O/0658/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3695241
IN THE NAME OF SANTA CRUZ BICYCLES, LLC
FOR THE TRADE MARK

BULLIT

IN CLASS 12

AND

THE OPPOSITION THERETO UNDER NUMBER 431758
BY EICHER MOTORS LIMITED

Background and pleadings

1. This decision concerns the opposition to trade mark application number 3695241 filed in Class 12 by Santa Cruz Bicycles, LLC ("the applicant"). Although the application was filed in the UK on 15 September 2021, it was filed pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union and the EU filing date was 15 June 2020.[1]

2. Following publication, the application was opposed by Eicher Motors Limited ("the opponent") under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). The opponent relies upon the following earlier trade mark registration for its section 5(2)(b) and 5(3) grounds:

900458729

BULLET

Filing date: 28 January 1997; registration date: 25 September 1998.

Relying on all the registered goods in classes 12.

3. Under section 5(2)(b) of the Act, the opponent claims that the parties' goods are very similar and that the marks are visually very similar, and aurally identical or very similar, making them very similar overall. It claims that these factors lead to a likelihood of confusion.

4. Under section 5(3) of the Act, the opponent claims a reputation in its mark for the registered goods such that the relevant public will believe that the applicant's goods come from the opponent or an undertaking linked to the opponent, leading to unfair advantage. Further, the opponent claims that the contested mark will 'ride on the coat tails' of the earlier mark, unfairly benefitting from its repute. The opponent also claims

[1] Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (2020 CP 219).

that use of the contested mark will erode the distinctiveness of the earlier mark and damage its repute if used in relation to goods of poor quality.

5. Under section 5(4)(a) of the Act, the opponent claims that it has used the sign BULLET in the UK since 1957 in relation to motorcycles. The opponent claims that its goodwill in the business of motorcycles, distinguished by its sign, entitles it to prevent the use of the application under the law of passing off.

6. The applicant filed a defence and counterstatement, denying the grounds of opposition. It states that BULLET is an English word, whilst BULLIT is not, creating conceptual dissimilarity. It denies that the marks are visually or aurally similar. The applicant puts the opponent to proof that it has used its mark.

7. The opponent is professionally represented by Boult Wade Tennant and the applicant by Peter Olson from Nordic-Baltic IP Services (UK) Ltd. Both parties filed evidence. Neither party requested a hearing, but both filed written submissions in lieu of a hearing. I make this decision after a careful consideration of all the papers.

Evidence

8. The opponent has filed evidence from Praisy Chanana, who is the opponent's Group Manager, Legal and Compliance.[2] His evidence is aimed at proving that the earlier mark and sign have been used and have a reputation. The applicant has filed evidence from Peter Olson (i) about lack of similarity between the goods, and (ii) regarding the opponent's failure to prove genuine use in an action before the EUIPO against the applicant's European Trade Mark ("EUTM") from which the contested UK application derives.[3] The opponent filed evidence in reply which consists of witness statements from several individuals, of various dates.

9. The first task is to assess whether, and to what extent, the evidence supports the opponent's statement that it has made genuine use of its mark in relation to the goods

[2] Witness statement dated 11 August 2022 and exhibits.
[3] Witness statement dated 28 October 2022 and exhibits. EUIPO is the European Intellectual Property Office.

for which it is registered, all of which it relies upon. The relevant period for this purpose is the five years ending on the EU filing date of the contested application: 16 June 2015 to 15 June 2020.

10. Section 6A of the Act states:

> "(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."

11. The earlier mark is a 'comparable mark'. This means that it is a UK registered mark, derived from an EUTM, following the UK's exit from the EU. The EUTM became a UK registered 'comparable' trade mark at 11pm on 31 December 2020.[4] The whole of the five year period which is relevant for genuine use fell prior to 31 December 2020, which means that the opponent is entitled to rely upon use in the EU (which included the UK before that date). This is provided for in paragraph 7 of Part 1, Schedule 2A of the Act:

"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—

[4] The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019; also see Tribunal Practice Notice 2/2020.

(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".

12. However, the evidence the opponent has provided about its global use (outside of the UK and the EU) is not relevant to the question of genuine use, reputation or goodwill, unless its significance to the UK has been explained. Nor is the list of worldwide trade mark registrations in Annexure 2, which does not prove that the earlier mark has been used in the EU or the UK.

13. The onus is on the opponent, as the proprietor of the earlier mark, to show genuine use because Section 100 of the Act states:

"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. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch), Arnold J (as he then was) summarised the law relating to genuine use, as follows:[5]

[5] "CJEU" is the abbreviation for the Court of Justice of the European Union. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark caselaw of EU courts.

"114……The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), 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], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, 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] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single

undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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 [76]-[77]; *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]."

15. The goods and services relied upon for the purposes of sections 5(2)(b) and 5(3) are:

Class 12: *Motorcycles, motorbikes, scooters, mopeds; and engines, carburettors, cables, saddles, shock absorbers, clutches, clutch plates, brakes, brake linings, wheels, rims, parts, fittings, components and accessories therefor.*

16. In its letter dated 16 June 2022 which served the defence and counterstatement upon the opponent and set the evidence timetable, the Tribunal stated (emphasis added):

"Your attention is drawn to Tribunal Practice Notices (5/2008) and (1/2015) regarding the filing of evidence in inter partes proceedings in trademarks and designs cases.

Details on how to file evidence during tribunal proceedings are available from the IPO website at https://www.gov.uk/government/publications/filing-evidenceabout-an-application-or-in-tribunal-proceedings.

> Any evidence must be in durable form, such as a print-out, a hard disk etc; if it is not, it will be disregarded in accordance with rules 62(2) and (3). **References to weblinks are not sufficient as the Hearing Officer will not undertake any independent research.** Therefore any evidential material that you wish to be considered by the Hearing Officer must be clearly set out and presented in, or as, an exhibit to a witness statement, statutory declaration or affidavit."

17. Despite this cautionary guidance, and although Mr Chanana's witness statement contains a number of weblinks which have been supported in durable form, others have not. As the Tribunal warned, I have not looked to see what is, or rather was, the content of the weblinks given at paragraphs 26, 28, 31, 41, 42, 44, 45 and 48 of Mr Chanana's witness statement, and Annexure 5, at the date on which the statement was made.[6]

18. Mr Chanana states that the opponent's flagship brand is Royal Enfield and that authorised Royal Enfield retailers in the EU also sell BULLET motorcycles. Annexure 1 comprises a list of over 400 such authorised retailers in the EU, including 64 across England, Scotland and Northern Ireland and one in Eire. Mr Chanana states that BULLET is the "quintessential Royal Enfield" and is the longest running motorcycle in history to be in continuous production, manufactured in India since 1956 and exported to the UK and Europe.

