O/0679/23

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NO. UK00003644212
BY AMAHORSE TRADING S.R.L.

IN CLASS 18

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 428856 BY
CAVALLO GMBH & CO. KG

AND

IN THE MATTER OF REGISTRATION NO. UK00903406758
IN THE NAME OF CAVALLO GMBH & CO. KG

IN CLASSES 18 AND 25

AND AN APPLICATION FOR REVOCATION THERETO
UNDER NO. 505186
BY AMAHORSE TRADING S.R.L.

BACKGROUND AND PLEADINGS

1. On 19 May 2021, Amahorse Trading S.R.L. ("AT") applied to register the following trade mark in the UK (application no. 3644212) ("the 212 Mark"):

ACAVALLO

2. The application was made pursuant to Article 59 of the Withdrawal Agreement between the UK and the EU. Under the terms of that agreement, AT is entitled to rely upon the earlier EU filing date i.e. 20 February 2020. The application for the 212 Mark was published on 10 September 2021 and registration is sought for the following goods:

Class 18	Articles of clothing for horses; Bridoons; Blinkers [harness]; Horse bridles; Covers for horse saddles; Cribbing straps for horses; Fastenings for saddles; Bags (Nose -) [feed bags]; Face masks for equines; Horse fly sheets; Spats and knee bandages for horses; Harness fittings; Harness for horses; Harness straps; Headbands for horses; Hoof guards; Horse blankets; Horse collars; Head-stalls; Equine leg wraps; Riding saddles; Horse tail wraps; Horseshoes; Jockey sticks; Knee-pads for horses; Straps of leather [saddlery]; Pads for horse saddles; Hoof guards; Reins; Saddlecloths for horses; Saddlery; Spur straps; Stirrup leathers; Stirrups; Training leads for horses.

3. On 7 December 2021, Cavallo GmbH & Co. KG ("CG") opposed the application based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). Under sections 5(2)(b) and 5(3), CG relies upon the following trade mark:[1]

[1] On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing

Cavallo

UKTM no. 903406758

Filing date 14 October 2003; registration date 11 May 2009

Relying on all goods for which the mark is registered, namely:

Class 18	Whips, harnesses and saddlery; saddle cloths, horse blankets, fastenings for saddles and covers, saddle bags, whips, tendon, nose and neck protectors for horses, bandages, gaiters, hock guards, bridles and reins for horses; saddles, riding accessories.
Class 25	Headgear (for wear); shoes, boots; half-boots; boot uppers; riding shoes; riding boots; riding half-boots; golf shoes; walking shoes; clothing for horseriding; riding jackets; jodhpurs; socks; stockings.

(“the 758 Mark”)

4. Under section 5(2)(b), CG claims that there is a likelihood of confusion because the marks are similar and the goods are identical or similar.

5. Under section 5(3), CG claims that it has a reputation for all of the goods identified and that use of AT’s mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or repute of the 758 Mark.

6. Under section 5(4)(a), CG claims to have used the sign **CAVALLO** throughout the UK since 1978 in relation to “whips, harnesses and saddlery; saddle cloths, horse blankets, fastenings for saddles and covers, saddle bags, whips, tendon, nose and neck protectors for horses, bandages, gaiters, hock guards, bridles and reigns for horses; saddles, riding accessories; Headgear (for wear); shoes, boots; half-boots; boot uppers; riding shoes; riding boots; riding half-boots; golf shoes; walking shoes;

EUTM. As a result of CG having an EUTM being protected as at the end of the Implementation Period, a comparable UK trade marks was automatically created. The comparable trade mark shown here is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law, and retains its original filing date.

clothing for horseriding; riding jackets; jodhpurs; socks; stockings.” CG claims that use of the 212 Mark would be contrary to the law of passing-off.

7. AT filed a counterstatement denying the claims made and putting CG to proof of use.

8. On 25 July 2022, AT filed an application for revocation of the 758 Mark on the grounds of non-use. Under section 46(1)(a) of the Act, AT claims non-use in the five year period following the date on which the mark was registered i.e. 12 May 2009 to 11 May 2014. AT claims an effective date of revocation of 12 May 2014.

