O/0662/22

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF

UK TRADE MARK REGISTRATION NO. 00914585582
IN THE NAME OF CDS (SUPERSTORES INTERNATIONAL) LIMITED
FOR THE MARK:

AND

AN APPLICATION UNDER NO. 504211 FOR A DECLARATION OF INVALIDITY AND AN APPLICATION UNDER NO. 504212 FOR REVOCATION ON THE GROUNDS OF NON-USE
BY MADD GEAR PTY LTD

BACKGROUND AND PLEADINGS

1. CDS (Superstores International) Limited ("the proprietor") is the proprietor of the trade mark registration set out below ("the contested mark"):

UK00914585582

2. The contested mark is a comparable mark created on IP Completion Day at the end of the transition period of the UK's withdrawal from the EU, being 31 December 2020. It is based on an EU trade mark and retains the filing and registration dates of the EU trade mark, these being:

Filing date: 23 September 2015
Registration date: 10 January 2016

3. The contested mark is registered in respect of the following goods:

Class 9: *Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines, data processing equipment, computers;*

Computer software; Fire-extinguishing apparatus; Safety equipment; Helmets; Knee pads.

Class 12: *Vehicles; Apparatus for locomotion by land, air or water; Bicycles; Parts and fittings therefor.*

Class 25: *Clothing, footwear, headgear.*

Class 28: *Games and playthings; Gymnastic and sporting articles not included in other classes; Decorations for Christmas trees; Skateboards; Skates; Roller Skates; In-line Skates; Ice Skates.*

4. On 06 October 2021, Madd Gear Pty Ltd ("the applicant") applied to have the contested mark declared invalid in its entirety under Section 47 of the Trade Marks Act 1994 ("the Act"). The application for invalidity is based upon Sections 5(2)(b), 5(3) and 5(4)(a) of the Act and is directed against all the goods covered by the contested mark.

5. On the same day, the applicant also filed an application to revoke the contested mark for non-use. The application for revocation is directed against the goods in classes 9, 25 and 28 (but not those in class 12). Revocation is sought under Section 46(1)(a) on the basis of non-use within the period of five years following the date of registration ("the first relevant period"), namely 11 January 2016 to 10 January 2021. Revocation is therefore sought from 11 January 2021. Revocation is also sought under Section 46(1)(b) on the basis that use of the contested mark has been suspended for an uninterrupted period of five years ("the second relevant period"), namely from 24 September 2016 to 23 September 2021, with revocation being sought from 24 September 2021.

6. The proceedings were consolidated on 20 April 2022.

The invalidity action

7. Under Section 5(2)(b), the applicant relies upon the following four trade marks:

UK00801095000 (“the first earlier mark”) MADD Filing date: 15 July 2011; Registration date: 12 September 2012 Under this mark the applicant opposes the registered goods in classes 12 and 28 and relies on the following goods: **Class 12:** *Non-motorised vehicles, including cycles, scooters, parts and accessories thereof.* **Class 28:** *Games and playthings; gymnastic and sporting articles not included in other classes*.
UK00002602526 (“the second earlier mark”) MADD Filing date: 25 November 2011; Registration date: 09 March 2012 Under this mark the applicant opposes *Safety equipment; Helmets; Knee pads* in class 9 as well as *Clothing, footwear, headgear* in class 25 and relies on the following goods: **Class 25:** *Clothing, footwear, headgear*
UK00801095001 (“the third earlier mark”) MADD GEAR Filing date: 15 July 2011; Registration date: 12 September 2012 Under this mark the applicant opposes the registered goods in classes 12 and 28 and relies on the following goods: **Class 12:** *Non-motorised vehicles, including cycles, scooters, parts and accessories thereof.* **Class 28:** *Games and playthings; gymnastic and sporting articles not included in other classes.*
UK00801125276 (“the fourth earlier mark”) MADD GEAR ACTION SPORTS Filing date: 18 June 2012; Registration date: 02 July 2013 Under this mark the applicant opposes the registered goods in class 9 and relies on the following goods: **Class 9:** *Entertainment computer programs; computer game software; computer game programs; electronically delivered games; game programmes (programs) and*

software for use with electronic games of all kinds; interactive multimedia games software.

8. The trade marks upon which the applicant relies qualify as earlier trade marks pursuant to Section 6 of the Act. As the earlier marks had completed their registration process more than 5 years before the date of application for the declaration of invalidity against the contested mark, they are all subject to the proof of use requirements under Section 6A of the Act.

9. Under Section 5(2)(b) the applicant claims that the marks are similar, and the goods are identical or similar, leading to a likelihood of confusion.

10. Under Section 5(3) the applicant relies on the first and third earlier mark and claims that these marks enjoy a reputation for *non-motorised vehicles, including cycles, scooters, parts and accessories thereof* in class 12. The applicant claims that as a result of the similarity of the marks and level of reputation in its marks, the use of the contested mark would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier marks.

11. Under Section 5(4)(a) the applicant claims to have used the signs 'MADD' and 'MADD GEAR' in the UK since February 2010 in relation to *outdoor sports equipment and accessories*, and in particular *scooters*. The applicant claims that it had accrued goodwill in the UK in relation to the signs by the date of filing of the contested mark and that use of the contested mark constitutes a misrepresentation to the public that the goods provided thereunder are in some way connected commercially to the applicant. The applicant argues that this use would, without due cause, damage the applicant's signs.

The defences

12. The proprietor filed defences and counterstatements defending its registration.

13. In the invalidity:

i. The proprietor denies that the earlier marks have been put to genuine use during the relevant period and put the applicant to proof of use;

ii. The proprietor denies that the marks are similar;

iii. The proprietor admits that the parties' scooters are identical, but otherwise denies that the goods are identical or similar;

iv. The proprietor states that it sells its products through its own shops and websites and avers that there have been no instances of confusion to the best of its knowledge and belief;

v. The proprietor denies that the applicant has traded on a substantial scale in the UK under the earlier marks and holds a majority share of the pro-scooters market. It also denies that there would be link and damage under Section 5(3) and misrepresentation and passing off under Section 5(4)(a);

14. In the revocation for non-use:

vi. The proprietor defends the registration only in relation to certain goods, namely *Skateboards; roller skates; in-line skates; pogo sticks, scooters and go-carts*;

vii. The proprietor admits that there has been no use for goods in Classes 9 and 25 and *decorations for Christmas trees* (in class 28);

15. Both parties filed evidence (both in-chief and in reply). The applicant also filed written submissions dated 26 July 2022. The evidence and submissions will not be summarised here but will be referred to insofar as it is considered appropriate.

16. In these proceedings, the applicant is represented by Appleyard Lees IP LLP and the proprietor by Jensen & Son. A hearing took place before me on 17 April 2023, by video conference with Mr Christopher Hoole (of Appleyard Lees IP) appearing on behalf of the applicant and Mr David Moore (of Jenson & Son) appearing on behalf of proprietor.

17. 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 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 case-law of EU courts.

EVIDENCE

18. The applicant's evidence in chief consists of the following:

- A witness statement by Christopher James Hoole dated 26 July 2022, accompanied by two exhibits (CH1 – CH2). Mr Hoole is a partner at Appleyard Lees IP, the representatives for the applicant;

- A witness statement by Michael Horne dated 20 July 2022, accompanied by nine exhibits (MH1 – MH9). Mr Horne is the Global CEO of the applicant;

- A witness statement by Richard Birchwood dated 26 July 2022, accompanied by seven exhibits (RB1 – RB7). Mr Birchwood is the Commercial Director of J & R Sports Limited, the exclusive UK distributor for the applicant.

19. The proprietor's evidence in chief consists of the following:

- A witness statement by Lisa Dawson dated 16 March 2022, accompanied by six exhibits (LD1 – LD6). Ms Dawson is the Head of Buying at the proprietor's company and the daughter of Chris Dawson, the founder, owner and Managing Director of the proprietor;

- A witness statement by David Moore dated 26 July 2022, accompanied by three exhibits (DSM1 – DSM3). Mr Moore is a Chartered Trade Mark Attorney at Jensen & Son, the representatives of the proprietor.

