 figures, I consider it reasonable to suggest that the majority of it will have fallen prior to 9 December 2018. Such turnover will not be relevant to the present ground but will be relevant to later grounds so while I will discount the entirety of the 2018 figures from the present assessment,⁸ I will reproduce them below for ease of reference going forward.

25. The opponent's turnover is as follows:

⁶ Exhibit 9

⁷ These goods may, however, become relevant under the section 5(4)(a) ground.

⁸ Given the proximity of this date to the end of the year, I consider this to be the appropriate approach on the basis that I have no way to calculate how much of this turnover stems from sales after 9 December 2018.

Year	Total turnover (£)
2018	40,028.33
2019	220,229.61
2020	448,052.60
2021	446,072.77
2022	525,251.03
2023	605,049.70
Total	2,284,684.04

26. For the purposes of the present assessment, the relevant turnover for 2019 to 2023 stands at £2,244,655.71. While this turnover is noted, it is not broken down to reflect the range of goods the opponent sells, which presumably includes a range of bags that are not at issue here.⁹

27. In respect of the promotion of his mark, the opponent confirms that he attended a number of different trade shows or exhibitions in the UK to promote the NEUTRAL brand. This includes attendance at the 'Printwear & Promotion Live' event at NEC Birmingham between 2016 and 2023,¹⁰ the 'Merchandise World' events in Milton Keynes and Coventry between 2018 and 2023¹¹ and the Big Promotional Trade Shows in 2022 and 2023.¹² Aside from the latter event (which I will discuss further below), there is nothing before me to suggest the nature of the opponent's attendance (be that as a guest or an exhibitor, for example), who attends such events (members of the public or members of the trade) or how many people attend such events.

⁹ I take this approach because these goods make up a portion of the goods covered by the invoices. Without a breakdown or any indication that this turnover only covers clothing, I consider it reasonable to infer that the broad turnover figures do include bags.

¹⁰ The 2016 and 2017 events will have taken place outside of the relevant period so are of no assistance here. Further, it is not confirmed when in 2018 that event took place and given that the beginning of the relevant period is in December 2018, I consider it reasonable to infer that this was likely outside of the relevant period too.

¹¹ As was the case in the footnote immediately preceding this one, it is not clear when the 2018 event took place so I will proceed on the basis that it did not take place within the relevant period

¹² For both events, the opponent did attend in 2024 but this is after the relevant period so not relevant here.

28. As alluded to above, there is evidence in respect of the Big Promotional Trade event. This came in the form of an article dated 17 May 2023 which confirms that NEUTRAL won the show's 'best new product' award.¹³ In this article, the event is discussed as being a 'busy' one with an increase in attendance of around 40% from the previous year. As there is no context for these statements, they are vague and imprecise. In any event, this evidence, along with that discussed in the preceding paragraph, still assists in demonstrating that the opponent undertook promotional activities in the UK during the relevant period. On the topic of the opponent's awards, there is evidence of further awards granted by Danish award bodies in 2013 and 2015.¹⁴ While noted, these awards fall outside of the relevant period so are of no assistance here.

29. Copies of the opponent's newsletter from 2020 to 2024 are provided.¹⁵ It is confirmed that these are sent to his UK clients and retailers. These are sent out via email on a quarterly basis and since 2018, they have been, on average, sent to over 3,500 recipients. The newsletter refers to 'NEUTRAL' in its word only format as well as the following branding:



30. This branding is shown in each newsletter and I note that it is consistent with the 2024 catalogue discussed above. It also appears prominently throughout the remainder of the evidence, including on the swing tags of the garments themselves.¹⁶

¹³ See pages 84 and 84 at Exhibit 10

¹⁴ See pages 86 to 91 at Exhibit 10

¹⁵ Exhibit 11

¹⁶ Exhibit 13

31. In respect of the opponent's marketing spend, he has provided his approximate spend between 2018 and 2023. For the same reasons as set out above, I will include the 2018 figures in my reproduction of the spend below but do not consider that they are relevant to the present assessment. The opponent's approximate UK advertising spend is as follows:

Year	Approximate spend (£)
2018	16,000
2019	19,000
2020	21,000
2021	11,000
2022	22,000
2023	33,000
Total	122,000

32. Discounting the 2018 figures for the purpose of the present assessment, I note that the above amounts to an approximate UK spend during the relevant period of £106,000.