9. CG filed a counterstatement denying the claims made. CG filed Exhibits BWT1 and BWT2 with its counterstatement.

10. CG is represented by Murgitroyd & Company and AT is represented by Stobbs.

11. I directed that the proceedings be consolidated on 11 May 2023.

12. Both parties have filed evidence in chief. CG also filed written submissions during the evidence rounds. Neither party requested a hearing, but both filed written submissions in lieu. AT also filed further written submissions following the consolidation. This decision is taken following a careful perusal of the papers.

EVIDENCE AND SUBMISSIONS

13. CG filed evidence in chief in the form of the witness statements of Brigitte Weeke-Therling dated 9 June 2022 and 28 September 2022, which were accompanied by 3 and 2 exhibits respectively. Ms Weeke-Therling is the Chief Executive Officer of CG, a position she has held since 1 June 2018. The evidence filed with CG’s counterstatement was replicated in this evidence.

14. CG’s evidence was accompanied by written submissions dated 13 June 2022.

15. AT filed evidence in chief in the form of the witness statement of Riccardo Volpi dated 29 September 2022, which is accompanied by 4 exhibits. Mr Volpi is the Chairman of the Board of Directors of AT and has been employed by AT since 30 August 1995 (previously as the sole Director).

16. CG filed submissions in reply dated 2 December 2022.

17. AT filed two sets of written submissions in lieu dated 6 February 2023.

18. CG filed two sets of written submissions in lieu dated 7 February 2023.

19. AT filed further written submissions dated 1 June 2023.

20. I have taken the evidence and submissions into account in reaching my decision and will refer to them below where necessary.

RELEVANCE OF EU LAW

21. 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 upon 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.

DECISION

22. I will begin by assessing the revocation action, as this has a bearing on the scope of the earlier mark relied upon in the opposition.

THE REVOCATION

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

(b) […]

(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".

26. Section 100 is also relevant, which reads:

"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."

27. The relevant period is 12 May 2009 to 11 May 2014. As the 758 Mark is a comparable mark, CG can rely upon use of the mark in the EU for the entirety of the relevant period (as it all falls prior to IP Completion Day, 31 December 2020) pursuant to paragraphs 7 and 8 of Part 1, Schedule 2A of the Act.

28. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J 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.

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 or services protected by the mark" is not, therefore, genuine use.

30. Upon reviewing the documents filed, it was clear to me that both parties had lost sight of the relevant period. CG's evidence was predominantly focused upon the time after the relevant period and AT itself stated in its written submissions in lieu:

> "The Revocation Applicant requested the revocation of the Registration as of 12 May 2014, on the grounds that the Registration was not put to genuine use during the five year period of 12 May 2014 to 11 May 2019".

31. However, I bear in mind that section 46(3) states that where use is commenced or resumed after the expiry of the five-year period and before the application for revocation is made (provided that any use in the three-month period leading up to the application for revocation is disregarded) then a trade mark should not be revoked. I acknowledge that it is not the proprietor's case that it <u>resumed/commenced</u> trade after the relevant period; Ms Weeke-Therling states that the mark has been used continuously since 1978. However, I have no evidence before me that the mark was being used <u>on the relevant goods</u> during the relevant period. Consequently, if the proprietor is able to show genuine use in the period following the relevant period, then I am satisfied that it can rely upon section 46(3) to protect its registration.

32. With that in mind, I note the following from CG's evidence:

a) Ms Weeke-Therling states that:

> "My Company was first established in 1978 in Bad Oeynhausen and produced riding boots. The range of products has since expanded to include casual boots, shoes and chaps as well as related accessories. Since 2000, My Company has also provided sportswear. As of 2019, My Company also provides products designed for horses in combination with the various sportswear ranges."

b) Ms Weeke-Therling states that the 758 Mark and the word CAVALLO have been used continuously in the UK since 1978 and have been used for all of the goods for which the 758 Mark is registered.

c) Approximate turnover figures for the products “and services” provided under the 758 Mark and the word CAVALLO in the UK are as follows:

YEAR	TURNOVER - €	UNITS
2014	451,623.44	14392
2015	688,011.79	15810
2016	536,530.09	13086
2017	412,428.72	13919
2018	476,637.18	14485
2019	364,538.62	10348

I note that Ms Weeke-Therling describes these figures as relating to products <u>and services</u>. There are no services covered by the 758 Mark or relied upon in these proceedings. However, as the turnover figures appear alongside a ‘units’ column, which would not apply to services, it seems likely to me that this is a typographical error.