20. The applicant's evidence in reply consists of the following:

- A second witness statement by Michael Horne dated 24 October 2022, accompanied by seven exhibits (MHA1 – MHA7);

- A witness statement by Beverley Robinson dated 28 September 2022, accompanied by one exhibit (BR1). Ms Robinson is a Senior Associate and Chartered Trade Mark Attorney at Appleyard Lees IP LLP, the representatives for the applicant.

21. The proprietor's evidence in reply consists of the following:

- A second witness statement by David Moore dated 24 October 2022, accompanied by one exhibit (DSM4).

DECISION

22. At the hearing both representatives addressed the revocation action first and took the approach that the invalidity is still relevant only insofar as it relates to the goods which were defended in the revocation action, namely those in classes 12 and 28.[1] However, if the contested mark is declared invalid, it will be held to never have been valid and nullified *ab initio* (as the registration never existed), whilst the outcome of the revocation would apply in this case from 11 January 2021 (at the earliest) and cannot have retroactive effects. Consequently, if the contested mark is declared invalid in its entirety, it may not be necessary to consider the revocation action for the goods that are defended. Hence, I shall start with the invalidity.

The invalidity

23. Sections 5(2)(b), 5(3) and 5(4)(a) have application in invalidation proceedings pursuant to Section 47 of the Act. Section 47 reads as follows:

> "47. (1) […]

[1] Paragraph 31 of the applicant's skeleton argument and paragraph 28 of the proprietor's skeleton argument

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

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

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) 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.

(2D)-(2DA) [Repealed]

(2E) 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.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are-

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(3) […]

(4) […]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed."

24. As the first, the third and the fourth earlier mark are comparable marks, paragraph 9 of part 1, Schedule 2A of the Act is relevant. It reads:

"9.— (1) Section 47 applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 47(2A)(a) and 47(2B) (the "five-year period") has expired before IP completion day —

(a) the references in section 47(2B) and (2E) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 47 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 47(2B) and (2E) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 47 to the United Kingdom include the European Union".

25. Section 100 of the Act is also relevant, which reads:

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

Proof of use

26. I will begin by assessing whether there has been genuine use of the applicant's earlier marks. As explained in the above legislation, there are two relevant periods for proof of use. The first is the period of five years ending with *the date of the application for invalidity*, namely **7 October 2016 to 6 October 2021**. However, as none of the earlier marks had been registered for five years or more at the date the contested mark was filed, i.e. 23 September 2015, the second potential relevant period introduced by Section 47(2B)(a)(ii) does not apply.

27. The first, the third and the fourth earlier mark are comparable marks. In relation to those marks, for the part of the relevant period that fall prior to 31 December 2020 (inclusive), evidence of use in the EU will be relevant.[2] After that date, only evidence of use in the UK will be relevant.

28. 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:

> "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.

[2] *Leno Merken BV v Hagelkruis Beheer BV,* Case C-149/11

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]."

29. Proven use of a mark which fails to establish that *"the commercial exploitation of the mark is real"* because the use would not be *"viewed as warranted in the economic*

sector concerned to maintain or create a share in the market for the goods and services protected by the mark" is not, therefore, genuine use.

Assessment of proof of use in relation to the applicant's earlier marks relied upon in the invalidity action

The evidence

30. The most relevant evidence filed by the applicant is as follows:

- Mr Horne, the applicant's CEO, states that the applicant, a company based in Australia, is one of the world's leading suppliers of scooters and holds a majority share of the pro-scooter market;

- The applicant has used the trade marks 'MADD', 'MADD GEAR' and 'MADD GEAR ACTION SPORTS' ("the applicant's marks") on a significant scale both in the UK and globally since around 2010. The applicant operates globally, shipping into more than 80 countries, via a network of offices, subsidiaries, and local distributors;

- A company called Scooter and Skate Limited initially sold goods under the applicant's marks in the UK. Subsequently the applicant's UK subsidiary, Madd Gear UK Limited (formerly called Madd UK Limited), was established to continue the UK operations. The applicant's UK exclusive distributor, J & R Sports Limited, first commenced use of the applicant's marks in the UK in September 2011;

- The applicants' EU distributor is a company called Sk8te4u Sports Production GmbH. Approximate turnover figures for goods sold bearing the applicant's mark in the EU are as follows:

Year	Units Sold	Trade Value (exc. VAT)	Retail Value (inc. VAT)
2012	132,900	€9,045,436.75	€18,090,873.50
2013	54,850	€3,558,531.59	€7,117,063.18
2014	96,688	€5,988,338.96	€11,976,677.92
2015	55,585	€3,993,652.66	€7,987,305.32
2016	41,922	€3,231,420.74	€6,462,841.48
2017	56,400	€4,309,306.39	€8,618,612.78
2018	62,554	€4,103,891.95	€8,207,783.90
2019	61,982	€4,163,361.38	€8,326,722.76
2020	99,145	€6,511,579.54	€13,023,159.08
2021	140,166	€9,430,122.55	€18,860,245.10

- In addition to sales via the applicant's distributors, goods bearing the applicant's marks are sold via the applicant's websites. The main website is www.maddgear.com. As of 28 June 2015, there were over 27,000,000 page views and the UK accounts for over 20% of them. The applicant's marks are also promoted through online and social media channels including Facebook, YouTube, Instagram and Twitter;

- Mr Birchwood, the Commercial Director of J & R Sports Limited, the exclusive UK distributor for the applicant since January 2011, states that his company has been selling the applicant's goods under the marks 'MADD', 'MADD GEAR' and 'MADD GEAR ACTION SPORTS'. The goods sold include scooters, skateboards and clothing, and the marks are particularly well-known in the "pro-scooter" category;

- Mr Birchwood says that approximate turnover figures for goods sold bearing the applicant's marks in the UK and Ireland are as follows:

Year	Units Sold	Trade Value (exc. VAT)	Retail Value (inc. VAT)
2011	305,255	£8,316,116.53	£16,645,524.26
2012	433,294	£8,692,661.22	£17,385,322.44
2013	135,298	£2,311,089.43	£4,622,178.86
2014	85,446	£2,051,417.95	£4,102,835.90
2015	93,622	£2,342,065.53	£4,684,131.06
2016	117,218	£3,868,660.05	£7,737,320.10
2017	177,594	£8,216,124.59	£16,432,249.18
2018	69,222	£1,903,790.35	£3,807,580.70
2019	70,512	£2,620,925.50	£5,241,851.00
2020	87,666	£2,504,842.49	£5,009,684.98
2021	62,697	£1,493,028.18	£2,986,056.36

- Mr Birchwood says that the applicant's marks have been promoted on his company's website at www.jandrsports.co.uk since January 2011. He also says that the approximate advertising spend in relation to goods bearing the applicant's marks is as follows:

Year	Annual spend
2011	£494,295.20
2012	£819,474.86
2013	£111,141.37
2014	£141,415.64
2015	£124,494.48
2016	£264,234.79
2017	£471,800.49
2018	£140,449.42
2019	£107,511.44
2020	£153,200.39
2021	£115,016.20

- Mr Birchwood says that goods are sold throughout the whole of the UK and provides a list of 21 UK stockists. He also says that goods bearing the applicant's marks are available in large well-known stores such as Smyths Toys and Halfords and have been regularly advertised in industry publications such as "Scoot Mag" and "Scoot Nation" and have been promoted at various exhibitions, events and competitions in the UK and internationally;

- Mr Hoole, who represented the applicant at the hearing, gave evidence that in January 2015 the applicant applied to register a 3D mark in the UK (under no. 3088325) consisting of a curved shape of a down tube with side holes. Mr Hoole

explained that the application was originally refused, and that the applicant eventually obtained registration after filing evidence of acquired distinctiveness with the UKIPO confirming on 7 September 2016 that the application would proceed to registration by way of acquired distinctiveness through use for *"kick scooters and part thereof".*

Has the applicant established genuine use of its earlier marks?