19. Much of Mr Chanana's witness statement gives a proud history of the BULLET motorcycle, which was first built in 1932. He states that an overview of the BULLET brand appears on the opponent's website, tracing its history since 1932 and giving the opponent's current business values and trends. Annexure 3 comprises screenshots from the opponent's website. These are undated and I assume contemporaneous with the date of Mr Chanana's witness statement, as he refers to the opponent's 'current' business values and trends. The screenshots are from the opponent's German Royal Enfield website. This is not a problem in itself, as Germany is in the EU. However, apart from the lack of dating, the wording on the pages is in German

[6] The difficulties of weblinks as evidence without durable support were explained by the General Court of the European Union in Case T-317/05, *Kustom Musical Amplification v OHIM*.

and has not been translated. Even if it were not in German, it is illegible. I can, however, see that the website address is royalenfield.com/de/de/motorcycles/bullet-500/ and I can see a sign on the motorcycles which includes BULLET:

20. This is the mark that also appears on the cover of the owners' manuals shown at Annexure 10.

21. Assertions that the BULLET is globally famous, has appeared in films and TV shows (a list of which is given, with no pictures and some were Indian), most of which are outside of the relevant period; and that the mark appears on merchandise (but with no details), do not show that the mark was put to genuine use in relation to the goods relied upon during the relevant period. Nor do the contents of Annexure 12, referring to an event held at a dealer in Swindon in August 2019. There is no statement that the BULLET motorcycle was seen at the event. A biker who was interviewed had brought his 100 year old Royal Enfield motorcycle, but according to Mr Chanana, the BULLET was not created until 1932. There is no mention of BULLET in the newspaper article (from the Swindon Advertiser). The only mark that can be seen is ROYAL ENFIELD. The press reports which have been arranged into a collage in Annexure 7, separated into the UK, Germany, France and Italy, are tiny. I am not able to read the articles, but I can see that the titles of some of them refer to BULLET; for example, in the UK in MCN magazine and in the *Daily Mirror*, both in June 2019. These appear to refer to the BULLET TRIALS 500, about which I say more below. An article in the *Financial Times* in January 2020 is described as a news piece plus an image of the Bullet.

22. Mr Chanana states:

> "BULLET is very much a brand which is design led. Accordingly, the fame and reputation of the brand is not directly reflected in huge numbers of sales for motorcycles as compared to lower-cost motorcycles."

23. Mr Chanana gives the following sales figures for the EU (I have only given the figures for the five years prior to 15 June 2020):

Year	**Number of BULLET motorcycles sold**
2015-16	In excess of 515
2016-17	In excess of 586
2017-18	In excess of 307
2018-19	In excess of 229
2019-2020	In excess of 1173
2020-21 (until June 2020)	In excess of 34

24. These sales amounted to €6,833,533.[7]

25. Annexure 6 comprises photographs of what Mr Chanana states was the showcasing of the BULLET motorcycle in an exhibition at the EICMA Milan, in 2019. There is no explanation as to what EICMA stands for or how many visits were made to the exhibition, although later in his statement Mr Chanana states that EICMA is the most famous motorcycle show. The only mark visible is Royal Enfield. Mr Chanana has made a statement that the BULLET motorcycle was shown. The website picture which I have reproduced above shows a form of BULLET on the motorcycle itself. Similar photographs are shown from the Carole Nash MCN London Motorcycle Show at the Excel, in Brussels, Lyon and Utrecht, all in 2020. There is no more precise dating than simply the year 2020, which is important given that the relevant period ended on 15 June 2020. However, I see from a table listing exhibitions in Annexure 9 that the London show was held on 15 to 17 February 2020, with 45,000 visitors

[7] Figures for the EU member state countries given in Annexure 8 (excluding non-EU states).

anticipated. I note that the table shows at which exhibitions the BULLET motorcycle was exhibited. It was not exhibited at the Utrecht or Brussels shows (14 to 17 February 2020 and 18-27 January 2020), but it was indeed shown in Milan at the EICMA (700,000 visitors). The BULLET motorcycle was also shown at the Lyon show on 14 to 17 March 2020 (55,000 visitors) An exhibition held in Austria from 7 to 9 February 2020 attracted 43,480 visitors; others in Germany, in February and March 2020, attracted 60,000 (Munich) and 70,000 visitors (Hamburg and Dortmund). The exhibition in Rome on 7 to 10 March 2020 anticipated 150,000 visitors. The Stafford show on 27 to 28 April 2019 anticipated 20,000 visitors and the Festival of Motoring in Peterborough on 18 to 19 May 2019 expected 25,000 visitors. 105,000 visitors were anticipated at the Motorcycle Live show in Birmingham on 16-24 November 2019; 25,000 at the Manchester Show on 23 to 24 March 2020, and 25,000 at the Scottish M/C Show on 9 to 10 March 2020. The Belfast Show on 8 to 10 February 2020 expected 20,000 visitors.

26. A table shows that in January to July 2020, there were 1,365,556 visits to the BULLET part of the opponent's EU royalenfield.com website (e.g. royalenfield.com/uk/en/motorcycles/bullet-500/). The site also received over a million visits in both 2018 and 2019.

27. As mentioned earlier, the applicant has filed evidence in the form of an EUIPO decision dated 29 September 2022 regarding the opponent's failure to prove genuine use in an action against the applicant's EUTM from which the contested UK application derives.[8] Whilst I have read the EUIPO decision, I am not bound by it and nor is it of persuasive value. I note, in particular, that the decision records that the probative value of statements drawn up by the interested parties themselves or their employees are generally given less weight than independent evidence. The EUIPO's view of such evidence is not the same as that of this Tribunal. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, BL O/404/13, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, considered the proprietor's evidence which had been filed by its trade mark attorney and criticised its probity, adding that a witness from the proprietor would have been better placed to have provided evidence of use because

[8] Exhibit II.

it would have been within their knowledge, rather than effectively hearsay. I also note that the EUIPO decision criticises the opponent for not having provided invoices. Whilst I will say more about invoices later in the present decision, the importance attached to invoices is not necessarily the same in the EUIPO compared to this Tribunal. In *G&D Restaurant Associated Limited v Pasticceria E Confetteria Sant Ambroeus S.R.L.*, BL O371/99, Ms Anna Carboni, sitting as the Appointed Person, cautioned against finding parallels between cases decided under the EU trade mark regulations and UK national cases because the EU trade mark regulations contain specific provisions about the nature and form of evidence that is required to prove genuine use, whereas UK law "is far less prescriptive". Ms Carboni also made reference to the weight given to witness statements made by a representative of the proprietor (i.e. an employee), referring to the relevance of a statement of truth from such a witness:

> "53. Furthermore, OHIM's approach to witness evidence is that a witness statement made by a representative of the proprietor is of little weight unless it is corroborated by independent evidence: see, for example, *Rodcraft Pneumatic Tools GmbH & Co. KG v Rolson Tools Ltd* (Case R 1075/2005-2 of 8 June 2006), in which the Second Board of Appeal of OHIM refused to rely on the uncorroborated statement of the President of the opponent company in the absence of invoices supporting turnover and advertising figures that he set out in the statement (which contained a statement of truth). The Board stated that the decision of the Appointed Person in an earlier parallel case on appeal from the UK Registry (*Rolson Tool Ltd's Trade Mark Application* BL O/011/06, 10 January 2006) in which similar evidence had been found to be sufficient to establish genuine use, was of no relevance to their decision, because it was based on different procedural requirements. The OHIM approach is different from the approach to witness evidence in the Registry, as I discuss further below.
>
> …
>
> 73. As can be seen, a statement of truth is not just a throwaway line. It imposes a burden on the maker of the statement which should not be taken lightly. It is

an alternative approach to the requirement of submitting corroborating evidence under the Community system, which can be justified on the basis that witnesses who tell untruths can be exposed in the Registry through the power of cross-examination at a live hearing, and may be subject to serious consequences if exposed. On this basis, in the absence of successful challenge along the lines set out in TPN 5/2007, or obviously incredible contents, the hearing officer should have assumed that Mr Isola believed the contents of his statement to be true and that, if he did not have direct knowledge of the facts to which he deposed, he would have ascertained that they were true from other sources within the company. Of course, in the case of vague statements, even if they are assumed to be true, they do not need to be taken to go beyond what is actually stated."