33. A range of articles are provided that point to the opponent's presence in press coverage.¹⁷ While referred to as press coverage in the narrative evidence, the documents provided also include adverts. There are over 30 articles/adverts provided and while I will not discuss them in any detail here, I note that they either refer to 'NEUTRAL' in a word only format or show use of a sign in line with that produced at paragraph 29 above. Of the documents provided, they are all excerpts from the publication, 'Printwear & Promotion'. This is described as one of the UK's leading journals for the garment industry. Clearly, it is a trade publication and

¹⁷ Exhibit 12

despite the claim in the opponent's narrative evidence, I have nothing before me to suggest the readership of such a publication across the relevant territory.

34. Lastly, the opponent has provided a range of images of how his products are branded.¹⁸ This includes images of the buttons attached to his garments which show the word 'NEUTRAL' as well as images of the swing tags and the clothing items themselves, both of which show a sign in line with that reproduced at paragraph 29 above. While noted, none of this evidence is dated so it is not clear whether they represent the position during the relevant period.

Form of the mark

35. Throughout the opponent's evidence, he has used the mark primarily in the way that I have reproduced at paragraph 29 above. The opponent's mark is a word only mark consisting solely of the word 'NEUTRAL'. As a word only mark, it is capable of being used in any standard typeface and in any colour. While the typeface used in the above example is standard, the use of a heart in place of the letter 'a' is not covered by notional and fair use. As such, the above example is a variant form of the opponent's mark. In respect of this point, I am reminded of section 6A(4)(a) of the Act which sets out that so long as the variant form does not alter the distinctive character of the mark as registered, then it may be an acceptable variant of the same and, therefore, contribute towards the genuine use of the mark. Guidance as to what is an acceptable variant of a mark was provided by Professor Phillip Johnson, sitting as the Appointed Person, in the case of *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22.¹⁹

36. The distinctive character of the opponent's mark lies in the word 'NEUTRAL' as a whole. I appreciate that, despite its alteration, the example shown above still clearly represents the word 'NEUTRAL'. However, the question I must consider is whether

¹⁸ Exhibits 13 to 15

¹⁹ See paragraphs 13 through 17.

the distinctive character has been altered, not whether the word can still be read in the same way. In short, I am of the view that the removal of one of the letters in the word and replacing it with a heart device alters the distinctive character of the mark. As a result, I do not consider that the example above constitutes an acceptable variant of the opponent's mark.

37. All of the above being said, the opponent's newsletters and invoices all include the word 'NEUTRAL'. Further, the word 'NEUTRAL' appears across a number of the articles discussed above. Such use is clearly use of the mark as registered and sufficient to allow me to proceed to assess whether the evidence is sufficient to demonstrate use or not.

Assessment of the evidence

38. The fact that the unacceptable variant shown at paragraph 29 above is the prominent branding used by the opponent casts doubt on whether end consumers are actually exposed to the actual mark as registered. This is because the only evidence showing use of the mark comes via the opponent's newsletters, press coverage and invoices.²⁰ The newsletters and the press coverage evidence is not particularly compelling as there is no supporting explanation in respect of either of these items of evidence that points to a level of exposure amongst the consumer base. As for the invoices, I have explained above that these include the word 'NEUTRAL' in the 'brand' column of each invoice. While the end consumer may not necessarily see these invoices, I refer to the case of *Anapurna GmbH v OHIM*, T-71/13, which states as follows:

48. It should be observed that the mark at issue is affixed, in large letters and at the top of the page, on each of the invoices [...]. Those invoices establish

²⁰ I note that the buttons on the garments shown in evidence show the word 'NEUTRAL' and that the swing tags make reference to 'neutral.com'. However, none of this evidence is dated so I am not able to determine whether this was the case during the relevant period.

therefore a clearly visible connection between the mark at issue and the goods mentioned on the invoices, more than ten of which refer to the sale of bags.