31. Given the approach taken by the parties to the invalidity action, the only earlier marks which are now relevant are the first and the third earlier mark, both of which cover identical goods in classes 12 and 28.

32. The first and the third earlier mark consist of the words 'MADD' and 'MADD GEAR', respectively.

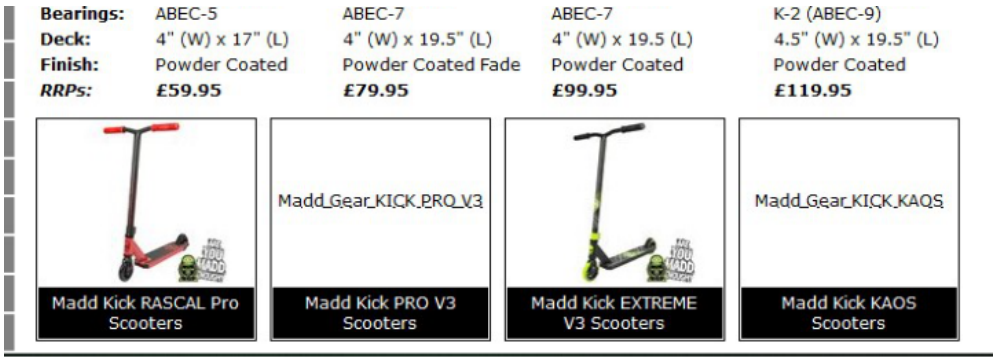
33. In its skeleton argument Mr Moore contended that there is no evidence of use of the word 'MADD' alone. He stated:

"Within the relevant period, the evidence of Birchwood and Horne shows that MGP has sold products by reference to three marks: MGP, MADD GEAR and a logo form:

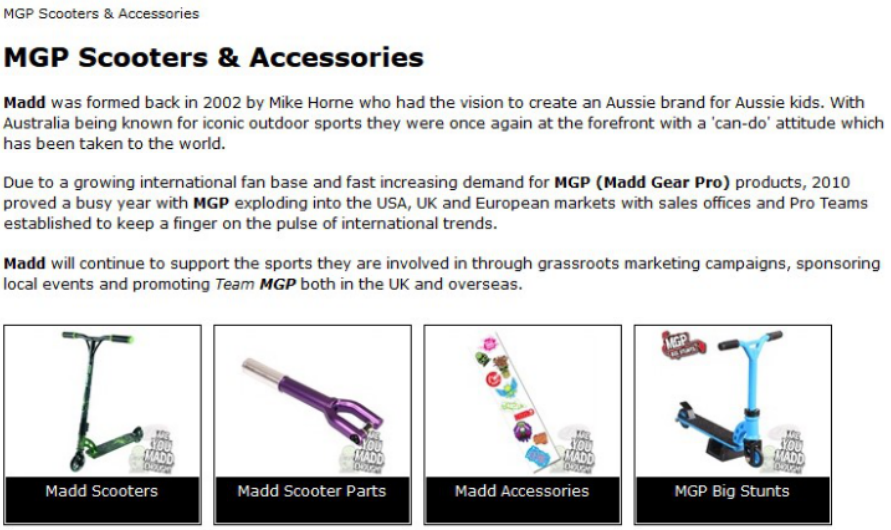
There is no evidence of any commercial activity in the relevant goods in the relevant time frame using the word MADD alone. Of these marks, it should be noted that MGP seems to be by far the most important to the Applicant and the mark by which it is best known […]"

34. Another criticism levelled by Mr Moore at the applicant's evidence is that the sale figures provided are "*unhelpfully not broken down in any way".*

35. Whilst it is true that most of the evidence filed by the applicant relates to the brands 'MADD GEAR' and 'MGP', the evidence also contains some examples of use of 'MADD' alone. For example, copies of screenshots from the website of the applicant's UK distributor www.jandrsports.co.uk demonstrate use of the mark 'MADD' in relation to scooters as shown below.[3] The screenshots are dated September 2018 within the relevant period:



36. The following webpage also refers to the brand as 'MADD', but it is dated April 2016 which is 6 months before the relevant period:



[3] RB3

37. There are other examples of the trade mark ‘MADD’ being identified as a brand for scooters on UK third-party websites, some of which are reproduced below:

1. The logo below appears on a webpage dated 4 March 2019 (within the relevant period) from the UK website www.kateskates.co.uk:

2. The extract below is from website www.prolineskates.com as it appeared on 12 September 2017. The company shows a UK telephone number:

3. The extract below is from website www.scooterandski.co.uk as it appeared on 27 November 2011 (outside the relevant period):

38. There are also examples of ‘MADD’ being used together with the acronym ‘MGP’ (within the relevant period) on the UK website www.routeone.co.uk:

39. I accept that this is not use of the earlier mark by the applicant on the goods themselves, however, the brand is referred to as ‘MADD’ by third party retailers of the applicant’s goods.

40. The mark ‘MADD’ also appears on its own or together with a skull device on UK freestyle scooter magazines and marketing material (undated or dated outside the relevant period):

41. The mark ‘MADD’ also appears on material distributed at events as shown below:

42. The above exhibition stand appears to have been used at UK events held in Northamptonshire on 13 May 2018 and 4 May 2019.

43. Furthermore, at the hearing Mr Hoole directed me to the evidence in RB5 (page 91) which shows the mark ‘MADD’ (stylised) featuring on a scooter as shown below:

44. The image is undated save for the printing date of 19 July 2022 (which is after the relevant period).

45. Mr Hoole also directed me to the evidence in RB1 which contains a selection of invoices by J & R Sports Limited. Those invoices show, in respect of the period from January 2011 to September 2018, sales to companies in the UK, including the well-known retailers Smyths Toys and Halfords in excess of £439,000 and 360,000 US dollars in total, most of which appear to be for scooters and accessories for scooters such as forks. At the hearing Mr Hoole pointed out that some of the product descriptions include the brand name 'MADD', whilst Mr Moore observed than other product descriptions relate to goods sold under the brand 'MGP'. On a number of invoices, the product descriptions do not clearly identify the type of goods, for example, 'MGP VX EXTREME', but there is no suggestion that the goods are other than scooters. Taking into account that the relevant period for proof of use is 7 October 2016 to 6 October 2021, only four invoices fall within the relevant period, and of those four, only one (dated 20.09.2018) includes the brand 'MADD' in the product description with the value of the goods sold being $84,209 for a total of 1,500 products. The invoice is issued to Halfords Limited in Worcestershire. The goods are described as 'MADD CARVE MINI PRO', 'MADD CARVE PRO', 'MADD CARVE ELITE'; although the evidence does not explain what these goods are, Mr Hoole said at the hearing that 'MADD CARVE MINI PRO' is scooter for kids aged four plus.

46. Mr Hoole also referred me to a second selection of invoices exhibited at RB1 which shows sale of scooters under mark ‘MADD GEAR’ within the relevant period in Germany for a total of €244 (19.11.2018), €1,492 (20.12.2019) and €4,112 (15.03.2021), however, the use of this mark did not seem to be contested by Mr Moore.

47. Finally, Mr Hoole also took me to a third selection of invoices exhibited at RB2 dated between December 2011 and 4 March 2020. These are invoices issued by ‘MADD GEAR UK LIMITED’, i.e. applicant’s UK subsidiary, to J & R Sports Limited, i.e. the applicant’s UK distributor, and cover marketing contribution for brand promotion, with the total value of the invoices falling within the relevant period being approximately £50,000.