I note that only the figures for 2014 would fall (in part) within the relevant period.

Additional figures have been provided for 2020 and 2021 as follows:

2020	£279,244.94	12440 units
2021	£458,009.08	18399 units

d) Examples of print outs from the CG’s website have been provided.[2] Ms Weeke-Therling states that these are taken from the Wayback Machine.

[2] Exhibit BTW1

However, the dates to which these print outs relate are not clear to me. For example, I note that in the address link to the Wayback Machine archive at the top of the page a string of numbers appears, but it is not clear to me whether this (or part of this) is intended to represent a date (for example, on the first page the number string 20150222517111 0 appears). However, as the earlier number string begins 2015 (and the relevant period ends in 2014), I note that these documents would also be dated after the relevant period.

e) Invoices have been provided which are dated 6 June 2014, 25 September 2014, 9 October 2014, 11 December 2014, 23 March 2019, 26 April 2019, 20 August 2019 and 17 February 2020. These are all dated after the relevant period and are addressed to a single customer, based in Flintshire. They all display the following mark:

Cavallo®

I note the following quantities of goods have been sold:

Riding breeches	906
Riding boots/polo boots	27
Half Chaps	1
Lady’s bomber jacket	103
Riding jacket	25
Accessories (button)	4
Mobile phone bag	14
Lady’s parka	193
Lady’s shirt	1,229
Men’s shirt	27
Stockings	1,336

Caps	122
Long socks	744
Lady's vests	292
Lady's blouse	8
Men's bomber jacket	304
Lady's pullover	424
Lady's jacket	386
Headband	171
Scarf	35
Lady's long coat	114
Lady's anorak	28
Lady's coat	8
Men's vest	54

f) I note that various goods appear on CG's Instagram account (such as horse coats and riding boots), but I have no further evidence as to the extent of sales of these goods.[3] The print outs from CG's Instagram account are dated 2022 and, consequently, are after the relevant period.

33. The mark shown on the invoices is, in my view, acceptable variant use of the 758 Mark. Whilst the stirrup device is different to the device in the 758 Mark, in that it is filled in rather than being an outline, I do not consider that this alters the distinctive character of the mark. Consequently, this is use upon which CG can rely.

34. There are clearly issues with CG's evidence. Overall turnover figures have been provided for the UK, but these are not broken down by product and so it is impossible to assess what proportion of these figures relate to which of the goods in the specification. There is no evidence at all of actual sales in relation to CG's class 18 goods. Whilst I note Ms Weeke-Therling's narrative evidence that these goods have been sold under the 758 Mark, the evidence does not enable me to assess the extent of that use and whether it qualifies as genuine use. Consequently, I am not satisfied that CG has demonstrated genuine use in relation to its class 18 goods. However, in

[3] Exhibit BWT3

relation to the class 25 goods, I am satisfied that there has been genuine use in relation to riding breeches, lady's coats and jackets, lady's shirts, stockings, long socks, lady's vests, men's jackets, lady's pullovers, headbands and caps. Whilst I note that CG has sold some riding jackets and riding/polo boots, this is a very small amount over a 5 year period. Ms Weeke-Therling does indicate that the invoices are only <u>some</u> of the invoices actually issued. However, I find myself unable to conclude, on the evidence before me, that there has been genuine use in relation to riding jackets or riding/polo boots.

35. I must now consider whether, or the extent to which, the evidence shows use of the 758 Mark in relation to the goods relied upon. 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."

36. 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:

> "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."

37. The Collins English Dictionary states that "jodhpurs" are a type of riding breeches. It is not clear to me, from the evidence, whether the riding breeches sold by CG were jodhpurs. However, I consider "riding breeches" to be an appropriate sub-category of "clothing for horseriding". I am not satisfied that CG should be permitted to retain that broader term given that there has been genuine use in relation to only one type of clothing item (that can be identified as being for horseriding). Clearly, CG will be able to rely upon the terms "socks" and "stockings". I note that CG has shown genuine use

of "headbands" and "caps". I am satisfied that the use shown is sufficient for CG to retain the broader term "headgear (for wear"). Consequently, I consider a fair specification to be:

Class 25 Headgear (for wear); riding breeches; socks; stockings.

