

O/0859/26

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3901381

IN THE NAME OF IMTIAZ HUSSAIN  
TO REGISTER THE FOLLOWING TRADE MARK:



IN CLASSES 1, 5 AND 34

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 443431

BY

STB WORLDWIDE LIMITED

## BACKGROUND AND PLEADINGS

1. Imtiaz Hussain (“the applicant”) applied to register the trade mark shown on the cover of this decision (UK trade mark (“UKTM”) no: 3901381) in the UK on 17 April 2023. It was accepted and published in the Trade Marks Journal on 7 July 2023 in respect of the following goods:

- Class 1      Herb extracts, other than essential oils, for use in the manufacture of cosmetics.
- Class 5      Cannabidiol for medical use; Liquid herbal supplements; Herbal creams for medical use.
- Class 34      Hemp for smoking; Humidifiers for tobacco; Oral vaporizers for smokers; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarette atomizers; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Vaporizers for smoking purposes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Flavorings, other than essential oils, for tobacco substitutes.

2. On 6 October 2023, STB WORLDWIDE LIMITED (“the opponent”) opposed the trade mark on the basis of sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”). Under sections 5(2)(b) and 5(3), the opponent relies upon its earlier comparable mark (UKTM No: 910144145),<sup>1</sup> HAZE TOBACCO (“the earlier mark”). The earlier mark was filed on 22 July 2011 and was registered on 1 December 2011, claiming a priority date of 25 April 2011<sup>2</sup>. It is registered for the following goods:

- Class 34      Tobacco; Hookah tobacco.

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<sup>1</sup> 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 right holders with an existing EU trade mark registrations. As a result of the opponent’s EU trade mark being registered as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable UK mark 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 priority date.

<sup>2</sup> Priority country, USA. TM from which priority is claimed: 85/303,577

3. Under section 5(2)(b), the opponent claims that the contested mark is similar to its own mark and is registered for identical or similar goods and there is a likelihood of confusion. Under section 5(3), the opponent also claims that the earlier mark has a reputation in respect of all of the goods for which it is registered in class 34 and that use of the applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the repute of the earlier mark.

4. In respect of its opposition based on section 5(4)(a) of the Act, the opponent relies upon the sign HAZE TOBACCO, which it claims to have used throughout the UK since 2011 in respect of "hookah tobacco, hookah pipe, charcoal and clothing". The opponent states:

"38. Given the clear similarities between HAZE TOBACCO and HAZE CBD, the use of the Application would be a misrepresentation by the Applicant which is likely to lead the public into wrongly believing that the goods offered by reference to HAZE CBD are the Opponent's goods or at least the public would be deceived into believing that there is a connection or association.

39. There is a real risk that the Opponent will suffer damage as a result of this misrepresentation. There is no guarantee that the Applicant's goods will be the same high quality as those offered by the Opponent and use of HAZE CBD will dilute the distinctive nature of the HAZE TOBACCO brand, which is of real value to the Opponent.

40. As such, pursuant to section 5(4)(a) of the Act, the Application should not proceed to registration as its use is liable to be prevented by virtue of the law of passing off."

5. In respect of its opposition based on section 3(6) of the Act, the opponent states:

"41. It is important to note that the Opponent previously opposed trade mark UK00003756692 on 13 June 2022 and was successful with its partial opposition against goods listed in classes 9 and classes 34. Vape Club Limited was at the time of the previous opposition the owner of UK00003756692 and the trade mark UK00003756692 was assigned on 27 December 2022 to the Applicant. The Applicant for avoidance of doubt was a director of Vape Club Limited and

therefore had full knowledge of this previous opposition. The Applicant has now re-applied, in his personal capacity, for some of the goods which the Opponent were previously successfully in opposing i.e. *"Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Flavourings, other than essential oils, for use in electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor"*. The Applicant has re-applied for the same mark (i.e. the Application) however, instead of the mark being registered in a vertical design the Applicant has applied for the same mark in a horizontal design. The overall impression of the respective marks remains the same.