48. The evidence presents some gaps, but there is at least one invoice dated within the relevant period which clearly shows that scooters were sold in the UK under the brand ‘MADD’. Further, whilst there is no evidence dated within the relevant period which shows the mark ‘MADD’ affixed to the goods, there is evidence dated within the relevant period of the applicant’s goods being identified and made available for sale by UK retailers by reference to trade mark ‘MADD’, and there is also one example of the mark ‘MADD’ affixed to the goods. At the hearing, Mr Moore said that having gone through the evidence his impression was that the applicant used the mark ‘MADD’ on its own up to 2011 and that from 2012 the trading style was predominantly ‘MADD GEAR’ and ‘MGP’. Whilst it is possible that from 2012 onwards the applicant and its UK subsidiary focused on the new variant marks ‘MADD GEAR’ and ‘MGP’, they are both marks which derive from the main and original brand ‘MADD’, which the applicant has continued to use, although it seems to a far lesser degree.

49. It is true that the only example of the mark ‘MADD’ affixed to the goods is dated after the relevant period and shows a very stylised version of the word ‘MADD’. Even accepting that such use reflects how the mark ‘MADD’ has been affixed to the goods during the relevant period, it raises the question of whether the stylisation alters the distinctive character of the mark as registered. However, I do not need to address that question because, as I have said, there are examples of use of the mark ‘MADD’ on its own and in standard letters on invoices and websites of third-party retailers offering the applicant’s goods for sale, all dated within the relevant period. In addition, the mark

‘MADD’ has been used in conjunction with a skull device in promotional material and at UK events during the relevant period; applying the guidance set out in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12 (which concerned the use of one mark with, or as part of, another mark) I would consider such use to count towards genuine use of the mark ‘MADD’ because the mark maintains its trade mark significance and remains indicative of the origin of the product.

50. Finally, although the sale figures are not broken down by products, the evidence points in one direction, namely that most of the goods sold are scooters. It follows that even if the sale figures provided in evidence include other goods, such as, for example, articles of clothing (that are no longer relevant) or roller skates, it is reasonable to assume that they represent a small proportion of the overall sales, and that most of the sales achieved during the relevant period (which amount to over £41million in the UK and Ireland and €62.5million in the EU) are sales of scooters.

51. The advertising expenditures, which amount to over £1.2 million within the relevant period are not said to relate to the UK but as they are given in pound sterling (like the UK turnover figures) and in the context of evidence of turnover relating to the UK, I read them as relating to the UK. In any event, the invoices at RB2 shows that at least £51,000 were spend in the UK in promoting the brand. Whilst it is true that the applicant uses a number of trade marks, including ‘MADD’, ‘MADD GEAR’, and ‘MGP’ (which the evidence shows stands for ‘MADD GEAR PRO’) they are all part of the same ‘MADD’ brand, so any use of ‘MADD’-based mark would still have a promotional effect on the main brand ‘MADD’.

52. Hence taking into account all of the above, including (i) the significant UK and EU sale figures, (ii) the UK promotional spend, (iii) the evidence of participation to UK trade events and competitions, (iv) the evidence showing the mark ‘MADD’ being mentioned or promoted on UK magazines, (v) the continuity and length of use (vi) the extent and geographical spread of use covering both the UK and many EU countries, I am satisfied that the evidence is sufficient to establish that the earlier mark ‘MADD’ has been genuinely used in the EU during the relevant period.

53. Turning to the mark ‘MADD GEAR’, there are plenty of examples of the mark ‘MADD GEAR’ being used on invoices and marketing material during the relevant period. If anything, the applicant’s case that there is sufficient evidence to establish genuine use is even stronger in relation to this mark. Lastly, at the hearing Mr Moore confirmed that he accepted use of the mark ‘MADD GEAR’ during the relevant period at least in relation to scooters.

Fair specification

54. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

> “In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

55. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch)*,* Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

> “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].

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 Pl*c [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."

56. The goods for which the earlier marks 'MADD' and 'MADD GEAR' are registered are as follows:

Class 12: *Non-motorised vehicles, including cycles, scooters, parts and accessories thereof.*

Class 28: *Games and playthings; gymnastic and sporting articles not included in other classes.*

57. The evidence before me shows that the earlier marks have been put to genuine use in relation to pro-scooters, which I understand are scooters aimed at people who want to do tricks, stunts, freestyle and jumps, in line with Mr Horne's statement that the applicant holds a majority share of the pro-scooter market. The evidence suggests that pro-scooters are used in what has recently become a street sport with youngsters competing in championships and events, some of which are mentioned in Mr Birchwood's witness statement. The goods sold by the applicant under the marks also include push scooters which are scooters used as street vehicles and propelled by riders pushing off the ground with their legs.

58. The earlier marks cover scooters in class 12 and other goods in class 28 which, in my view, would also cover the scooters shown in evidence. I consider that the goods in relation to which the earlier marks have been genuinely used, namely pro scooters and push scooters, fall within both classes because:

i. push scooters are a human-powered street vehicles and as such would fall in class 12 – as shown by the EUIPO TM Classification tool which classifies push scooters as vehicles in class 12;

ii. pro scooters are used in game or sport competitions (and the evidence indicates that free style scootering has become an extreme sport) but can also be used as a street vehicle (in the same manner as a push scooter) so they would fall in both class 28 (which covers equipment for various sports and games) and class 12;

iii. the evidence also contains examples of scooters for smaller children, which would be described as toy scooters and would fall in class 28.

59. The evidence also contains examples roller skates and skateboards and there are some invoices for pogo sticks[4] and mini trikes[5] but they are under the brand 'MGP'. Whilst I notice that the exhibit at MH9 lists skateboards and skates as other 'MADD

[4] MH1 page 15
[5] MH1 page 10

GEAR' product segments, it is not clear whether these market segments were pursued by the applicant in the EU and the UK within the relevant period.

60. Consequently, I consider a fair specification for the earlier 'MADD' and 'MADD GEAR' marks to be as follows:

> **Class 12:** *Non-motorised vehicles, namely push scooters, parts and accessories thereof.*
>
> **Class 28:** *Games and playthings namely pro scooters for freestyle scootering and scooters for children [toys]; gymnastic and sporting articles not included in other classes, namely pro scooter for free style scootering.*

Section 5(2)(b)

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

> "A trade mark shall not be registered if because-
>
> […]
>
> (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".

62. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia*

Sales Germany & Austria GmbH, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

63. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

> "23. 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 complementary."

64. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] RPC 281. At [296], he identified the following relevant factors:

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

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found, or likely to be found, in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

65. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The General Court (GC) clarified the meaning of "complementary" goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

> "[…] there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking."

66. The GC confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa.

67. As it will be recalled, since the proprietor did not defend the revocation action for the goods in classes 9 and 25 (which will be revoked as non-defended) it was common ground between the parties that these goods are no longer relevant in the invalidity action. I shall therefore limit my considerations to the contested goods in classes 12 and 28 (and I will ignore, for the moment, the fact that proprietor has defended only

certain goods in the revocation action namely *Skateboards; roller skates; in-line skates; pogo sticks, scooters and go-carts*):

The contested goods	**The applicant's goods (after POU)**
Class 12: *Vehicles; Apparatus for locomotion by land, air or water; Bicycles; Parts and fittings therefor.* **Class 28:** *Games and playthings; Gymnastic and sporting articles not included in other classes; Decorations for Christmas trees; Skateboards; Skates; Roller Skates; In-line Skates; Ice Skates.*	**Class 12:** *Non-motorised vehicles*, *namely push scooters, parts and accessories thereof.* **Class 28:** *Games and playthings namely pro scooters for freestyle scootering and scooters for children [toys]; gymnastic and sporting articles not included in other classes, namely pro scooter for free style scootering.*

Class 12

68. The applicant's *Non-motorised vehicles*, *namely push scooters, parts and accessories thereof* fall within the contested *Vehicles* and *Apparatus for locomotion by land; Parts and fittings therefor.* **These goods are identical on the principle outlined in *Meric*.**