[...]

60. Regarding the applicant's argument that the pictures do not show the mark at issue affixed on the goods and cannot therefore constitute proof of use of the mark in relation to the goods, it is necessary to note ...that it is not necessary that the mark at issue be affixed on the goods for there to be genuine use of it in relation to those goods. It suffices that the use of the mark establishes a connection between the mark and the sale of its goods. The presence of the mark at issue on the invoices, articles and advertisements relating to the goods concerned establishes that connection."

39. While the full addresses of these invoices are redacted, I consider it reasonable to infer that they show the supply of goods to retailers in the UK.²¹ In light of the case law cited above, it does not matter whether or not the goods had the word 'NEUTRAL' affixed on them.²² Therefore, I am content to conclude that despite the prominent branding of the opponent being of no assistance here, the mark in its registered form has still garnered a degree of exposure in the evidence.

40. As set out above, the opponent's evidence confirms that, during the relevant period, his turnover was approximately £2.24 million. While noted, this is not broken down in any way and as the goods shown in evidence include a range of bags (that are not at issue here), it is difficult for me to determine exactly how this turnover pertains to the actual goods at issue. As such, I consider it appropriate to take this turnover with a degree of caution. Even if I were to ignore this point, the

²¹ For reasons set out in paragraph 23 above.

²² This approach was affirmed by Phillip Johnson, sitting as the Appointed Person, in the case of Eros Bodyglide (BL O/0984/25)

turnover provided it is not particularly large when compared against what is likely to be an enormous market (being the clothing market).

41. Despite the lack of breakdown of the turnover, the opponent has provided a range of invoices from the relevant period that show sales of various clothing goods to retailers in the UK. I have not calculated how many sales of the relevant goods stem from these invoices but note that they mostly relate to items of clothing and do show a reasonable coverage of different types of clothing goods. Further, while the evidence of an advertising spend is not large, it does demonstrate an attempt to promote the mark in the UK. In addition, the opponent has provided further attempts to promote its mark via newsletters and consistent appearances in a trade publication as well as attending trade events (provided they are with the aim of promoting business as opposed to being events attended by the opponent in his personal capacity).
42. Taking all of the evidence into account, I am of the view that the opponent has demonstrated that he operates a clothing business with a presence in the UK. Such evidence does not demonstrate a high level of use but I remind myself that use need not be quantitative in order for it to be deemed genuine. On balance, I am content to conclude that the evidence, as a whole, sufficiently points to a genuine attempt to create or preserve a market share in the UK during the relevant period.
43. The opponent's mark is registered for the term "clothing, footwear, headgear". This is a very broad term and while I note that there is catalogue evidence (albeit from 2024) that shows images of headgear, the invoices do not cover such goods. As above, the turnover provided is not broken down in any way to enable me to determine how many of such goods were sold, preventing me from being able to accurately attribute any use to headgear products. Further, there is nothing to suggest that the opponent sells any types of footwear. As such, I do not consider that there is any genuine use for footwear or headgear. This leaves clothing which, itself, is a very broad term. On this point, I refer to the case of *Merck KGaA v Merck*

Sharp & Dohme Corp & Ors [2017] EWCA Civ 1834 which sets out that whilst it is permissible to grant use for suitable sub-categories of broad terms, care must be taken to ensure that an owner of a trade mark is not stripped of protection for goods 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. In the present case, I appreciate that the opponent has not shown use for all the different types of clothing. However, he has shown sales for various types of t-shirts, polo shirts, sweatshirts, hoodies and jackets. In my view, this constitutes a sufficient range of goods so as to justify a finding that there exists genuine use for the term “clothing”.

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

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

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

(a) [...]

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood or association with the earlier trade mark.”

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

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the

trade mark is applied for, the application is to be refused in relation to those goods and services only.”

46. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

47. The goods of the applicant are set out at paragraph 1 above. As for the opponent, he is only permitted to proceed in reliance on the term “clothing”.

48. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

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

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

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

50. As set out above, the applicant accepted that the goods at issue were identical. This concession was based on the opponent’s specification as a whole which has

since been limited as a result of my genuine use assessment. However, given that the term “clothing” still exists in the opponent’s specification, I consider that the concession still applies to such goods. Therefore, I find that the applicant’s clothing goods (being those listed below) are either self-evidently identical to, or fall within, the opponent’s broader term.²³

Clothing; leisure clothing; t-shirts; jumpers; jerseys; sweaters; sweatshirts; hooded sweatshirts and hooded tops; tracksuits; tracksuit tops; tracksuit bottoms; shirts; polo shirts; dress shirts; socks; shorts; jackets; outer jackets; sports jackets; coats; fleece tops; denim jackets; leather jackets; waterproof jackets; wind-resistant jackets; vests; gloves; scarves; underwear; articles of underclothing; boxer shorts; briefs; belts [clothing]; pyjamas; dressing gowns and bath robes; athletic tops; tops as clothing; ties; swimwear; sports clothing; waterproof clothing; rainwear; work clothing; overalls; trousers; jeans; sustainable clothing; organic clothing.

51. As for the remaining goods in the applicant’s specification, they are all types of footwear and headgear. Given that the opponent’s specification is no longer protected for such goods, the applicant’s concession is no longer applicable to such goods. I will now proceed to consider them in the ordinary way.

Footwear; headgear; caps (headgear); baseball caps; sports caps; hats; beanie hats; shoes; sneakers; sandals and beach shoes; slippers; sports [...] footwear and headgear; waterproof [...] footwear and headgear; sustainable [...] footwear and headgear; organic [...] footwear and headgear.

52. While the above terms are not identical to the opponent’s “clothing”, they are similar. I say this because while their natures differ, they do share some overlap in method of use and purpose. This is because, like clothing goods, the above will all

²³ In accordance with the principle outlined in the case of *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, goods that fall within the scope of broader terms are deemed identical.

be worn on the body to protect the user from the elements or for style purposes. In terms of trade channels, I am of the view that it is common in the trade for producers of clothing goods to also sell headgear and footwear products. Further, such goods are likely to be found in close proximity to one another in stores. Lastly, the users will plainly be the same. Taking all of this into account, I find that these goods are similar to at least a medium degree.

The average consumer and the nature of the purchasing act

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

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

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

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

(c) The average consumer is neither a single hypothetical person nor a mathematical average; assessment from the perspective of the average consumer does not involve a statistical test. There is no single meaning rule and if, having regard to the perceptions and expectations of the average

consumer, the court considers that a significant proportion of the relevant public is likely to be confused, a finding of infringement may properly be made;

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

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

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

55. The goods at issue are ordinary consumer goods that will be selected by the general public at large. The goods will be sold in physical stores where they will be selected from racks or shelves or online after the consumer views an image of the product on a website. Either way, the visual process will dominate. That being said, the aural component will still apply due to word of mouth recommendations and advice from sales assistants. In terms of the selection process, the goods at issue will be selected frequently and at a varying cost. Goods such as socks will attract a lower degree of attention due to being casual selections.²⁴ However, more expensive clothing items are likely to attract a medium degree of attention due to consideration of factors such as materials used, sustainability, style and fit. Even where the clothing goods may be considerably more expensive, the factors at issue will still be relatively ordinary so I see no reason why the level of attention paid will extend any higher than this.

²⁴ For the avoidance of doubt, I do not consider this to be outright low.

Comparison of the marks

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

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

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

58. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

59. The respective trade marks are shown below:

The opponent's mark	The applicant's mark
Neutral	NEUTRAL NOTIONS

60. I have submissions from the opponent as to the similarity of the marks. I will not reproduce those here but, where necessary, will discuss them further below.