42. It is argued that the Applicant is acting in bad faith by reapplying for the same trade mark for some identical goods which have already been successfully opposed by the Opponent and therefore making the Opponent incur unnecessary costs opposing the trade mark again. This behaviour "falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined" see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd [1999] RPC 367 at 379 and DAAWAT Trade Mark (Case C000659037/1, OHIM Cancellation Division, 28 June 2004).*"

6. The applicant filed a counterstatement denying the claims made and requesting that the opponent provides proof of use of its earlier trade mark relied upon.

7. The mark relied upon by the opponent qualifies as an 'earlier mark' in accordance with section 6 of the Act. It has been registered for more than five years at the filing date of the applicant's mark and is, therefore, subject to the proof of use requirements in section 6A of the Act. The applicant has requested that the opponent provide proof of use.

8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

## **REPRESENTATION**

9. The opponent is represented by Clarion Solicitors Limited. The applicant is self-represented. Both parties filed evidence. Neither party requested a hearing and neither filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

## **EVIDENCE AND SUBMISSIONS**

10. The opponent filed the witness statement of Mr Chaudhary Adnan Dauraiz Minhas, dated 3 June 2024, which is accompanied by seven exhibits (exhibit CADM1 – CADM7). Mr Minhas is the Director of STB Worldwide Limited, a position he has held since 21 February 2019, and he has provided evidence to show use of the opponent's mark.

11. The applicant filed his own witness statement, dated 10 October 2024, which is accompanied by nine exhibits (exhibit IM1 – IM9). Mr Hussain has provided evidence to show use of the applicant's mark, reputation and goodwill and confusion.

12. I have given due consideration to all of the documents filed but will only refer to the evidence/submissions as appropriate to the extent that is necessary in my decision.

## **PROOF OF USE**

13. The relevant statutory provisions are as follows:

“6A(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.”

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

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

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

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

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

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

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

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

15. Section 100 of the Act states that:

“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.”

16. The relevant period for assessing genuine use is the five-year period ending with the filing date of the application in issue, i.e. 18 April 2018 – 17 April 2023. As the earlier mark is a comparable mark, in accordance with schedule 2A of the Act previously set out, EU use up until the end of the transition period on 31 December 2020 will be relevant.

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

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

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

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

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

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

*Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns:

*Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed

to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

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

18. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, Mr Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person stated that:

“22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

19. What I take from this case law is that there is no requirement to produce any specific form of evidence. I must consider what the evidence as a whole shows me, and whether on this basis I can reasonably be satisfied on the balance of probabilities that there has been genuine use of the contested mark.

#### The Opponent’s Evidence

20. Mr Minhas states that STB Worldwide Limited is part of a group of companies which operate under the name, HAZE TOBACCO. This brand was created in Houston

Texas in 2011, and Mr Minhas states that it has a worldwide presence. Mr Minhas states:

“The Company is a manufacturer and supplier of hand crafted premium water pipe tobacco. The Company has a unique flavoured line of hookah tobacco in over 80 flavours along with selling hookah pipes, charcoals, vape products and clothing. The Company also provides associated retail services for the aforementioned goods.”<sup>3</sup>

21. I have before me a product catalogue dated from 2021.<sup>4</sup> I note that this is entitled “worldwide collection”. The catalogue details that Haze Tobacco is a water pipe tobacco which is available in 80 different flavours and 3 different sizes. The catalogue states:

“Today, we are privileged to be in over 30 markets across the world with continued growth and development in new and emerging markets”.