69. The contested *apparatus for locomotion by air or water* refer to aircraft and watercraft. These goods and the applicant's *non-motorised vehicles, namely push scooters* are both types of vehicles, however, this is where the similarity ends. I agree with Mr Moore[6] that these goods are dissimilar as they do not have the same nature or method of use, have very different manufacturers, target different users and do not share distribution channels. They are not interchangeable nor are they in competition with one another. **These goods are dissimilar.**

70. The contested *Bicycles* and the applicant's *non-motorised vehicles, namely push scooters* are vehicles with two wheels propelled by pedalling (bicycles) or

[6] Paragraph 33 of Mr Moore's skeleton arguments

kicking/pushing (push scooters). They can be used as a functional means of transport as well as for leisure and entertainment, and have therefore a similar nature, purpose and method of use. The goods also coincide in relevant public and may be found in the same kind of outlets. **These goods are similar to a medium degree.**

Class 28

71. The applicant's *Games and playthings namely pro scooters for freestyle scootering and scooters for children [toys]* fall within the contested *Games and playthings.* **These goods are identical on the principle outlined in *Meric*.**

72. The applicant's *gymnastic and sporting articles not included in other classes, namely pro scooters for freestyle scootering* fall within the contested *Gymnastic and sporting articles not included in other classes.* **These goods are identical on the principle outlined in *Meric*.**

73. The contested *Skateboards; Skates; Roller Skates; In-line Skates; Ice Skates* and the applicant's *gymnastic and sporting articles not included in other classes, namely pro scooters for freestyle scootering* can all be used for sports as well as for leisure and entertainment. The goods have a similar purpose and would require similar skills and can be directed at the same public who can expect that the goods are manufactured by the same entities and coincide in distribution channels, such as sporting equipment retail outlets. **These goods are similar to a medium degree.**

74. I cannot see any obvious similarity between the applicant's scooters and the contested *Decorations for Christmas trees.* The goods have a different nature, purpose, method of use, they do not share trade channels and are neither complementary nor in competition. **These goods are dissimilar.**

75. In *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA, Lady Justice Arden stated that:

> "49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by

holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

76. As some similarity of goods is essential for a claim under Section 5(2)(b) to succeed, the application for invalidity fails in relation to the goods which I have found to be dissimilar, namely *apparatus for locomotion by air or water* in class 12 and *decorations for Christmas trees* in class 28.

Average consumer

77. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited,* [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

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

78. The average consumer for the goods will be members of the general public. I find that push scooters, pro scooters, bicycles, skateboards, skates, roller skates, in-line skates and ice skates, are likely to be infrequent and relatively expensive purchases that require additional care and attention. The average consumer will take various factors into consideration such as the safety, cost, durability, and suitability of the vehicle/equipment for the user's needs. Consequently, I consider that an above

medium (but not high) degree of attention will be paid by the average consumer when selecting the goods.

79. The goods are likely to be obtained by self-selection from the specialist shops and their online equivalents. Alternatively, the goods may be purchased following perusal of advertisements or inspection of a catalogue. Visual considerations are therefore likely to dominate the selection process. However, I do not discount that there may also be an aural component to the purchase through advice sought from sales assistants or word of mouth recommendations.

Comparison of marks

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

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

The contested mark	The applicant's marks
	MADD MADD GEAR

Overall impression

The contested mark

82. The contested mark is a figurative mark composed of the two verbal elements 'MAD' and 'SKILLS' or 'SKILLZ' depending on whether the last letter will be perceived as an 'S' or an inverted 'Z'. The verbal elements of the mark are presented in white against a black paint splatter-effect background, but the word 'MAD' is significantly larger and is placed above the word 'SKILLS/Z'. The stem of the first letter 'M' and the bottom spine of the last letter 'S' are elongated until they meet, creating a 90-degree angle.

83. The applicant states that the dominant and distinctive element of the mark is the word 'MAD', which is the first element and has more emphasis than the other elements, and that the word 'SKILLS/Z' is descriptive. Mr Moore did not really address the point but argued that the marks are conceptually different because 'MAD SKILLS/Z' is a reference to skills and 'MADD GEAR' is a reference to gear.

84. Whilst the terms 'MAD' and 'SKILLS/Z' hang together to form a unit, indicating extreme skills, I agree with the applicant's that the word 'SKILLS/Z' is less distinctive that the word 'MAD' for the following reasons: (a) the element 'MAD' it is the first verbal

element of the mark and the beginnings of marks tend to be more focused upon;[7] (ii) the element 'MAD' is visually the dominant element of the mark due to its size and position and (iii) the word 'SKILLS/Z' in the context of the goods concerned, which are scooters, bicycles, skateboards, skates, roller skates, in-line skates and ice skates will be understood as referring to the skills of the user in riding the scooters/ bicycle, and/or in skating and skateboarding, performing tricks and stunts. Consequently, although the word 'SKILLS/Z' does not describe the goods directly, it is at least allusive of the skills required to use the goods or perform tricks and stunts using the goods.

85. Hence, I consider that the word 'SKILLS/Z' is of lower distinctiveness than the word 'MAD' and will have less weight in the overall impression. The splash background will be perceived as ornamental and will play a minimal role in the overall impression.

The first earlier mark

86. The first earlier mark is a word-only mark comprising the word 'MADD'. As there are no other components to the mark, the overall impression lies in the word itself.

The third earlier mark

87. The third earlier mark is also a word-only mark that comprises the words 'MADD' and 'GEAR'. The applicant states that the word 'MADD' forms the sole or distinctive element of this mark because the word 'GEAR' is less distinctive and/or descriptive. The word 'GEAR' has various meaning including the following:

> *"The gear involved in a particular activity is the equipment or special clothing that you use."*

88. The word 'GEAR' will have less distinctiveness than the word 'MADD' given that it is suggestive of the type of goods provided under the mark, i.e. equipment for free style scootering. Therefore, it will have less weight in the overall impression of the mark which predominantly lies in the first word 'MADD'.

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

Visual comparison

89. Visually, the contested mark and the applicant's 'MADD' mark coincide in the verbal element 'MAD' which constitutes the most distinctive element of the contested mark and the first three letters of the applicant's mark. The marks differ in that the applicant's mark has an additional letter 'D' at the end of the word 'MADD', and the contested mark includes other less distinctive elements, namely the word 'SKILLS/Z' and the splash background. Overall, these marks are similar to a low to medium degree.

90. The applicant's 'MADD GEAR' mark also contains the additional word 'GEAR' which has no resemblance to the word 'SKILLS/Z' in the contested mark but is low in distinctiveness. Overall, these marks are similar to a low degree.

Aural comparison

91. At the hearing Mr Moore argued that the word 'MAD' and 'MADD' will be pronounced differently, although I did not perceive any significance difference between the two pronunciations when he attempted to articulate the words. In my view, the word 'MAD' and 'MADD' will be pronounced identically.

92. The marks will be articulated as 'MAD SKILLS' and 'MAD' in which case I find them to be similar to a medium degree, and 'MAD SKILLS/Z' and 'MAD GEAR' in which case I find them to be similar to a low to medium degree.

Conceptual comparison

93. The word 'MAD' is a dictionary word that has several meanings, including crazy, insane, extremely silly or stupid, very angry o annoyed, extremely interested in something and so on.

94. Both parties filed evidence from the Urban dictionary. Ms Robinson filed evidence showing that the word 'MADD' is listed as meaning "very, extremely" or "a large amount of, a lot of, great amount" and Mr Moore filed evidence showing that the words

‘MAD SKILLS’ means “to be able to do/perform amazing unexpected things”. I am not convinced that the average consumer will be familiar with the meaning of the word ‘MADD’ as set out in the Urban dictionary or will perceive ‘MAD SKILLS’ as a well-known phrase. However, I think that the word ‘MADD’ in the applicant’s marks will be understood as a misspelling of the word ‘MAD’. I also think that the words ‘MAD SKILLS/Z’ in the contested mark will be understood as referring to the skills of those who perform dangerous stunts and tricks using the goods concerned (which are scooters, skateboards, skates, roller skates, in-line skates and ice skates). Hence, the contested mark ‘MAD SKILLS/Z’ as a whole will, in my view, be understood as referring to the skills of someone who is mad enough to perform stunts and tricks, or to skills that are extreme or out of this world.