28. The EUIPO decision is the only evidence from the applicant which goes to the issue of use of the earlier mark. The remainder of its short evidence relates to its view that in the UK it is common to find retailers of electric bicycles and motorcycles in different locations. Nevertheless, the opponent filed evidence 'in reply'. The evidence consists of witness statements from seven individuals who work for the opponent or one of its distributors' dealerships, or have some personal and academic interest in BULLET motorcycles. In as much as this could be said to be evidence 'in reply', it seeks to counter the findings of the EUIPO, since the applicant relies upon those findings in evidence. I note the following which are relevant to the proof of use period and to the EU (including the UK):

- A witness statement and exhibits from Vikas Gautam, Head of Sales and Marketing at MotoGB Limited in Lancashire, the UK and Eire distributor for the opponent's motorcycles since 2012, with 72 dealers in the UK and Eire.[9] Mr Gautam states that when a customer buys a motorcycle, they activate their warranty through a portal. He provides warranty registration figures for 2015 to 2020, noting that these are minimum figures because some customers buy BULLET motorcycles as collectors' items only: they do not register the warranty

[9] Witness statement dated 11 January 2023.

because they do not use the motorcycle.[10] The warranty figures are: 2015 - 44 units; 2016 - 60 units; 2017 – 87 units; 2018 - 57 units; 2019 – 55 units; and 2020 – 54 units.

[11] Mr Paquient exhibits a press release for the French market relating to the launch of the BULLET trial model in August 2019.[12] The most relevant parts have been translated into English.[13] The press release says that the new model draws inspiration from the trial racing bike built by Royal Enfield between 1948 and 1965, with a price of €5795. I note that the engine size is 500cc and that the press release says that five accessories have been developed specially dedicated to this model: a compact engine protector, a headlight grille, a numbered plaque, an aluminium crankcase protector and foam padding for the handlebars. An advertisement in 2019 for the availability of the motorcycle from SIMA and its dealerships is entitled "Bring the legend back to life".[14] Although the advertisement shows the words BULLET TRIALS 500 and a motorcycle with the Royal Enfield trade mark, there is another logo on the motorcycle:

The applicant submits that the trade mark used is:

[10] Exhibit VG-1.
[11] Witness statement dated 5 January 2023.
[12] Exhibit JMP-1.
[13] Exhibit TJG1 to the witness statement dated 26 January 2023 of Timothy Greenwood, certifying the translations in these proceedings.
[14] Exhibit JMP-2.

Mr Paquient exhibits a sample of four invoices dated in January 2020 which list, amongst other Royal Enfield motorcycles, sales of the ROYAL ENFIELD BULLET CLASSIC 500.[15] There were four such sales, although I note that the sales of the other motorcycles were also in single figures. Mr Paquient states that 759 sales were made of the BULLET motorcycle and the BULLET CLASSIC between 1 January 2019 and 30 April 2020. Like Mr Gautam, Mr Paquient refers to warranty activation data. I can see that there were a significant number of such activations from the list provided at Exhibit JMP-4 in various locations in France during 2019 and early 2020, for BULLET, BULLET CLASSIC and BULLET TRIAL. There are many more activations for BULLET CLASSIC than for BULLET or BULLET TRIAL.

- A witness statement and exhibits from Christian Ott, Division Leader Mobility of KSR Group GmbH, the opponent's sole distributor in Austria, Germany and Switzerland since 2014, with 15 dealers in Austria, 17 in Switzerland and about 85 in Germany.[16] Mr Ott also provides warranty information and states that between 2015 and 2020, the dealerships sold 233 BULLET motorcycles. Since Switzerland is not a member state of the EU, and the figures have not been apportioned to each country, it is not possible to say with certainty how many of the motorcycles were sold in Germany and Austria. However, given the number of dealers in Germany, especially, compared to Switzerland, it is a reasonable inference that a significant number of the 233 sales were made in Germany and Austria. Mr Ott states that his company regularly attends national motorbike exhibitions, such as IMOT in Munich. A photograph is shown in

[15] Exhibit JMP-3.
[16] Witness statement dated 22 December 2022.

Exhibit CO-1 at IMOT in February 2017: Mr Ott states that it shows the BULLET motorcycle on display, although I cannot see BULLET in the photograph. Mr Ott states that the exhibition in 2020 (which his company also attended) attracted 60,000 visitors.

- A witness statement and exhibits from Cesare Carola, General Manager of Valentino Motor Company, the opponent's sole distributor in Italy since 2016, with 98 dealers in Italy.[17] He gives warranty activation figures for 2015 to 2020, which he states correspond to the number of sales of the BULLET motorcycle, at Exhibit CC3: 2015 – 1; 2016 – 61; 2017 – 79; 2018 – 49; 2019 – 43; and 2020 – 46. Mr Carola exhibits an example of two sales invoices from 2017; one for the BULLET motorcycle, and one for the BULLET CLASSIC 500 motorcycle.[18] He states that his company regularly exhibits at the EICMA motorcycle show in Milan, including showing the BULLET. Exhibit CC-1 comprises photographs from his company's stand at the 2016 EICMA show, which had 600,000 visitors, according to Exhibit CC-2.[19] He states that the BULLET trade mark is shown in the circle on the motorcycle:

[17] 9 January 2023.
[18] Exhibit CC-4.
[19] An article about the EICMA 2016 event, dated 14 December 2016 in the 'Motociclismo' magazine.

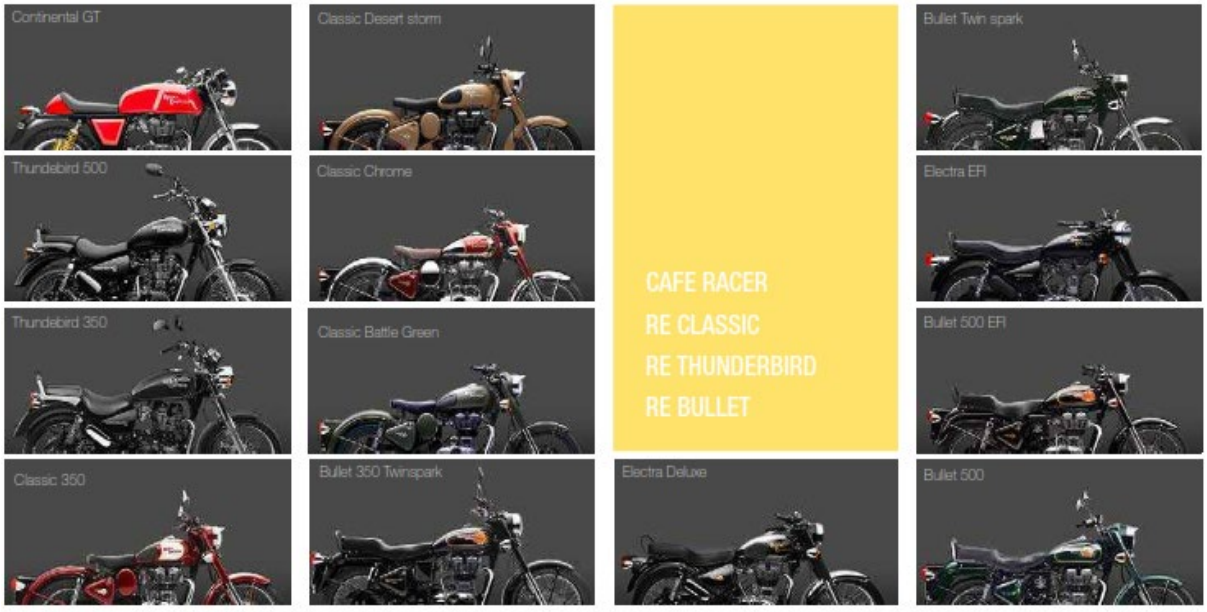
This looks like the version shown on the German website, in Mr Chanana's evidence.