The catalogue features various flavours of Haze tobacco, Haze herbal (which contains zero nicotine), Haze charcoal and Haze Hemp wraps. I note that there are a number of different flavours featured throughout the catalogue, examples of which are as follows:

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<sup>3</sup> Witness statement of Mr Minhas, para 4

<sup>4</sup> Exhibit CADM1



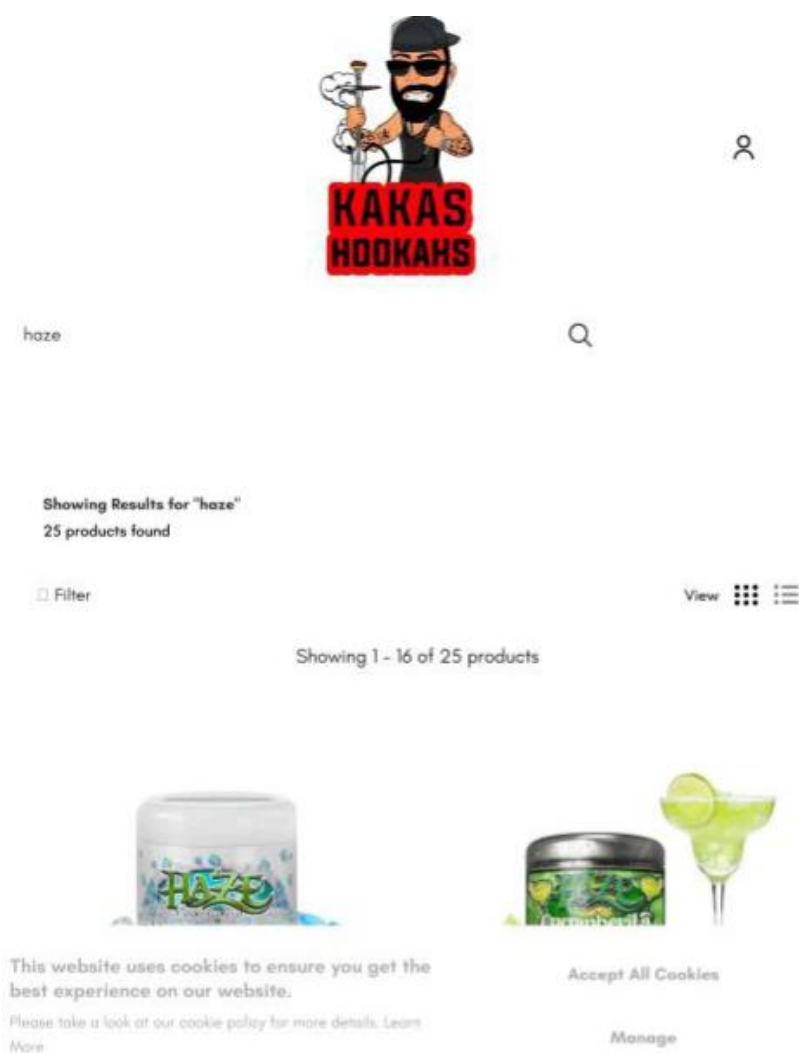
22. Mr Minhas has provided a selection of invoices.<sup>5</sup> I note that the sender of the invoices is Valor Solutions Ltd and customer names have been redacted. Mr Minhas explains that “both the Company and Valor Solutions are subsidiaries of Valor Holdings Limited”.<sup>6</sup> I have three invoices before me which amount to €89,796. The invoices range from 08/03/2019 to 10/08/2020. Various flavours of the goods are featured within the invoices.

23. Mr Minhas states that products are supplied to a range of third party retailers, both online and in stores.<sup>7</sup> I have printouts before me which show the goods being sold via various different websites, as follows:

<sup>5</sup> Exhibit CADM2

<sup>6</sup> Witness statement of Mr Minhas, para 6

<sup>7</sup> Exhibit CADM3



24. Mr Minhas provides details as to the company’s annual turnover in relation to products sold under the HAZE TOBACCO brand, over the last five years. The figures are provided in pounds; however, I note that Mr Minhas does not confirm whether the figures are specific to the UK (or EU prior to IP Completion Day). Mr Minhas states that “in the year from 1 April 2020, the Company was significantly impacted by the Covid-19 lockdown rules”.<sup>8</sup> The following figures have been provided:

| Year                          | Sales (£) (British Pound Sterling) |
|-------------------------------|------------------------------------|
| 1 April 2019 to 31 March 2020 | £650,000 approx.                   |
| 1 April 2020 to 31 March 2021 | £500,000 approx.                   |
| 1 April 2021 to 31 March 2022 | £400,000 approx.                   |
| 1 April 2022 to 31 March 2023 | £150,000 approx.                   |