Overall impression

61. The opponent's mark is a word only mark that consists solely of the word 'Neutral'. There are no other elements that contribute to the overall impression of the mark, which lies in the word itself. As for the applicant's mark, the opponent submits that 'NEUTRAL' is the prominent and largest component of the applicant's mark and will be the portion that most strongly resonates with consumers because it sits at the beginning. While I appreciate that beginnings of marks tend to have more visual and aural impact than their ends,²⁵ this does not mean that the first part of every mark is its dominant element. Further, the opponent's submission that 'NEUTRAL' is the largest component of the applicant's mark is incorrect as both words in the applicant's mark are of the same length, being seven letters each. In any event, for reasons that I will come to discuss below when considering the conceptual comparison of the marks, I disagree with the opponent and find that the overall impression of the applicant's mark lies equally across its two words.

Visual comparison

62. Visually, the marks share the word 'NEUTRAL'. This is the sole element of the opponent's mark and forms the first word of the applicant's. Clearly, this is a prominent point of similarity between the marks, especially given its placement at

²⁵ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

the beginning of the applicant's mark.²⁶ That being said, the presence of the equally dominant word 'NOTIONS' cannot be ignored. Overall, I consider that the marks are visually similar to a medium degree.

Aural comparison

63. Both parties marks will be pronounced in full and in the ordinary way. The opponent's mark consists of two syllables whereas the applicant's consists of four. The marks share their first two syllables but the latter two in the applicant's mark have no counterpart in the opponent's. Overall, I consider that the marks are aurally similar to a medium degree.

Conceptual comparison

64. The opponent submits that 'NEUTRAL' can have multiple meanings. He goes on to list those meanings and while these are noted, I see no merit in reproducing them all here. Instead, I am of the view that 'NEUTRAL', when viewed on clothing goods, will be viewed as a reference to either a neutral colour (a colour that is dull but harmonising) or a neutral style of clothing, (plain, having no particular style). In addition, it may also be the case that 'NEUTRAL' refers to the impact that the clothes have on the environment, i.e. they are clothes made from sustainable garments which have a neutral impact on the environment.

65. Turning to the applicant's mark, I consider that the words 'NEUTRAL' and 'NOTIONS' combine to form a unitary meaning. This is because, in combination, the applicant's mark will be viewed as a statement declaring *vague ideas, concepts of opinions on neutrality*. This is on the basis that 'NOTIONS' is the plural form of the word 'NOTION', which means a *vague idea, concept or opinion*.²⁷ In the context

²⁶ Despite what I have said above in respect of the beginnings of the marks not resulting in first words necessarily being the more distinctive and dominant elements, the principle still applies here.

²⁷ <https://www.collinsdictionary.com/dictionary/english/notion>

of the applicant's mark, 'NEUTRAL' will carry a number of meanings, such as *not siding with any party in a conflict* or something *having no distinctive quality, characteristics or type*.²⁸ While the mark will be viewed on clothing, I see no reason why it would be understood as the reference to an idea, concept or opinion regarding neutral colours or stylings of clothing goods, being the understanding of 'NEUTRAL' in the context of the opponent's mark. To me, such a meaning seems somewhat non-sensical and my findings above regarding 'NEUTRAL', *solus*, are not automatically applicable here, especially given the unitary meaning. As a result, the idea of neutrality in the applicant's mark is somewhat vague.

66. When discussing the conceptual comparison of these marks, the opponent submits that they are identical because the applicant's mark will be viewed as the *belief in neutrality*. While this concept differs slightly from the findings I have made above, it is still a unitary meaning which conveys a somewhat vague concept. In comparing the concept of these marks, I am of the view that while the idea of neutrality is shared, it is not as prominent as the opponent seems to suggest. This is because 'NEUTRAL' in the context of the opponent's mark will be understood as a neutral colour or style. As above, this idea is lacking in the applicant's mark. That being said, the identical use of this identical word still conveys a degree of conceptual similarity, albeit not a striking one. As a result, I find that these marks are conceptually similar to a low degree.