95. The applicant’s ‘MADD GEAR’ mark will be perceived as a misspelling of ‘MAD GEAR’ and will be understood as referring to gear and/or equipment that is used by someone who is mad, or for a particular activity that is mad/extreme or out of this word. In this connection, the evidence shows the applicant’s ‘MADD’ mark being used in promotional slogans such as “Are you MADD enough?” which is intended to be a play on the word ‘MAD/MADD’, whilst conveying the message that the users of the goods must be someone who is mad enough to perform (or not afraid of performing) stunts and ticks using the goods.

96. Insofar as (i) the word ‘MADD’ in the applicant’s marks will be perceived as a misspelling of the word ‘MAD’ and (ii) the combination of the word ‘MAD’/’MADD’ with the quasi descriptive words ‘SKILLS/Z’ and ‘GEAR’ in the contested mark and in the third earlier mark does not alter the meaning of the words ‘MAD’ and ‘MADD (the latter being perceived as a misspelling of ‘MAD’) (iii) in the context of the goods concerned, which are mainly scooters (and similar goods) the relevant public will be able to recognise both the word elements ‘MAD’ and ‘MADD’ and perceive it as a reference to the user of the goods being mad enough to perform dangerous tricks and stunts, whilst also noticing the play on words on which the contested mark and the third earlier marks are based as a result of the combination of the words ‘SKILLS/Z’ and ‘GEAR’; I consider the marks to be conceptually similar to a medium to high degree (‘MAD SKILLS/Z’ versus ‘MADD’) and medium degree (‘MAD SKILLS/Z’ versus ‘MADD GEAR’) respectively.

Distinctive character of earlier marks

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

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

98. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

99. I begin by considering the inherent position. The earlier marks consist of the words 'MADD' and 'MADD GEAR'. The goods at issue are push scooters and pro scooters. The word 'MAD' might have some allusive connotations in relation to, at least, pro

scooters insofar as they are goods used for extreme sports who target someone with extreme abilities which is also “mad enough” to perform tricks and stunts. However, the word ‘MADD’ is not a dictionary word and to the extent that it is an invented word which evokes or will be understood as misspelling of the word ‘MAD’ it is inherently distinctive to a medium to high degree. The same goes for the mark ‘MADD GEAR’ which is also inherently distinctive to a medium to high degree.

100. Whilst Mr Moore filed some evidence of other traders using the word ‘MAD’ as a brand in relation to scooters, his evidence is undated and it is said to be the results of internet searches carried out on 10 September 2021 which is six years after the relevant date of 23 September 2015. Hence, I dismiss the argument that this evidence somehow establishes that the word ‘MAD’ is low in distinctiveness for the goods at issue – but in any event the applicant’s mark is ‘MADD’ not ‘MAD’.

101. As evidence has been provided, I must consider whether use made of ‘MADD’ and ‘MADD GEAR’ has enhanced their distinctiveness. The relevant market I must consider is the UK. The relevant date for assessing whether the distinctiveness of the earlier marks have been enhanced though use is the filing date of the mark that the applicant seeks to invalidate, namely 23 September 2015.

102. I have already commented on the applicant’s evidence. Between 2011 and 2015 the applicant sold a total of over 1million units for a retail value of nearly £50million which, given the nature of the goods - which are not purchased frequently - seems to be very significant. The advertising figures, which I read as relating to the UK, show that in the four years prior to the relevant date, the applicant spent around £1.7 million in promoting the mark in the UK. There is also evidence of the applicant promoting its goods in the UK at an international scooter championship in 2012 and at various scooters tours in 2012, 2014 and 2015 and being promoted on freestyle scooter magazines. Overall, the impression built by the evidence as whole supports Mr Horne’s statement that the applicant is one of the world's leading suppliers of scooters and holds a majority share of the pro-scooter market. Further, having the applicant started trading in the UK in 2011 it is very likely that it would have achieved a leading position very quickly and by 2015, as it started off as a company already established

and with a reputation outside the UK, as confirmed by the webpage from 2011 which refers to the world-famous ‘MADD’ scooters arriving in the UK and creating a buzz.

103. At the hearing Mr Moore accepted that the applicant has a reputation in the trade mark ‘MGP’ because it is how the retailers are marketing the goods to their customers. However, he denied that the applicant has a reputation in the marks ‘MADD’ and ‘MADD GEAR’. I disagree. To begin with, the applicant’s main brand has always been ‘MADD’ – this is the original brand name which the applicant has used as the principal identifier of the origin of the goods. Whilst the brand has grown to include variant marks such as ‘MADD GEAR’ and ‘MGP’, these are all sub-brands derived from the original brand ‘MADD’, for example, the evidence indicates that the mark ‘MGP’ is an abbreviation for ‘MADD GEAR PRO’. It follows, in my view, that every time that the applicant has used ‘MADD GEAR’ or ‘MGP’, the average consumer will understand these marks as part of the ‘MADD’ brand contributing to enhancing the distinctiveness of the original brand. As such, I find that the earlier marks’ distinctiveness has been enhanced through use to a high degree.

Likelihood of confusion

104. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark,* BL O/375/10, where Iain Purvis Q.C. (as he then was) as the Appointed Person explained that:

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

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

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

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

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

105. The goods at issue are identical or similar to at least a medium degree. They will be selected visually with an above medium (but not high) degree of attention. The

contested mark and the applicant's 'MADD' mark are visually similar to a low to medium degree, aurally similar to a medium degree, and conceptually similar to a medium to high degree. The contested mark and the applicant's 'MADD GEAR' mark are visually similar to a low degree, aurally similar to a low to medium degree and conceptually similar to a medium degree. The earlier marks are inherently distinctive to a medium to high degree and their distinctiveness has been enhanced to a high degree through use.

106. Whilst there are some differences between the marks, the distinctive and dominant component of the contested mark is the word 'MAD' which is visually highly similar and aurally identical to the dominant and distinctive element of the applicant's marks 'MADD' and 'MADD GEAR'. Further, since the word 'MADD' in the applicant's marks will be understood as a misspelling of the word 'MAD', these verbal elements are conceptually identical.

107. Taking into account all of the above factors, including the identity or similarity of the goods concerned, the very high level of distinctiveness of the applicant's marks, the weakly distinctive character of the word 'SKILLS/Z' and the ornamental (and weakly distinctive) nature of the other figurative elements of the contested mark, the average consumer will directly confuse the verbal element 'MAD' and 'MADD' in the respective marks and consider the contested mark as a variant mark or a brand extension. There is therefore a likelihood of indirect confusion because despite confusing the 'MAD/MADD' elements directly, the other differences will be noticed, and those differences will be considered to be logical and consistent indicators of a variant mark or brand extension.

108. There is a likelihood of confusion.

Concurrent use?

109. For the sake of completeness, I should mention that at the hearing Mr Moore attempted to argue that there is evidence of side-by-side trading. At the same time, the way Mr Moore presented his case led me to ask him if he was relying on the case-law on reasons for non-use. He summarised the proprietor's position as follows:

> "In relation to I think the non-use, I think that largely deals with our point. We say the evidence is quite clear; there was a genuine effort made to use the mark over a period of a couple of years from July 2020 onwards. The delay from 2015 to 2020 was explained by Ms. Dawson that the supplier went bust and then they had to find another supplier. Then obviously since 2020 there are the various issues caused by the pandemic, resulting in an inability to trade and then inability to get supply out to China because the shipping containers ended up in the wrong place. So even large retailers have been unable to source goods and that is something I think everyone realises when you go to the shops and you see there are gap on the shelves because the goods simply cannot come from the suppliers in the Far East because the shipping containers are in the wrong place because the economy froze for months at a time."