<u>THE OPPOSITION</u>

38. I now turn to consider the opposition.

<u>Preliminary Issue</u>

23. In its written submissions, AT submitted as follows:

> "On 3 October 2022, the Applicant submitted evidence in defence of the opposition proceedings, specifically a Witness Statement of Mr Riccardo Volpi who is the Chairman of the Applicant company, dated 29 September 2022, plus supporting Exhibits 1 – 4 inclusive, specifically to show that there has been honest concurrent use of the Applicant's mark for ACAVALLO & Device in various forms with the Opponent's mark for CAVALLO & Device in the UK in the course of trade in relation to horse equipment (specifically saddlery, horse tack and horse accessory products, such as saddle pads, saddles, bridles, breast straps, spats and knee bandages, hoof guards, leg wraps, tail wraps, knee-pads, hoof guards, reins, stirrups, chain guards, bit guards, ankle pads, bell boots, gel wraps, nose & poll guards, stud guards, girths) since at least as early as 2007 in the UK and since at least as early as 2003 outside of the UK."

24. AT did not plead honest concurrent use in its defence and, consequently, it cannot now seek to rely upon that line of argument in its written submissions. However, in any event, the *Budweiser* case makes it clear that the honest concurrent use defence arises in exceptional circumstances.[4] I would need to be satisfied that the parties have been trading in circumstances that the relevant public would have been exposed to

[4] Paragraph 76, *Budejovicky Budvar NP v Anheuser-Busch Inc,* Case C-482/09

both marks and have been able to differentiate between them without confusion as to trade origin. AT claims to have been using its mark in the UK since 2007, but CG's evidence only shows use since 2014. Consequently, the amount of time in which the parties have allegedly been trading alongside each other is only 7 years (prior to the relevant date). This is, in my view, far from the exceptional circumstances envisaged and I therefore dismiss this line of argument.

Section 5(2)(b)

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

> "5(2) A trade mark shall not be registered if because –
>
> > (a)…
> >
> > (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

40. Section 5A of the Act is as follows:

> "5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

41. The trade marks upon which CG relies qualifies as an earlier trade mark pursuant to section 6 of the Act. As the 758 Mark had completed its registration process more than 5 years before the application date of the mark in issue, it is subject to proof of use pursuant to section 6A of the Act.

Proof of use

42. The relevant statutory provisions are as follows:

"(1) This section applies where:

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes -

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

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

(5)-(5A) [Repealed]

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

43. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the 758 Mark is the five-year period ending with the date of the application in issue i.e. 21 February 2015 to 20 February 2020. Section 100 of the Act and the case law set out above are also relevant.

44. I have summarised CG’s evidence of use above. Clearly, only those parts of the evidence that fall within the relevant period can be factored into my assessment. Consequently, only those invoices dated 22 March 2019, 26 April 2019, 20 August 2019 and 17 February 2020 can be taken into account. Nonetheless, my finding in relation to this relevant period is the same as outlined above. Consequently, for the same reasons, CG can rely upon the terms “headgear (for wear)”, “riding breeches”, “socks” and “stockings”.

Section 5(2)(b) – case law

45. 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 greater degree of similarity between the marks, and vice versa;

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

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

46. The competing goods are as follows:

CG's goods	**AT's goods**
<u>Class 25</u> Headgear (for wear); riding breeches; socks; stockings.	<u>Class 18</u> Articles of clothing for horses; Bridoons; Blinkers [harness]; Horse bridles; Covers for horse saddles; Cribbing straps for horses; Fastenings for saddles; Bags (Nose -) [feed bags]; Face masks for equines; Horse fly sheets; Spats and knee bandages for horses; Harness fittings; Harness for horses; Harness straps; Headbands for horses; Hoof

	guards; Horse blankets; Horse collars; Head-stalls; Equine leg wraps; Riding saddles; Horse tail wraps; Horseshoes; Jockey sticks; Knee-pads for horses; Straps of leather [saddlery]; Pads for horse saddles; Hoof guards; Reins; Saddlecloths for horses; Saddlery; Spur straps; Stirrup leathers; Stirrups; Training leads for horses.

47. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary."

48. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(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.

49. In my view, CG's best case is "riding breeches". I accept that there will, of course, be an overlap in user with AT's goods, as all will be used by members of the general public with an interest in horse riding or professionals in that field. Clearly, the nature, method of use and purpose of the goods will differ. CG has filed no evidence to suggest that there would be an overlap in trade channels between clothing worn by horse riders and AT's class 18 goods. The goods are not in competition or complementary. Consequently, I consider the goods to be dissimilar. As similarity of goods is essential for a likelihood of confusion, my primary finding is that the section 5(2)(b) opposition fails at this point.