<sup>8</sup> Witness statement of Mr Minhas, para 9

25. In respect of advertising of the mark, Mr Minhas states that during the relevant period, approximately £100,000 was spent. Mr Minhas states:

“10. Due to strict regulations in relation to tobacco advertising in the UK, the Company's marketing activities focused on attendance at trade shows, maintaining the online presence of the HAZE TOBACCO and partnership promotions.

11. The Company has invested a significant amount of money and resources promoting the HAZE TOBACCO brand at trade shows. By way of example only, the Company attended InterTabac in the Relevant Time for the Comparable Mark. InterTabac is held in Dortmund, Germany, and is one of the leading events in the tobacco industry where international market leaders and industry representatives take part in a trade fair showcasing tobacco products and smoking accessories.”<sup>9</sup>

26. I have two invoices before me dated 12 April 2019 and 23 April 2020 respectively. Both invoices relate to the company's attendance at InterTabac and are for a two-corner stand in the advertising/events area and an exhibitor media package to promote the HAZE TOBACCO brand. These invoices are for the sum of €6,806.82 and €7,014.18.<sup>10</sup> I also have before me a copy of the catalogue produced for the 2019 InterTabac event. A number of products are advertised in various flavours, including Haze tobacco and Haze charcoal.<sup>11</sup>

27. I also note that HAZE TOBACCO has its own website (<https://hazetobacco.com/>). Screenshots have been provided via the Wayback Machine, an example of which is as follows:<sup>12</sup>

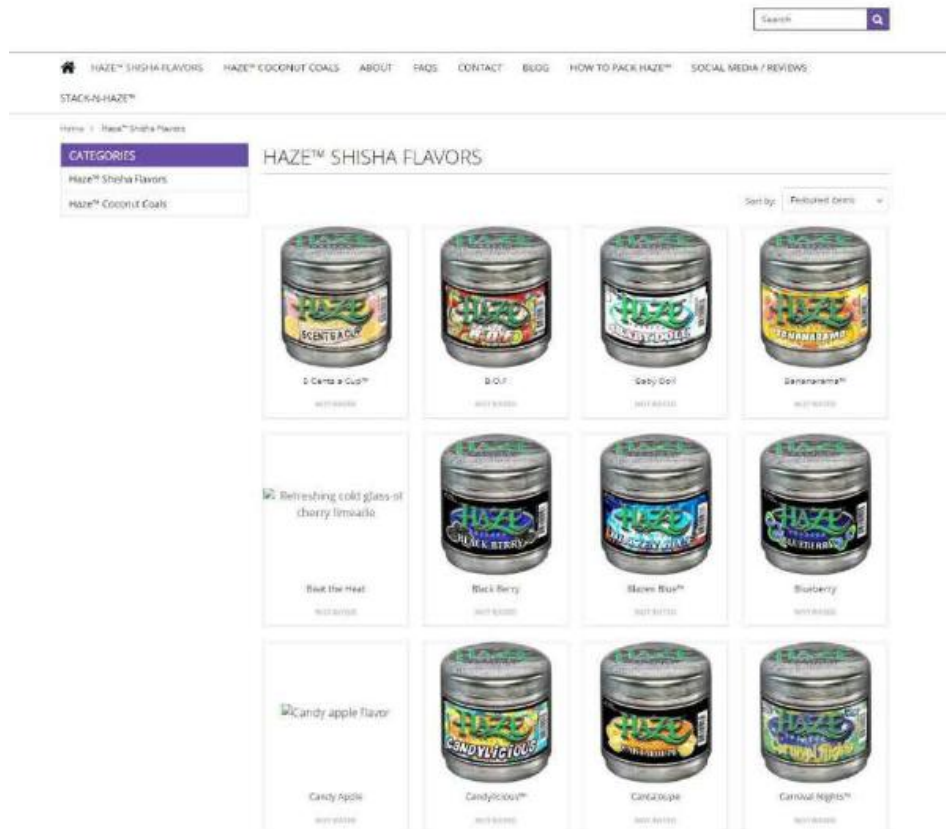
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<sup>9</sup> Witness statement of Mr Minhas