- A witness statement and exhibits from Joaquin Cuñat, Sales and Marketing Director of Motorien, S.L.U., the opponent's sole distributor in Spain and Portugal since 2015, with 40 dealers in Spain and 8 in Portugal.[20] Mr Cuñat states that the BULLET motorcycle accounted for about 8% of his company's sales between 2015 and 2020. From 2015 to 2020, 128 BULLET motorcycles were sold in Spain and Portugal, with warranty activation following. Exhibit JC-1 is an example of a sales invoice dated 26 July 2018, for a BULLET motorcycle. Mr Cuñat states that his company deals with marketing for the whole Royal Enfield range, through magazines and online, and through catalogues. Exhibit JC-2 comprises an example of a catalogue entry for the BULLET model from 2018. There were around 15,000 such catalogues printed between 2015 and 2020. The catalogue entry is shown below:

[20] Witness statement dated 21 December 2022.

The mark appearing on the top right and on the motorcycle looks like the version shown on the German website, in Mr Chanana's evidence and on the motorcycle in Mr Carola's evidence.

- A witness statement from Arun Gopal, the opponent's Head of International Business for Europe and MEA.[21] Mr Gopal states that the opponent provides its distributors with a "brand retail identity manual", which the distributors then give to their dealers. This manual is referred to in the other witnesses' statements. Mr Gopal state that the manual gives instructions as to how stores which sell Royal Enfield products, including the BULLET motorcycle, should be set out. The dealers are told that their stores must show a "history wall installation" with information about the heritage of the brand, although Mr Gopal does not make it clear whether he is referring to the Royal Enfield brand or BULLET. From, for example, Mr Carola's statement, it seems to be a "Royal Enfield wall". Distributors are responsible for checking that the dealer is acting according to the manual. A copy of a 2014 manual is provided at Exhibit AG-1, but Mr Gopal confirms that the manual was also used in later years and so is relevant to 2015 to 2020. Page 7 refers to the BULLET:



Pages 8, 13, 14, 16, 17, 19 and 29 mention how to display the BULLET motorcycle.

[21] Witness statement dated 12 January 2023.

29. In its written submissions in lieu of a hearing, the applicant criticises the evidence from these senior individuals from the distributors and the opponent itself as carrying less weight because they are not independent witnesses. My earlier comments about employee rather than attorney evidence apply to this criticism because it is not the sort of evidence whereby witnesses are simply asked to confirm that they have bought or know of BULLET motorcycles. Leaving aside the individuals' 'opinion evidence', which is not fact and which I have not recorded in this decision or taken into account, the remainder of their evidence is factual and is not hearsay. Sales, warranty and exhibition attendance facts and figures all date from before these proceedings began. Such historical evidence, from senior managers of the opponent's distributors who are in a position to know their own sales figures, seems to me to be both relevant and probative. I note that it appears from the EUIPO decision that the evidence from these witnesses did not form part of the EUIPO proceedings. This is a further reason why the EUIPO decision is not relevant to the decision which I must make.

30. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each piece of evidence shows use by itself.[22] In terms of what mark has been used, I agree with the applicant that, on occasion, a more elaborate mark has been used:

31. Even where the more elaborate device is used on pictures of the BULLET TRIALS motorcycle in the press and marketing, it is accompanied by the plain word BULLET (such as the UK press articles in June 2019 and the French advertisement for its availability at the French dealerships supplied by SIMA). However, it is unnecessary

[22] *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, General Court of the European Union, Case T-415/09.

to decide whether the roundel form constitutes an acceptable variant of the mark BULLET because I consider that other uses shown in the evidence qualify as acceptable variant use. BULLET appears in a winged device on a motorcycle which, whilst on the undated print from the German website, is also shown on the motorcycle at the 2016 Milan show (EICMA, the largest show in the EU) in Mr Carola's evidence, and in the 2018 catalogue in Mr Cuñat's evidence: both of these are dated. It seems to me that the more elaborate roundel version was used for the replica BULLET TRIAL motorcycle, which was launched in August 2019, and that the winged device version was used in relation to the BULLET 500.

32. I also take that view because the owners' manual for the BULLET TRIALS 500 shows this mark on the cover page:

whereas the owners' manual for the BULLET 500 shows this mark on the cover page:

33. The CJEU has stated that 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" as long as the mark is perceived as indicative of the trade origin of the goods or service.[23] This is the case for use as BULLET CLASSIC. I also consider that the use of BULLET in the winged device falls within the CJEU's guidance. If I am wrong about that, I approach the matter following the guidance set out *Lactalis McLelland Limited v Arla Foods AMBA:*[24]

[23] *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12, paragraphs 31 to 35.
[24] BL O/265/22, Phillip Johnson, sitting as the Appointed Person.

“13. […] While the law has developed since *Nirvana* [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is, the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EU*IPO*, EU:T:2020:22, [63 and 64]).

14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *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.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the

use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word "MEDIA" would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA were in combination weakly distinctive, and the word MOOD alone was less distinctive still."

34. Accordingly, I consider the use of BULLET within the winged device to be an acceptable variant under section 6A(4)(a) of the Act because:

(i) BULLET is the standout distinctive element of this sign and is in a normal font covered by the registration;

(ii) the dots, star and wings to the side are either without or are low in distinctive character and the addition of such figurative elements do not detract from the perception that BULLET is indicative of trade origin; and

(iii) the evidence shows that 500 is a reference to the engine size, 500cc, so is a descriptive addition and will be seen as such.[25]

35. In assessing whether genuine use has been made of the earlier mark, I am not making a judgment about the commercial success of BULLET in relation to the goods for which it is registered. It depends upon a variety of factors, including the nature of the goods and the characteristic of the market; the consistency of sales over time and whether the use is warranted to create or maintain a share in that market. Relatively low numbers of sales may still qualify as genuine in the market for motorcycles, of which there are many types and styles.

36. I can see for myself from the representations of the opponent's motorcycles that they are of a 'retro' or vintage style, rather than the modern, more colourful 'superbike' style. This also comes out in the evidence. Mr Gautam states that some customers buy BULLET motorcycles as collectors' items and do not use them. Mr Paquient states that the BULLET TRIALS motorcycle was inspired by a motorcycle built by Royal

[25] Mr Paquient's evidence.

Enfield dating between 1948 and 1965. Although the BULLET TRIALS motorcycle is less convincing in terms of which mark has been used, it has a similar look to the BULLET CLASSIC for which I found acceptable variant use. The opponent's evidence in reply includes a witness statement from Gordon May, Brand Manager, Copywriter and Historian for Royal Enfield UK Ltd.[26] Mr May has had a personal and academic interest in BULLET motorcycles since the 1980s, owning nine of his own BULLET motorcycles, ranging from a 1930 model to those which are more recently built. Mr May rode his 1953 500cc BULLET from Manchester to India in 2008. A photograph of Mr May next to this motorcycle is shown in Exhibit GM-1, on the cover of the book which Mr May wrote about his journey to India. The images of motorcycles elsewhere in the evidence, from 2016 and 2018, have a similar look to the 1953 model.[27] The applicant itself submits that if I were to find that genuine use had been made of the earlier mark, I should nevertheless restrict the goods relied upon to retro style/vintage motorcycle replicas.

37. The vintage look is likely to be more niche, in the same way as a vintage-style car will generate less sales than a mass-market car.[28] I find that the EU sales figures given by Mr Chanana, and the sales/warranty activation figures given by Messrs Gautam, Paquient, Ott, Carola and Cuñat, support a finding of genuine use of BULLET. Each country for which witnesses have given evidence (for the UK, France, Germany, Austria, Italy and Spain) are sizeable markets and the opponent has a significant number of dealers selling BULLET motorcycles in each of these member states. All dealers have to follow a tightly regulated way of displaying goods in Royal Enfield stores, including how to display the BULLET motorcycle, adding to the impression that sales have been consistent during the relevant period. Regular exhibitions were held in these countries during the relevant period, each with several thousands of visitors, and some with over 100,000 visitors, at which the opponent's BULLET motorcycles were shown. Over a million annual visits were made to the BULLET part of the opponent's EU website between 2018 to July 2020. The website and exhibitions are attempts to create or maintain a market share for motorcycles. I

[26] Witness statement and exhibits dated 23 December 2022.
[27] 2016 Milan show in Mr Carola's evidence, and in the 2018 catalogue in Mr Cuñat's evidence.
[28] See, for example, *Ferrari SpA v DU*, Joined case C-720/18 and C-721/18, CJEU, paragraphs 51 to 52.

note that there were many more BULLET CLASSIC warranty activations than for BULLET TRIALS warranties in France: BULLET CLASSIC is acceptable as a variant mark, and the BULLET CLASSIC motorcycle bears the winged device, which I have also found to be an acceptable variant mark.