50. However, for the sake of completeness, I will continue with the rest of the global assessment, in the event that I am wrong in my finding that the goods are dissimilar. In my view, if there is any overlap in trade channels, it would be at a very general level (being retailers that sell a broad range of goods for use by horse riders/in horse riding) and this, combined with the overlap in users, would result in only a low degree of similarity.

The average consumer and the nature of the purchasing act

51. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. 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."

52. The average consumer will be a member of the general public with an interest in horse riding or a professional in that field. The cost of the goods will vary. However, various factors will be taken into account such as suitability for particular requirements, materials and comfort. Consequently, I consider that a medium degree of attention will be paid during the purchasing process.

53. The goods are likely to be selected following perusal of signage at physical premises, online or in advertisements. Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that aural components may play a part as advice may be sought from retail assistants.

Comparison of trade marks

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

55. 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.

56. The respective trade marks are shown below:

CG’s trade mark (the opponent) (the 758 Mark)	**AT’s trade mark (the applicant) (the 212 Mark)**
	

57. The 758 Mark consists of the word CAVALLO presented in a thick black font, with a stirrup device around the letter C. The overall impression of the mark lies in the combination of these elements, with the word playing the greater role. The 212 Mark consists of the word ACAVALLO presented in a thinner black font beneath a horse head within a curved triangle device.

58. Visually, the marks coincide in the letters CAVALLO. The stirrup device in the 758 Mark, the horse head in a curved triangle device in the 212 Mark and the additional letter A at the beginning of the 212 Mark all act as points of visual difference. Further, the words themselves are presented in different fonts. Taking all of this into account, I consider the marks to be visually similar to a medium degree.

59. Aurally, the 212 Mark is likely be pronounced AYE-CAV-AAL-OHH or AHH-CAV-ALL-OHH. The 758 Mark is likely to be pronounced CAV-AAL-OHH. The first syllable of the 212 Mark acts as a point of aural difference. I do not consider that the devices in either mark will be articulated. I bear in mind that the differing syllable is at the beginning of the 212 Mark, which tends to make more of an impact. Consequently, I consider the marks to be aurally similar to between a medium and high degree.

60. Conceptually, I consider it likely that both marks will be viewed as invented or foreign language words with no particular meaning. I note the submissions that Cavallo means horse in French, but I have no evidence that this would be known by a significant proportion of average consumers in the UK. As CG submits, the stirrup device in its mark and the horsehead device in the 212 Mark will, clearly, create some conceptual overlap between the marks. I consider them to be conceptually similar to no more than a medium (or average) degree.

Distinctive character of the earlier trade mark

61. 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 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR 1-2779, 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)."

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

63. I have summarised the CG's evidence of use above. I recognise that the turnover figures provided are not insignificant. However, they are not broken down. Further, I have no advertising expenditure and no market share figures. CG has only provided invoices to one customer located in the UK, which does not indicate a very broad geographical spread. Taking all of this into account, I am not satisfied that CG has demonstrated that the distinctiveness of its mark has been enhanced through use. Consequently, I have only the inherent position to consider. Given that it consists of a word that is likely to be perceived as invented, or foreign language, which will be attributed no particular meaning, I consider it to be highly distinctive. The stirrup device does not increase this to any significant degree.

Likelihood of confusion

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

me to keep in mind the distinctive character of the 758 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 trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

65. I have found as follows:

a) The goods are (at best) similar to a low degree.

b) The average consumer is a member of the general public with an interest in horse riding or a professional in that field.

c) The marks are visually similar to a medium degree, aurally similar to between a medium and high degree and conceptually similar to no more than a medium degree.

d) The 758 Mark is inherently distinctive to a high degree.

66. I recognise that the 758 Mark is highly distinctive. However, bearing in mind that the purchasing process is predominantly visual, the goods are only similar to a very low degree, and the visual similarity of the marks is only medium, I do not consider it likely that the marks will be mistakenly recalled or misremembered as each other. Taking all of the above factors into account, I do not consider there to be a likelihood of direct confusion. Further, having recognised the differences between the marks, and accounting for the distance between the goods and the interdependency principle, I can see no reason for the average consumer to conclude that the marks originate from the same or economically linked undertakings. Taking all of the above factors into account, I do not consider there to be a likelihood of indirect confusion.