Distinctive character of the opponent's mark

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

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an

²⁸ <https://www.collinsdictionary.com/dictionary/english/neutral>

overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

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

69. The opponent’s mark is the word ‘NEUTRAL’. I have found that in the context of the goods at issue, this will be understood as a reference to clothing that is neutral in colour or style, or that it conveys the idea that the clothing goods at issue have

a neutral impact on the environment. While none of these meanings are outright descriptive, I consider that they render the mark somewhat allusive or laudatory (in the case of the goods being environmentally friendly). I do not consider that this means that the opponent's mark is outright low in distinctive character. However, I am of the view that it results in it only enjoying between a low and medium degree of inherent distinctive character.

70. I turn now to consider the issue of an enhanced degree of distinctive character. I remind myself that the evidence of the opponent has been summarised at paragraphs 19 to 34 above. While the evidence was sufficient to find that the opponent's mark has been genuinely used, I remind myself that the requirements for an enhanced distinctiveness are far more onerous than those for genuine use. In short, I consider that the evidence of the opponent falls far short of demonstrating that it has been enhanced to any material degree. Even if I were to take the overall turnover provided as being applicable to solely to the goods at issue (despite the evidence also showing use of bags), the use is at too low a level to warrant such a finding. As a result, I find that the inherent position applies.

Likelihood of confusion

71. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier registration, the average consumer for the goods and the

nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

72. I have found the goods at issue to be identical or similar to at least a medium degree. The average consumer base is formed of members of the general public who will select the goods via primarily visual means (though not discounting an aural component) whilst paying either a lower or a medium degree of attention. I have found the marks to be visually and aurally similar to a medium degree and conceptually similar to a low degree. Lastly, I have found that the opponent's mark only benefits from between a low and medium degree of distinctive character.²⁹

73. Taking all of the above factors into account and even bearing in mind the principle of imperfect recollection, I do not consider that the marks at issue will be misremembered or inaccurately recalled for one another. While I appreciate that the marks share the word 'NEUTRAL', I see no reason why the word 'NOTIONS' in the applicant's mark would be overlooked to the point that it would result in consumers being directly confused. This is particularly the case given that its inclusion in the applicant's mark creates a unitary meaning with a conceptual hook that is distinct enough from 'NEUTRAL', *solus*, to enable consumers to remember which mark was which. Consequently, I do not find that there exists a likelihood of direct confusion between the marks at issue, even when viewed on identical goods or in circumstances wherein the consumer is paying a lower degree of attention.

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

²⁹ On this point, I remind myself that, as per, *L'Oréal SA v OHIM*, Case C-235/05 P, a weaker distinctive character of an earlier mark does not preclude a likelihood of confusion.

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

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

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as ‘LITE’, ‘EXPRESS’, ‘WORLDWIDE’, ‘MINI’ etc.).
- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (‘FAT FACE’ to ‘BRAT FACE’ for example)”.

75. While the above examples in *L.A. Sugar* are noted, they are not intended to be treated as an exhaustive list of the only instances whereby indirect confusion occurs.
76. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 16 that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.
77. The opponent has offered no submissions explaining any circumstances wherein he believes that a likelihood of indirect confusion would occur. On this point, his submissions, at paragraph 35, claim that there exists only a likelihood of direct confusion. As such, I could bring the present ground to a close at this stage on the basis that indirect confusion has not been raised. However, even if the opponent did offer submissions regarding indirect confusion, I do not consider that it would have resulted in a finding in his favour. This is because I do not consider that any of the circumstances set out in *L.A. Sugar* (cited above) exist. Firstly, the shared use of ‘NEUTRAL’ is not so strikingly distinctive that consumers would only believe that one undertaking would use it. This applies even if I was wrong to have found that the opponent’s mark was only distinctive to between a low and medium degree. On this point, if such a finding was incorrect, then I do not consider that the use of a well-known English word would result in a level of distinctiveness beyond a medium degree. Even in this scenario, indirect confusion would not arise on this basis.