38. I find that there is sufficient evidence that the opponent made genuine use of the earlier mark in the relevant period. I am required to determine in relation to which goods the mark has been used and, if that use is not on everything within the registered specification, or a reasonable range of goods within the terms in the specification, to decide upon a reduced, fair specification represented by the use. In so doing, I am guided by *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*, in which Mr Justice Carr summed up the law relating to partial revocation as follows:[29]

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].
>
> iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].
>
> v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

[29] [2016] EWHC 3103 (Ch).

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

39. The evidence does not support a finding of genuine use across the goods relied upon. It will be clear from my comments above that there has been genuine use in relation to motorcycles, which includes motorbikes as an alternative term. This represents a discrete category of vehicle. I do not consider scooters and mopeds to belong to the same category: they are more lightweight, not as powerful or fast, and have a different look to motorcycles. The evidence is non-existent for the other goods relied upon, which are all parts and fittings. There is no evidence of use of the earlier mark in relation to any parts and fittings. The closest the evidence gets is the press release in Mr Paquient's evidence about five accessories which have been developed especially for the 2019 BULLET TRIALS model: a compact engine protector, a headlight grille, a numbered plaque, an aluminium crankcase protector and foam padding for handlebars. These were for the model of motorcycle in relation to which I have doubts about genuine use of the mark in the form in which it is registered. Even if that were not so, a mention in a press release without any more details, such as orders or invoices for parts, or catalogues and pricelists, is insufficient to find genuine use for engines, carburettors, cables, saddles, shock absorbers, clutches, clutch

plates, brakes, brake linings, wheels, rims, parts, fittings, components and accessories for motorcycles and motorbikes. Finally, I note that page 163 of Annexure 10, which is the owners' manual for the BULLET 500 (winged device), says that "maintenance to the evaporative emission control systems should be performed only by an authorized Royal Enfield service dealer and using only genuine Royal Enfield spare parts." There is no mention of specifically BULLET spare parts.

40. Bearing in mind the court's guidance in *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool)*, set out above, I find that a fair specification for the purposes of these proceedings is:

> Motorcycles and motorbikes.

41. I do not agree with the applicant's submission that if I were to find genuine use, that the goods should be limited to *retro style/vintage motorcycle replicas*. That seems to me to be pernickety, considering that the caselaw I have cited states that "protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them".[30]

42. The opponent may rely upon motorcycles and motorbikes for its section 5(2)(b) ground and for the section 5(3) ground, dependent on the existence of a qualifying reputation in the case of the latter ground.

Section 5(2)(b) of the Act

43. Section 5(2)(b) states:

> "5. (2) A trade mark shall not be registered if because –

[30] See also *Ferrari SpA v DU*, *supra* footnote 27, paragraphs 46 to 49.

(a) …

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

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

44. Section 5A states:

"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."[31]

45. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are taken from the decisions of the CJEU 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 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.

The principles

(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

[31] This section also applies to the grounds raised under section 5(3) and 5(4)(a) of the Act.

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

46. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

> "In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. 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."

47. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

48. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* the General Court of the European Union ("GC") stated that complementary means:[32]

> "82 … there is a close connection between [the goods], 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…".[33]

[32] Case T-325/06.
[33] In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods and services.

49. The parties' respective goods to be compared in accordance with the above caselaw are:

Earlier mark	**Application**
Class 12: Motorcycles and motorbikes.	Class 12: Electric bicycles; electric bicycle components specially adapted for electric bicycles, namely, battery packs, motor controllers, electric motors, throttle controls, pedal assist sensors, display consoles, wiring harnesses, sprockets, cassettes, chains; electric bicycle conversion kits consisting of battery packs, motor controllers, electric motors, throttle controls, pedal assist sensors, display consoles, wiring harnesses, sprockets, cassettes, chains, for converting a pedal powered bicycle to an electric bicycle.

50. In *Zweirad-Center Stadler GmbH v EUIPO*, Case T-12/18, the GC considered an opposition against an application for the mark TRIUMPH for, *inter alia*, 'Bicycles, parts thereof and bicycle accessories, namely frames, handles, stems, gear systems, pedals, saddles, seats, chains, rims, mud guards, anti-theft devices, luggage carriers, pumps, wire baskets, all of aforementioned goods for bicycles'. The earlier mark (also TRIUMPH) covered, *inter alia*, 'Motorcycles; luggage racks; alarm devices for motorcycles and vehicles; stands for motorcycles; tyres; parts, accessories and fittings for all of the aforesaid goods'. The applicant argued that the goods were not similar, that bicycles and motorcycles differ in nature, form, structure and material, and that this also meant that their parts were dissimilar. The Board of Appeal at the EUIPO had found a low degree of similarity between the goods. The GC stated:

> "28 The Board of Appeal was right in observing that both types of goods share a purpose of locomotion and in finding that the goods at issue can both be used for leisure and entertainment purposes. In addition, it correctly established that

there is a market intersection in the segment for small motorcycles, which are often more similar to bicycles with a supplementary engine than to motorcycles with a large engine displacement. Lastly, it rightly noted that those goods can share the same origin, as, historically, many manufacturers of motorcycles, including the intervener, also produced bicycles, although that is less common nowadays than in the past.

29 That finding is not challenged by the applicant's arguments that the form of those two types of products differs, inter alia, in that bicycles, including electric bicycles, have pedals which are used to get them moving, whereas motorcycles do not.

30 In that regard, like EUIPO and the intervener, the Court notes that, while it is recognised that differences generally exist in their form, in particular with regards to pedals, those goods nevertheless coincide greatly in other respects, in that, inter alia, they both usually have two wheels, a saddle or seat, and a handlebar. In addition, it must be pointed out that motorcycles with a very low engine displacement often have pedals. As observed in paragraph 28, it is precisely that segment that constitutes a market intersection with the segment for bicycles with a supplementary engine.

31 Moreover, the Board of Appeal's finding is not challenged either by the applicant's argument that those goods are used differently in terms of distances covered and speed and in so far as the use of motorcycles is reserved for people holding a specific driving licence and requires wearing a helmet.

32 Indeed, it must be stated that, even if those goods are different in terms of distances covered and speed, the fact remains that both types of goods are means of transportation used, usually, by a single person. Users of those two types of goods often wear helmets, even if that is not mandatory in all cases. While the use of certain motorcycles is reserved for people holding a driving licence under the national rules applicable, the relevant consumer does not differ, in so far as the public at large buys bicycles as well as motorcycles.

33 Lastly, even if, as the applicant argues, it is nowadays less common than in the past that a producer of bicycles also produces vehicles with engines, it is important to note that the fact remains that ‘bicycles’ and ‘motorcycles’ sometimes share the same origin.

34 On the basis of those considerations, the Board of Appeal was right to find a low degree of similarity between ‘bicycles’ in Class 12, covered by the mark applied for, and ‘motorcycles’ in Class 12, covered by the earlier mark.