And

> "[…] Ms. Dawson shows these are the products we are selling by the product code, they are out of stock when those pictures were taken from the website because that was the problem at the time. It does not mean that the products were discontinued, it was simply a snapshot at that time because of the pandemic problems"

> "So if the argument is being now maintained, which it was not in the skeleton argument, that because the good are showing as out of stock we were not attempting to maintain the market share, then yes we were pleading the pandemic as the reason for that. We are saying that we made genuine use […], is our primary submission, but if there is a point being taken that because they are out of stock we were not, we say that was purely because of the pandemic".

110. While that is not fatal to the claim of use, it does not seem a good start.

111. In her witness statement Mrs Dawson explains that:

- the proprietor is a retailer of a huge variety of goods, operating under the name "The Range". Th proprietor's products are sourced from China, India and Vietnam;

- The Mad Skillz product line and logo were designed in 2015 by Chris Downer, the proprietor's chief designer, for a new line of skateboards, skates, scooters, go-carts and related products and accessories. Unfortunately, the proprietor's original manufacturing partner for this project became insolvent and the product launch was postponed. It took some time for the proprietor to find replacement manufacturers who could meet the required quality and price standards and so the proprietor first sold products under the contested mark from July 2020.

112. I do not need to go any further into the proprietor's evidence as, it is admitted that the proprietor did not start trading under the mark 'MAD SKILLS/Z' until July 2020 – which is four-and-a-half-years after the registration date (10 January 2016) of the contested mark.

113. However, for the proprietor to rely on a valid defence based on coexistence of the marks on the marketplace (which would prevent the applicant from seeking invalidation of the later mark in relation to goods for which it has been so used) the later mark must have been used for a sufficiently long time to be able to influence the perception of the relevant consumer – but this is not the case in the present case.[8] The defence is not made out.

CONCLUSIONS ON THE INVALIDITY

114. The application for invalidation under Section 5(2)(b) succeeds, and the registered trade mark is declared invalid, subject to an appeal against this decision, with effect from 23 September 2015 for the following registered goods:

[8] *Aceites del Sur-Coosur SA v OHIM*, Case C-498/07 P Budejovicky Budvar NP v Anheuser-Busch Inc, Case C-482/09 Budejovicky Budvar NP v Anheuser-Busch Inc, [2012] EWCA Civ 880

Class 12: *Vehicles; Apparatus for locomotion by land; Bicycles; Parts and fittings therefor.*

Class 28: *Games and playthings; Gymnastic and sporting articles not included in other classes; Skateboards; Skates; Roller Skates; In-line Skates; Ice Skates.*

115. The application for invalidity under Section 5(2)(b) fails in relation to the following goods:

Class 12: *Apparatus for locomotion by air or water; Parts and fittings therefor.*

Class 28: *Decorations for Christmas trees*

116. Having found that there is a likelihood of confusion under Section 5(2) in relation to all the goods that have been defended, I will deal with the other grounds of invalidity very briefly.

Section 5(3)

117. Under Section 5(3), the applicant must first show that its earlier mark have achieved a level of knowledge, or reputation, amongst a significant part of the public.[9] Secondly, the applicant must establish that the public will make a link between the marks, in the sense that its earlier marks will be brought to mind by the contested mark.[10] Thirdly, Section 5(3) requires that one or more of three types of damage will occur.[11] It is unnecessary for the purposes of Section 5(3) that the goods are similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link. In assessing the first question, I refer to the evidence discussed in detail above. For the same reasons I have set out in the assessment of proof of use and enhanced distinctiveness, I am of

[9] See paragraph 26 of General Motors, Case 252/07
[10] See paragraph 29 of Adidas Saloman and paragraph 63 of Intel, Case C-408/01
[11] See paragraphs 68 and 79 of Intel, Case C-408/01

the view that the applicant's marks, as at the relevant date, had achieved a strong reputation amongst a significant part of the relevant public in the UK for scooters.

118. Moving to assess whether the public will make a link between the marks, I have given consideration to the *Intel* factors, being (1) the similarity between the marks, (2) the nature of the goods at issue, including the degree of closeness or dissimilarity between them and the relevant section of the public, (3) the strength of the applicant's marks' reputation, (4) the distinctive character of the applicant's marks (be that inherently or through use) and (5) whether there is a likelihood of confusion. In considering these factors, I am satisfied that based on the similarity of the marks (particularly the presence of the 'MAD/MADD' element across them), the strength of the reputation of the applicant's marks and their high level of distinctiveness, the relevant public will make a link between the marks in relation to the goods for which I have found that there is a likelihood of confusion. As regards the remining goods in class 12, namely *Apparatus for locomotion by air or water; Parts and fittings therefor*, not only are these goods dissimilar, but they belong to different sectors and target different users, the purchaser of a plane or a boat being different from that of a scooter. Although the applicant's reputation is strong, it cannot offset the distance between these goods. The same goes for the contested *Decorations for Christmas trees.* As a result, the invalidity based on Section 5(3) grounds succeeds in relation to the same goods for which the invalidity under Section 5(2)(b) has been successful.

Section 5(4)(a)

119. The essential requirements of the law of passing off are that (1) the applicant for invalidity has generated a level of protectable goodwill amongst a relevant class of persons, (2) that use of the contested mark creates a misrepresentation that leads to deception or a likelihood of deception amongst a substantial number of the applicant's customers or potential customers and (3) these result in there being damage to the applicant.[12] Under this ground, the applicant relies upon the use of the signs 'MADD' and 'MADD GEAR', which are identical to those which I have already considered under

[12] See paragraphs 55 and 56 of *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC and paragraph 636 of *Halsbury's Laws of England* Vol. 97A (2021 reissue)

Section 5(2)(b). I recognise that the test for misrepresentation is different to that for likelihood of confusion because misrepresentation requires "a substantial number of members of the public are deceived" rather than considering whether the "average consumer is confused". However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora,* [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. I believe that to be the case here. I accept that the applicant had the requisite goodwill in the UK at the relevant date in relation to scooters and that 'MADD' and 'MADD GEAR' were distinctive of that goodwill. Given my finding that there is a likelihood of confusion between the marks, I also find that a substantial number of the applicant's customers will be misled into purchasing the proprietor's goods in the belief that they are those of the applicant, for essentially the same reasons that I set out when considering the likelihood of confusion under Section 5(2)(b). However, I find that the distance between the respective fields of activity is sufficient to prevent misrepresentation and damage for the remaining goods.[13] The opposition under Section 5(4)(a) also succeeds to the same extent as the grounds under Section 5(2)(b).

120. The goods in relation to which the application for invalidity has failed have not been defended in the application for revocation and will be revoked. This is where I now turn.

The revocation

121. Section 46 of the Act states:

> "46. - (1) The registration of a trade mark may be revoked on any of the following grounds-
>
> (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the

[13] *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)

goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) […]

(d) […]

(2) For the purpose of subsection (1) 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 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as in referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) […]

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date".

122. Where the mark is a comparable mark, paragraph 8 of part 1, schedule 2A is relevant. It reads:

"8.— Non-use as defence in infringement proceedings and revocation of registration of a comparable trade mark (EU)

(1) Sections 11A and 46 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 11A(3)(a) and 46(1)(a) or (b) (the "five-year period") has expired before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 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 sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark, are to be treated as references to the corresponding EUTM ; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union".

123. The case-law that is relevant in the assessment of an application for revocation is the same as that which is relevant in the assessment of proof of use.

124. As noted above, the relevant periods are 11 January 2016 to 10 January 2021 and 24 September 2016 to 23 September 2021.