78. In addition, when consumers are confronted with the marks at issue, they would not believe that the common use of 'NEUTRAL' was a reference to a shared economic origin. While 'NEUTRAL' will, of course, be the indicator of origin for the opponent's mark, this would not be the case for 'NEUTRAL NOTIONS'. As above, I have found that 'NEUTRAL NOTIONS' forms a unitary meaning and I see no reason why consumers would believe that the indicator of origin for this mark lay in anything other than the combination of these words. In any event, I do not consider that consumers would believe that the addition of the word 'NOTIONS' was a logical indicator that was consistent with either a brand extension or a sub-brand for the 'NEUTRAL' brand. I say this because it has no meaning in the context of the goods at issue in the same way that the examples given at paragraph 17(b) of *L.A. Sugar* do. Lastly, while the scenarios set out in *L.A. Sugar* are not exhaustive, I consider it reasonable to suggest that if it was the opponent's case that any additional scenario existed that he thought would give rise to a finding of indirect confusion, it was for him to raise it. In short, it is not the responsibility of this Tribunal to formulate an opponent's arguments on his behalf as, to do so, would not only be inappropriate but unfair to an applicant. In any event, having briefly considered the point, I am unable to find any additional basis that would give rise to a finding of confusion.

79. Taking all of the above into account, I do not consider that there exists a likelihood of indirect confusion, even when the marks are viewed on identical goods or in circumstances where the consumer pays a lower degree of attention.

80. The present ground fails in its entirety and I will now proceed to consider the section 5(4)(a) ground.

Section 5(4)(a)

81. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

aa)...

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

82. Subsection (4A) of section 5 of the Act states:

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

83. I consider that I can deal with this ground briefly. Firstly, I accept that the evidence I have discussed above is, on the face of it, sufficient to demonstrate that opponent’s business operation enjoys a protectable level of goodwill in respect of the clothing goods relied upon. However, the opponent in this case is Mr Bech in his personal capacity whereas the evidence relates primarily to use by the company ‘Neutral.com A/S’ and makes no reference to any outward facing use by the opponent himself. As such, I see no reason why any customers would see the opponent himself as the person responsible for the goods. Instead, I find that the customer would identify ‘Neutral.com A/S’ as the entity responsible for the goods. While the opponent in this case is the director of that company, I am not convinced

that the relevant public in the UK would know this and there is certainly no evidence to that effect before me. The consumers would not, therefore, attribute any goodwill stemming from the use of the NEUTRAL sign to him. As a result, the opponent is not the appropriate party to bring the present ground, meaning that it is bound to fail.

84. Even if I was to discount the issues described above and find that a protectable level of goodwill vested in the opponent, I remind myself that, under the 5(2)(b) ground, I found there to be no likelihood of confusion between the parties' marks, even when viewed on identical goods. Under the present ground, I remind myself of the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, wherein Kitchin LJ set out that it was doubtful whether the difference between the legal tests for likelihood of confusion and misrepresentation would (all other factors being equal) produce different outcomes. Because the opponent's sign is identical to the mark relied upon under the section 5(2)(b) ground, I am of the view that this principle applies here.³⁰ As such, I find that there exists no misrepresentation under the present ground for the same reasons as set out at paragraphs 73 to 79 above. Without a finding of misrepresentation there can be no damage, meaning that even if I was wrong to dismiss the present ground in the manner I have above, this ground of opposition would have failed in any event.

CONCLUSION

85. The opposition fails in its entirety and the applicant's mark may, subject to any successful appeal of my decision, proceed to registration for all of the goods applied for.

³⁰ The fact that the opponent relies on a range of bags under the present ground is immaterial to this finding. I say this because such goods are, clearly, more distant to the applicant's goods than the opponent's clothing goods.

COSTS

86. The applicant has been successful so is, therefore, entitled to a contribution towards its costs. In the present case, the applicant is currently unrepresented. However, it is noted that the applicant was legally represented in these proceedings until 24 February 2025. Given that the applicant had only engaged in these proceedings prior to that date (with the filing of its defence and counterstatement), I consider it appropriate to award costs for the task undertaken whilst represented. Therefore, in accordance with the scale set out in Tribunal Practice Notice 1/2023, I hereby award the applicant the sum of £250 for the task of considering the opponent's notice of opposition and filing a counterstatement.

87. I hereby order Lars Bech to pay NEUTRALNOTIONS LIMITED the sum of £250. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 20th day of April 2026

A COOPER
For the Registrar