35 The finding that ‘bicycles’ and ‘motorcycles’ are similar to a low degree is further supported by the Court’s decision in its judgment of 16 May 2007, *Trek Bicycle v OHIM — Audi (ALLTREK)* (T-158/05, not published, EU:T:2007:143), in which the Court upheld a decision of the Fourth Board of Appeal of EUIPO establishing a low similarity between ‘bicycles’ and ‘motor cars and parts thereof’ (judgment of 16 May 2007, *ALLTREK*, T-158/05, not published, EU:T:2007:143, paragraph 53 to 56). Since the category ‘motorcycles’, at issue in the present case, is both narrower than that of ‘motor cars and parts thereof’ and closer to ‘bicycles’, the low similarity found by the Court in that judgment is all the more applicable in the present case.

36 In the light of the foregoing, the Court should also reject the applicant’s argument that the lack of similarity between the parts and accessories of bicycles and the parts and accessories of motorcycles follows from the lack of similarity between bicycles and motorcycles. Indeed, since the premiss formulated by the applicant has been invalidated, the Court must also reject the conclusion the applicant draws from it.

37 In those circumstances, the Court agrees, first, with the Opposition Division’s finding, followed in essence by the Board of Appeal, that ‘parts ... and ... accessories, namely frames, handles, stems, gear systems, pedals, saddles, seats, chains, rims, mud guards, anti-theft devices, luggage carriers, pumps, wire baskets, all of aforementioned goods for bicycles’ in Class 12, covered by the mark applied for, are similar to a low degree to ‘parts, accessories and fittings [of motorcycles]’ in Class 12, covered by the earlier mark.

> 38 The goods mentioned in paragraph 37 may be produced by the same manufacturers and may have the same distribution channels and be aimed at the same consumers. Moreover, those goods, which are ancillary to 'bicycles', on the one hand, and 'motorcycles', on the other hand, share the low similarity that exists between those two categories.
>
> 39 It should be noted, in that regard, that in paragraph 75 of the contested decision, which concerns those goods, the Board of Appeal only refers to the (low) similarity between 'parts and accessories' in Class 12, covered by the mark applied for, and 'motorcycles' in Class 12, covered by the earlier mark — and not 'parts, accessories and fittings' of motorcycles. However, given the fact that, at the same time, the Board of Appeal expressly supports the Opposition Division's findings, this is a clerical error that does not affect the legality of the contested decision. The relevant passage, on page 11 of the Opposition Division's decision, clearly refers to 'parts, accessories and fittings' of motorcycles."

51. Although there is reference to the historical production of motorcycles and bicycles by the same producer, I have no evidence before me that this was the case in the UK at the relevant date (15 June 2020). The judgment refers to an intersection, or overlap, in the market for motorcycles with bicycles with a supplementary engine. Electric bicycles are also powered, although by an electric motor fed by a rechargeable battery rather than powered by an engine. The opponent's goods are not limited to a particular type of motorcycle, and so notionally cover small motorcycles of the kind referred to by the GC.[34] The opponent's goods also cover electric motorcycles, powered by a rechargeable battery.

52. The other similarities noted in the judgment apply to electric bicycles and motorcycles. Electric bicycles have pedals and motorcycles have footrests for the feet, as well as, in particular, two wheels, a seat/saddle and handlebars, also present in motorcycles. Electric bicycles and motorcycles are both used as a means of

[34] Once a fair specification has been decided upon if proof of use has been requested, the cover is on the basis of notional and fair use of goods or services falling within the terms in the specification.

transportation, usually by a single user wearing a helmet sitting astride the vehicle on the seat/saddle. There is a choice between using an electric bicycle or a motorcycle, for example in commuting. This means that there is a degree of competition. Where electric bicycles and smaller electric motorcycles are concerned, both powered by a battery-operated motor, they may also share channels of trade. The applicant has filed evidence from Mr Olson which he states shows that the parties' goods do not share trade channels. Mr Olson states:

> "…I searched Google Maps to see the placement of motorcycle shops and electric bicycle shops, respectively, in a random city in the UK, and picked Leeds. Produced at Exhibit 1 are two screen-prints from this Google Maps search showing the distribution of bicycle shops and motorcycle shops in Leeds. The two maps included therein demonstrate that *motorcycles* are typically sold along major roads, while *electronic bicycles* are typically sold in a more urban setting."

53. I do not accept that evidence from one UK location can be extrapolated to prove that motorcycles are 'typically' sold along major roads, and electronic bicycles 'typically' sold in more urban settings (it is also not possible to tell this from the maps). There are plenty of out-of-town retail parks and dealerships, on main roads; there are equally plenty of inner-city retailers and motorcycle dealerships not on main roads. There is nothing in this evidence that fits the guidance about shared trade channels, which is not about whether sales of the parties' goods take place in or outside of urban settings. The evidence is irrelevant when online purchases are considered. Marketing preferences vary depending on the wishes of the proprietors of marks, and locations of stores may change.

54. Taking into account these factors, and bearing in mind the GC judgment, there is at least a low degree of similarity between the opponent's goods and the applicant's bicycles.

55. The applicant has applied for *electric bicycle components specially adapted for electric bicycles, namely, battery packs, motor controllers, electric motors, throttle controls, pedal assist sensors, display consoles, wiring harnesses, sprockets,*

cassettes, chains; electric bicycle conversion kits consisting of battery packs, motor controllers, electric motors, throttle controls, pedal assist sensors, display consoles, wiring harnesses, sprockets, cassettes, chains, for converting a pedal powered bicycle to an electric bicycle. Battery packs, motor controllers, electric motors, throttle controls, display consoles, wiring harnesses, sprockets and chains are found as parts of motorcycles, including electric motorcycles. Sprockets and cassettes are part of gear-changing mechanisms. Comparing the applicant's goods to the opponent's motorcycles and motorbikes, they will share users (people who own a vehicle for which they require a part), manufacturers of the parts may be the same, and they may be bought from the same retailers. Although pedal assist sensors are unlikely to be a feature of a motorcycle, sensors to increase or decrease power, for example when on a hill, will be a feature of an electric motorcycle. The goods are similar to a low degree.

The average consumer and the purchasing process

56. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the parties' goods and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."[35] 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*.

57. In the *Triumph* case, referred to above, the GC said this about the average consumer:

> "In the present case, given the nature of the goods concerned, the Court must uphold the Board of Appeal's findings in paragraphs 64 and 65 of the contested decision — which, moreover, are not disputed by the parties — that, with regard to the goods covered by the marks at issue in Classes 9, 12 and 25, the relevant public is the public at large as well as a specialised public with professional

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

knowledge or expertise in the sector of cycles, and that the degree of attention displayed by the public at large may vary from average to high according to the price category of the vehicles concerned, namely 'motorcycles' covered by the earlier mark or 'bicycles' covered by the mark applied for."

58. I find that the average consumer will pay at least an average degree of attention to the purchase of the some of the parts in the applicant's specification, and likely a higher degree for parts which are more expensive or require close attention to ensure compatibility. For motorcycles and electric bicycles which are expensive and not an everyday purchase, the level of attention will be relatively high. The purchase is likely to be mostly visual, from perusal in shops, websites or catalogues, but there is also likely to be an aural aspect where discussion takes place with a retailer or motorcycle dealer.

Comparison of marks

59. The marks to be compared are:

Earlier mark	**The applicant's mark**
BULLET	BULLIT

60. *Sabel BV v. Puma AG* 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 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."

61. 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.

62. Both parties' marks consist of a single element, in which the overall impression of the marks resides.

63. Both parties' marks consist of six letters. The only difference between them is the penultimate letter. That letter, whether an E or an I, has a vertical line. There is a high degree of visual similarity between the marks.

64. The only difference between the marks is the penultimate letter, which in both marks is a vowel. In speech, the earlier mark will be heard as BULL-ETT, with a short 'e' like the word 'egg'. The later mark will be heard as BULL-ITT, with a short 'i' like the word 'it' (third person singular). Both these vowel sounds are very similar when the words are spoken in full. The marks are aurally very highly similar.