67. The opposition based upon section 5(2)(b) is dismissed.

Section 5(3)

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

> "5(3) A trade mark which -
>
> > (a) is identical with or similar to an earlier trade mark, […] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

69. Section 5(3A) of the Act states:

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

70. As the 758 Mark is a comparable mark, paragraph 10 of Part 1, Schedule 2A of the Act is relevant. It reads:

> "10.— (1) Sections 5 and 10 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.
>
> (2) Where the reputation of a comparable trade mark (EU) falls to be considered in respect of any time before IP completion day, references in sections 5(3) and 10(3) to—
>
> > (a) the reputation of the mark are to be treated as references to the reputation of the corresponding EUTM; and
> >
> > (a) the United Kingdom include the European Union".

71. The relevant case law can be found in the following judgments of the CJEU: *Case C-375/97, General Motors, Case 252/07, Intel, Case C-408/01, Adidas-Salomon,*

Case C-487/07, L'Oreal v Bellure and Case C-323/09, Marks and Spencer v Interflora and Case C383/12P, Environmental Manufacturing LLP v OHIM. The law appears to be as follows.

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

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

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

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; Intel, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*

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

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

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

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

72. I can deal with this ground relatively swiftly. In my view, CG's evidence falls short of demonstrating the requisite reputation. The geographical extent of the use of the 758 Mark appears limited, I have no information about the market share or the size of the investment made by CG in promoting the mark.[5] Whilst the turnover figures provided are not insignificant, they do not, in my view, represent a particularly large share of what is presumably a reasonably sized market and are not broken down. Consequently, I do not consider that CG has demonstrated the requisite reputation amongst a significant part of the public.

[5] *General Motors,* Case C-375/97

73. The opposition based upon section 5(3) is dismissed.

Section 5(4)(a)

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

> "5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
>
> > a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
> >
> > aa)…
> >
> > b) …
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of "an earlier right" in relation to the trade mark".

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

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

76. Again, I can deal with this ground relatively swiftly. I note that AT has filed evidence of its use of the 212 Mark dating back to at least 2007. However, even if I were to proceed on the basis of the prima facie relevant date only (i.e. 19 May 2021), I do not consider that this ground puts CG in any stronger position. Whilst I am satisfied that CG's evidence is sufficient to show a small (but protectable) goodwill in relation to headgear (for wear), riding breeches, socks and stockings and that, whilst most of the

use appears to be in relation to the word CAVALLO with stirrup device (as in the 758 Mark), I am satisfied that this use would also result in the sign CAVALLO (word only) becoming distinctive of CG's goodwill. However, whilst the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it has been acknowledged that they are unlikely to produce different outcomes in practice.[6] Certainly, I believe that to be the case here. Clearly there is some limited overlap in fields of activity, but in my view, the distance between the goods, combined with the differences between the marks, is sufficient to avoid a misrepresentation and damage arising.

77. The opposition based upon section 5(4)(a) is dismissed.

CONCLUSION

78. The application for revocation against UKTM no. 903406758 is successful in relation to the following goods for which the registration is revoked:

Class 18	Whips, harnesses and saddlery; saddle cloths, horse blankets, fastenings for saddles and covers, saddle bags, whips, tendon, nose and neck protectors for horses, bandages, gaiters, hock guards, bridles and reins for horses; saddles, riding accessories.
Class 25	Shoes, boots; half-boots; boot uppers; riding shoes; riding boots; riding half-boots; golf shoes; walking shoes; riding jackets; jodhpurs.

79. The effective date of revocation is 12 May 2014.

80. The application for revocation against UKTM no. 903406758 is unsuccessful in relation to the following goods for which the registration may remain registered:

Class 25	Headgear (for wear); riding breeches; socks; stockings.

[6] *Marks and Spencer PLC v Interflora* [2012] EWCA (Civ) 1501

81. The opposition against UKTM(A) no. 3644212 is unsuccessful, and the application may proceed to registration.

COSTS

82. AT has been successful in relation to the opposition and CG has been mostly successful in relation to the revocation. Consequently, I do not consider it appropriate to make an award of costs.

Dated this 13 day of July 2023

S WILSON
For the Registrar