125. The proprietor has defended the registration in relation to *Skateboards; roller skates; in-line skates; pogo sticks, scooters and go-carts*. These goods do not include any of the goods in class 12 and 28 in relation to which the invalidity action has failed, namely:

Class 12: *Apparatus for locomotion by air or water; Parts and fittings therefor.*

Class 28: *Decorations for Christmas trees*

126. Consequently, the contested mark is revoked for these goods on the basis that they have not been defended and the proprietor has admitted that there has been no use in relation to them. Accordingly, these goods will be revoked from the earliest possible date, i.e. 11 January 2021. The same applies to the registered goods in class 9 and 25 which have not been defended and will be revoked from the same date.

127. I bear in mind that the contested mark has been declared invalid in relation to some of the registered terms that have been defended in the revocation action, namely *Skateboards; roller skates; in-line skates.* As the registration has been declared invalid in relation to these goods, there is no longer need to consider the revocation action in relation to the same goods.

128. Further, I bear in mind that the proprietor has defended the registration in relation some terms that are not listed in the registered specification, namely *pogo sticks, scooters and go-carts,* without specifying the class these goods belong to. Mr Hoole argued at the hearing that the term *scooters* belong to class 12, and that the revocation action is not directed to class 12. However, whether *pogo sticks, scooters and go-carts* fall within the registered term *Vehicles* in class 12 (which is not subject to the application for revocation for non-use) or are included within the registered terms *Games and playthings; Gymnastic and sporting articles not included in other classes* in class 28 (which is subject to the application for revocation for non-use), it does not make any difference as the contested mark has been declared invalid in relation to both terms. In theory, therefore, whatever class or term *pogo sticks, scooters and go-carts* fall within, the registration has been declared invalid for those terms, which means that even if the proprietor were successful in establishing genuine use for these goods, it could not retain the registration.

129. However, for the sake of completeness I will briefly address the proprietor's evidence of use. I have already said that Ms Dawson states that there has been no use of the contested mark from its registration date on 10 January 2016 until July 2020, which is 4 years and 6 months after the registration. This leaves about 6 months in which the proprietor could have saved the contested mark from an application for revocation for non-use in the period of five years following the date of completion of the registration procedure, i.e. from July 2020 until 10 January 2021.

130. Ms Dawson filed some evidence listing products which were dispatched from the proprietor's distribution centres to stores in the UK. This evidence shows the quantities of products which were dispatched by SKU code - which, she says, is the product code associated with the contested mark 'MAD SKILLS/Z' – as well as the dates and the precise store the goods were dispatched for retail. Most of the items listed are dated after 10 January 2021 so they do not assist. Further, there is another fundamental problem with is evidence, that is to say even if some of the items listed were despatched to the retailers before 10 January 2021 there is no indication of how many goods were effectively sold, and there are no invoices or other documents that support with sufficiently reliable data the claim that any of the goods despatched were eventually sold to consumers within the relevant periods. Ms Dawson also provided at

Exhibit LD6 what she says is a summary breakdown of sales taken from the proprietor's systems up to 20 October 2021 sorted by SKU. The table provided looks like that (with enlarged image below):

	STORE SALES BY SKU																							
TERRITORY	14	5739	5740	5741	5742	5743	5744	5745	5746	5747	5748	5749	5750	342469	342470	342473	342474	353753	353754	353755	353756	361711	895027	Totals by territory
ROI	14	6	11	14	17	36	7	11	37	20	28	24	6	87	26	5	151	240	311	236	222	10	81	1600
UK	155	77	131	108	128	205	89	133	258	167	289	342	152	1671	830	303	2379	5798	8197	6770	5482	332	1563	35559
WEB	5	4	10	4	5	5	6	6	5	4	6	6	3	36	24	0	84	60	43	168	48	21	101	654
Totals by sk	174	87	152	126	150	246	102	150	300	191	323	372	161	1794	880	308	2614	6098	8551	7174	5752	363	1745	37813

TERRITORY	14	5739	5740	5741
ROI	14	6	11	14
UK	155	77	131	108
WEB	5	4	10	4
Totals by sk	174	87	152	126

131. As it can be seen there are no dates. Whilst in his skeleton argument Mr Moore very helpfully attempted to provides approximate totals for the goods sold, it is just impossible to work out when the goods were sold.

132. The evidence is simply not clear enough to substantiate a claim of genuine use for the relevant periods. The revocation action therefore successful in relation to the defended goods.

133. Finally, as regard the potential reliance of Mr Moore on proper reasons for non-use, that was not pleaded in the proprietor's defence whose position was that the contested mark has been genuinely used for some of the registered goods. The fact that the proprietor did not provide sufficiently reliable evidence of use or that the use shown is not sufficient to establish genuine use, does not mean that the flaws left by the evidence can be justified by an argument of proper reasons for non-use. There is either use (which must be genuine) or reasons for non-use, and the proprietor, in my view, cannot rely on both at the same time.

134. The application for revocation is successful in relation to all of the registered goods (defended and undefended).

OVERALL CONCLUSIONS

135. The application for a declaration of invalidity against the UK trade mark registration no. 00914585582 has been partially successful. Consequently, the UK trade mark registration no. 00914585582 is declared invalid, subject to an appeal against this decision, with effect from 23 September 2015 for the following registered goods:

> **Class 12:** *Vehicles; Apparatus for locomotion by land; Bicycles; Parts and fittings therefor.*
>
> **Class 28:** *Games and playthings; Gymnastic and sporting articles not included in other classes; Skateboards; Skates; Roller Skates; In-line Skates; Ice Skates.*

136. The application for a declaration of invalidity against the UK trade mark registration no. 00914585582 has failed in relation to the following goods:

> **Class 12:** *Apparatus for locomotion by air or water; Parts and fittings therefor.*
>
> **Class 28:** *Decorations for Christmas trees*

137. The application for revocation against the UK trade mark registration no. 00914585582 is successful in its entirety. The contested mark will be cancelled on grounds of non-use with effect from 11 January 2021 in relation to the goods which have survived (or were not targeted by) the invalidity action, namely:

> **Class 9:** *Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus and instruments for*

conducting, switching, transforming, accumulating, regulating or controlling electricity; Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Compact discs, DVDs and other digital recording media; Mechanisms for coin-operated apparatus; Cash registers, calculating machines, data processing equipment, computers; Computer software; Fire-extinguishing apparatus; Safety equipment; Helmets; Knee pads.

Class 12: *Apparatus for locomotion by air or water; Bicycles; Parts and fittings therefor.*

Class 25: *Clothing, footwear, headgear.*

Class 28: *Decorations for Christmas trees.*

COSTS

138. The applicant has been successful, and it is therefore entitled to a contribution towards its costs. At the end of the hearing, Mr Hoole asked for costs off the scale because, he argued, the proprietor put the applicant to the unnecessary task of proof of use resulting in costs in the region of £20,000. Mr Hoole confirmed at the hearing that having reviewed the evidence for the hearing, his conclusion was that the proprietor should have known that the applicant had put the marks to genuine use.

139. Mr Hoole's contention that the proprietor should have known that the applicant had put the marks to genuine use has no merit. Whilst it might have been obvious to Mr Hoole after seeing the evidence filed, it is no possible to know what the proprietor knew about the applicant's use of the earlier marks when it filed its defence and requested proof of use – but, in any event, the proprietor had no obligation to make that concession. I therefore dismiss Mr Hoole's argument and his request for costs off the scale.

140. Based upon the scale published in Tribunal Practice Notice 2/2016, I award the applicant the sum of **£3,060,** applying a reduction of 10% for the partial refusal of the application for invalidity, calculated as follows:

Preparing an application for invalidation, and considering the proprietor's counterstatement:	£400
Preparing an application for revocation, and considering the proprietor's counterstatement:	£400
Preparing and filing evidence and considering the proprietor's evidence:	£1,200
Attending the hearing:	£1,000
Official fees for invalidation:	£200
Official fees for revocation:	£200
Less 10% of £3,400	
Total:	**£3,060**

141. I therefore order CDS (SUPERSTORES INTERNATIONAL) LIMITED to pay MADD GEAR PTY LTD the sum of **£3,060**. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 17 day of July 2023

Teresa Perks
For the Registrar