65. The earlier mark is the ordinary dictionary word BULLET, which means:

"A ball of lead or other metal, used in firearms of small calibre; now often conical."[36]

66. The later mark is not a dictionary word because of the I. However, it is likely to be seen as a misspelling of BULLET because the spelling is so close to BULLET. Whilst the average consumer "does not search for meaning in words which are not known or apparent", in this case BULLIT closely resembles BULLET and so the evocation of BULLET will be more apparent.[37] In *Usinor SA v OHIM,* the GC said that even though consumers normally perceive marks as wholes, they nevertheless will

[36] *Oxford English Dictionary* online, as at 6 June 2023.
[37] *Volkswagon Aktiengesellschaft v Webizsol Ltd*, BL O/0513/23, Mr Thomas Mitcheson KC, sitting as the Appointed Person.

break down verbal elements if they suggest a meaning or resemble words known to them.[38] At the least, BULLIT will be seen as evocative of BULLET because BULLIT closely resembles BULLET, and BULLET has an immediate meaning. For these consumers, the marks are conceptually identical. If there are consumers who see BULLIT as purely an invented word and do not think of BULLET, the marks are not conceptually similar.

Distinctive character of the earlier mark

67. The assessment as to whether there is a likelihood of confusion includes considering whether the distinctive character of the earlier mark has been enhanced (i.e. more distinctiveness has been acquired) through the use made of it. If a mark has an inherently high, or an enhanced, level of distinctiveness, the likelihood of confusion is increased.[39] I will begin by considering the inherent distinctive character of the earlier mark before reminding myself of the use that the opponent has made of its mark. BULLET is a dictionary word, but one which does not describe or allude to the goods or to a characteristic thereof. It has an average degree of inherent distinctiveness.

68. Distinctive character is a measure of how strongly the earlier mark identifies the goods for which it is registered (and on which it may rely), determined, according to *Lloyd Schuhfabrik Meyer & Co.*, partly by assessing the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking. At paragraph 23, of its judgment, the CJEU stated:

> "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

[38] Case T-189/05, paragraph 62.
[39] *Sabel BV v Puma AG,* Case C-251/95.

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).

69. It is only use in the UK which is relevant to whether distinctive character increases a likelihood of confusion, because the assessment is made from the perspective of the UK average consumer. This means that the opponent's evidence outside of the UK is not a factor for these purposes. Annexure 8 to Mr Chanana's witness statement includes a breakdown of unit sales and revenue in Euros in the UK for the years 2013 to 2021. Excluding 2021 as it was after the relevant date, the figures provided are:

Year	Units	Amount €
2013-14	25	49,390
2014-15	116	228,100
2015-16	153	301,050
2016-17	134	265,990
2017-18	96	193,482
2018-19	88	181,280
2019-20	333	735,260
Total	945	1,954,552

70. There were 953,925 visits to the opponent's UK website between January 2018 and July 2020.

71. I have commented earlier in this decision about the relevance of sales figures in the context of the market for motorbikes, in particular vintage-style models. Mr May's evidence includes a presentation he wrote to give to the opponent's staff and to journalists detailing the history of the BULLET motorcycle, launched in 1932.[40] The presentation shows that there were further iterations of the BULLET in 1935, 1936, 1937, 1938, 1939, 1948, 1949, 1954, 1956, 1958, 1959, 1963, 1980, 1999, 2001,

[40] Exhibit GM-2.

2002, 2004, 2005 and 2019 (there may have been others, but this is what I can tell from the presentation).[41]

72. The presentation records that there was a "burgeoning classic motorcycle fraternity" in the UK in the 1970s. I have already commented upon the particular vintage styling of the BULLET motorcycles in the evidence. The evidence from all the witnesses indicates that the BULLET has been around a long time in the UK, with consistent sales through nine decades and a reputation of some longevity. I find that the level of distinctive character of BULLET for motorcycles and motorbikes had been enhanced to a high degree as a result of the use made of it in the UK, at the relevant date.

Likelihood of confusion

73. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa.

74. It is a point in the opponent's favour that the marks are so similar visually and aurally, and that at least for a significant proportion of the average consumer they have the same concept. It is also a point in the opponent's favour that the level of distinctive character of the earlier mark is high. Against that, and pointing towards the applicant's favour, is the low degree of similarity between the goods and the average to high level of attention, depending on which goods are being bought. These are factors which weigh against a likelihood of confusion.

75. Direct confusion occurs where marks are mistaken for one another, flowing from the principle 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 which has been retained in the mind. The marks are very similar, and for the

[41] Excluding any years in which it is clear that models were not destined for the UK market.

particular goods at issue there is likely to be an aural aspect to the purchase where discussions are had with retailers. There is a hair's breadth between the marks in terms of aural similarity. The conceptual hook retained in the mind, because the later mark so closely resembles BULLET, will be the same for a significant proportion of average consumer. I bear in mind that for others the concept may be dissimilar and that this could offset the high degree of visual and aural similarity.[42] However, this is not always the case, as found by the GC in *Nokia Oyj v OHIM,* Case T-460/07:

> "66 Furthermore, it must be recalled that, in this case, although there is a real conceptual difference between the signs, it cannot be regarded as making it possible to neutralise the visual and aural similarities previously established (see, to that effect, Case C-16/06 P *Éditions Albert René* [2008] ECR I-0000, paragraph 98)."

76. In *Diramode S.A. v Richard Turnham and Linda Ann Turnham*, BL O/566/19, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, having quoted from the CJEU's judgment in *Wolf Oil Corp. v. EUIPO*, Case C-437/16 P, observed;

> "28. The Court thus emphasised that there is no rule to the effect that visual and aural similarities are automatically neutralised by conceptual differences. It insisted upon the need for two distinct stages in the analysis of the overall likelihood of confusion, with the first being directed to '*a finding of the conceptual differences between the signs at issue*' and the second being directed to '*assessment of the degree of conceptual differences*' with a view to determining whether they '*may lead to the neutralisation of visual and phonetic similarities*'."

77. The contested mark is visually and aurally closely similar to BULLET which has a high degree of distinctive character. Despite the relatively low degree of similarity between the goods, I consider that another factor in the mix is that the high degree of distinctiveness of the earlier mark, and its close resemblance to the known word BULLET will result in an element of the eye seeing what it wants to see and the ear

[42] *The Picasso Estate v OHIM*, Case C-361/04 P, CJEU.

will hear what it expects to hear.[43] In *Industria de Diseno Textil, S.A. (INDITEX, S.A.) v Hilary-Anne Christie*, Mr Daniel Alexander QC, having referred to *Aveda Corporation v Dabur India Limited* [2013] EWHC 589 (Ch), observed at paragraph 37:[44]

> "This is an explanation for why the CJEU case law (such as Canon) may be correct to treat marks with a highly distinctive character on the grounds of their acquired reputation as enjoying more extensive protection than those with a lower level of distinctiveness – the public has been sensitized to expect them."

78. I find that there is a likelihood of confusion through a significant proportion of average consumers imperfectly recollecting BULLIT as BULLET, and vice versa. I also find a likelihood that a significant proportion of average consumers who are very familiar with BULLET would expect it to be BULLET that they saw or heard, were the contested mark to be used in relation to the applicant's goods. The relatively high level of attention paid during the purchasing process would not offset that likelihood, considering the market intersection referred to by the GC in *Triumph*, the high degree of average consumers' familiarity with BULLET and the high/very high degree of visual and aural similarities between the marks.

Section 5(2)(b) outcome

79. The section 5(2)(b) ground of opposition succeeds.

Section 5(3) of the Act

80. Section 5(3) states:

> "(3) A trade mark which-
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom

[43] *Aveda Corporation v Dabur India Limited* [2013] EWHC 589 (Ch), paragraph 48.
[44] BL O/040/20.

and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark".

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected."

81. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C-383/12 P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows.

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

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

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

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph

68*;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79*.*

(f) 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'Oreal v Bellure NV*, paragraph 44.

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

(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 of the earlier mark; *L'Oreal v Bellure NV,* paragraph 40*.* The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it; *L'Oreal v Bellure NV*, paragraph 44.

(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 (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure).*

82. For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier mark; a link between the marks (the earlier mark will be brought to mind on seeing the later mark); and one (or more) of the claimed types of damage. It is not necessary that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the relevant public will make a link between the marks. In this case, however, I have found that the goods are similar (to at least a low degree and to a low degree).

83. The first condition of similarity between the marks is satisfied, as found earlier in this decision.

84. The next condition is reputation. Reliance upon this ground requires evidence of a reputation amongst a significant part of the relevant public, as stated in *General Motors*:

"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."

85. As the earlier trade mark is a comparable mark, paragraph 10 of Part 1, Schedule 2A of the Act is relevant. It reads:

"10.— (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 include the European Union".

86. The opponent's EU evidence is relevant to establish the requisite reputation. I find that at the relevant date it had established a qualifying reputation for BULLET in relation to motorcycles and motorbikes. However, for a link to be made between these goods and the contested goods, it is the degree of knowledge amongst UK average consumers which is relevant, unless there is a reason why EU use outside of the UK would cause a link to be formed in the minds of a commercially significant part of the UK relevant public.[45] I find, as I did earlier in relation to enhanced distinctive character, that the opponent also had a qualifying reputation in relation to motorcycles and

[45] *Iron & Smith kft v Unilever NV,* Case C-125/14, CJEU.

motorbikes amongst the UK relevant public at the relevant date.[46] The nature of the reputation is shown in the evidence to be one of a long-standing motorcycle brand, which has motorcycling heritage and a vintage-look appeal.

87. Given my findings that there is a likelihood of confusion in relation to the contested goods when compared with motorcycles and motorbikes, it follows that there is a link between the marks in the minds of the relevant public. One of the claims made by the opponent is that the relevant public will believe that the applicant's goods come from the opponent or an undertaking linked to the opponent, leading to unfair advantage. The likelihood of confusion means that unfair advantage will be automatic because sales will be achieved under the contested mark as a result of the confusion with the earlier mark.

88. Although I have found a likelihood of confusion, confusion is unnecessary for a link to be found.[47] I find that even if I am wrong about a likelihood of confusion, the parties' goods are close enough and the opponent's reputation strong enough for there to be a link. There is also unfair advantage as a result of the transfer of the image of the earlier mark, which is shown in the evidence to be the longest motorcycle in production, of iconic heritage which some buyers collect and do not even ride; and possessing a desirable vintage style. The applicant could notionally style its goods to reflect a vintage look, but even if it does not, the heritage and image for which the BULLET is known will transfer to the applicant's goods, making its sales easier to achieve on the basis of the marketing efforts of the opponent, such as the regular rounds it does at exhibitions and the tightly controlled 'look' of how the BULLET motorcycle is displayed in its stores. As the applicant would be benefitting from the reputation of the earlier mark, without paying any compensation to the opponent, or expending the money necessary to create a market for its products in the UK, this constitutes an unfair advantage.

[46] Reputation is a knowledge threshold, as set out in *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC 35 (IPEC) at paragraph 69
[47] *Intra-Presse SAS v OHIM,* Joined cases C-581/13P & C-582/13P, CJEU.

89. Since I have found unfair advantage on both of the pleaded bases, it is unnecessary to look at the other two types of damage pleaded under section 5(3) of the Act.

Section 5(3) outcome

90. The section 5(3) ground of opposition succeeds.

Section 5(4)(a)

91. Section 5(4)(a) states:

> "(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
>
> > (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
> >
> > (aa) […]
> >
> > (b) […]
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

92. Subsection (4A) of Section 5 states:

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

93. The three elements which the opponent must show are well known. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke,

sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

> "55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.
>
> 56 In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

94. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

95. As this is a case where there is no evidence that the contested mark is used, it is the date on which the contested application was made which is the relevant date for the purposes of section 5(4)(a) of the Act: 15 June 2020.[48] The opponent must show that it had sufficient goodwill at this date to bring the claim. The passing off claim is based upon motorcycles. This matches my finding in relation to genuine use. I find that the opponent has shown evidence of a substantial goodwill in relation to a

[48] *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander KC, sitting as the Appointed Person.

business selling motorcycles in the UK. The sign BULLET is distinctive of that goodwill.

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

> "There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is "is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]".

97. In *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590, Lord Justice Lloyd stated, with reference to *Neutrogena Corporation v Golden Ltd* [1996] RPC 473 and [1996] RPC 496:

> "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."

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

business means that although it may have a relatively small number of actual or potential customers, the number of those who will be deceived will still be substantial.

99. Earlier in this decision, I found that there is a likelihood of confusion. The sign relied upon is the same as the opponent's registered mark and the opponent's goodwill in relation to its BULLET goods corresponds to the goods considered under section 5(2)(b). Although the test for misrepresentation requires that a substantial number of members of the public are deceived rather than whether the average consumer is confused, it has been recognised in *Marks and Spencer PLC v Interflora* that it is doubtful whether the difference between the legal tests will produce different outcomes.[49] I find that the section 5(4)(a) ground succeeds because a substantial number of the opponent's actual or potential customers will be deceived into believing that the applicant's goods are those of the opponent or an undertaking economically linked to the opponent.

100. If I am wrong about my section 5(2)(b) conclusions as to the similarity of the goods, I remain of the view that there would be misrepresentation because the parties' goods are of a two-wheeled, powered type of vehicle, and parts therefor. In *LUMOS*, Lord Justice Lloyd observed:

> "42. If the same mark is used in relation to goods of two entirely different natures, of kinds which no ordinary person would suppose could be connected, then the use of the mark by one party is unlikely to be found to amount to a representation that its goods are from the same trade origin as those of the other user. If the Defendants had used the mark LUMOS in relation to, let us say, electric lights or light fittings, then it might be fair to say that no-one would suppose that the use of the same mark suggested that such goods came from the same source as the Claimant's skincare products. (Compare the unsuccessful attempt by Granada Television to prevent Ford from selling a car under the name Granada: *Granada Group Ltd v Ford Motor Company Ltd* [1973] RPC 49.) The Defendants sought to show that the skin care and nail care sectors of the beauty industry are quite distinct, but they cannot be said to

[49] [2012] EWCA (Civ) 1501

be so distinct and separate that no-one could suppose that the use of the same mark in both sectors carried a representation of common origin or business association. For one thing, that is belied by the evidence that some well-known brand names are used in both sectors, as already mentioned."

101. I find that the use of the application at the relevant date would create a misrepresentation that the parties' goods had a common origin or business association; for example, an expansion of the opponent's business to electric bicycles and the parts listed in the applicant's specification. Damage would follow; for instance by injurious association and the loss of control over the opponent's goodwill and reputation.[50]

Section 5(4)(a) outcome

102. The section 5(4)(a) ground succeeds.

Overall outcome

103. The opposition is successful under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. The application is refused.

Costs

104. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are made on the basis of the scale set out in Tribunal Practice Notice 2/2016. I award costs to the opponent as follows:

Official fee for filing the opposition	£200
Preparing and filing the notice of opposition and considering the counterstatement	£300

[50] *Ewing v Buttercup Margarine Company, Limited,* [1917] 2 Ch. 1

Filing evidence and considering the applicant's evidence	£800
Written submissions in lieu of a hearing	£400
Total	£1700

105. I order Santa Cruz Bicycles, LLC to pay to Eicher Motors Limited the sum of **£1700**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 11 day of July 2023

Judi Pike
For the Registrar