<sup>10</sup> Exhibit CADM4

<sup>11</sup> Exhibit CADM5

<sup>12</sup> Exhibit CADM6



Some of the screenshots fall within the relevant period. It is not clear which territory the website is aimed at.

28. Mr Minhas states that the company also has UK based Instagram account which was created in June 2012.<sup>13</sup> There are various posts provided which show the mark in use on various different products and product flavours. Although it is not possible to see how many followers the account has overall, I note that the posts regularly received 'likes' which range from tens to hundreds. An example of the social media posts that I have before me is as follows:

<sup>13</sup> Exhibit CADM7



## FORM OF THE MARK

29. For the sake of completeness, before I move on to assess if the opponent has shown genuine use, I must first consider if I find the use of the mark as shown in the evidence to be use of the mark as registered. As outlined in *Lactalis McLelland Limited v Arla Foods AMBA*, Case BL O/265/22,<sup>14</sup> the use of the mark in a different form may also constitute use of the mark as registered.

30. The mark is shown as follows throughout the evidence:



<sup>14</sup> At [13 – 15]. See also Hyphen GmbH v EUIPO, Case T-146/15, at [28-32].



31. The above variations are figurative marks in which the words HAZE TOBACCO are presented in green and black/white font. All of the variations also include an oval background which the words are set upon, with the oval appearing in colours, which appear to correspond with the different flavours. I consider that the use of different colours/font and the oval do not detract from the words HAZE TOBACCO and will merely be seen as stylistic elements. I find this to be use of the words HAZE TOBACCO s registered, and that those words continue to indicate origin within the mark.<sup>15</sup> As such, I find that these marks to be acceptable use of the earlier mark, as registered.

## SUFFICIENT EVIDENCE

32. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.<sup>16</sup>

<sup>15</sup> *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

<sup>16</sup> *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

33. I am satisfied that the evidence shows that the trade mark has been used either as registered or in the acceptable variations as outlined. There is evidence of the goods on sale via UK stockists. The revenue figures are in the hundreds of thousands per annum (although as stated above, whilst the figures are provided in pounds, Mr Minhas does not confirm whether the figures are specific to the UK (or EU prior to IP Completion Day)), and the opponent has taken steps to promote the products sold under its mark and to maintain a share in the market, which is clear from the evidence of the amount spent on marketing and also the opponent's social media. Taking the evidence as a whole into account, I am satisfied that the earlier marks have been put to genuine use during the relevant period in the UK for hookah tobacco.

## **FAIR SPECIFICATION**

34. Having reached the above conclusion, I must now consider whether, or the extent to which, the evidence shows use of the earlier 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 he then was) 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.”

35. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 the Court of Appeal set out the proper approach to partial revocation, as follows:

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

246. Secondly, the goods or services for which the mark is registered must be considered. If the mark is registered for a category of goods or services which is sufficiently broad that it is possible to identify within it a number of

subcategories capable of being viewed independently, use of the mark in relation to one or more of the subcategories will not constitute use of the mark in relation to all of the other subcategories.

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

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

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

36. The goods for which proof of use has been sought are as follows:

*Class 34 Tobacco; Hookah tobacco.*

Plainly, the opponent can rely upon the term ‘hookah tobacco’ given my finding that there has been genuine use for those goods. With regard to the term ‘tobacco’, I have considered whether the opponent should be able to rely upon the term at large or whether there is another sub-category that would be more appropriate. In my view, it

would not be appropriate to narrow this term any further and I consider that the opponent is entitled to rely upon it.

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

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

“5(2) 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”.

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

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

### **RELEVANT LAW**

39. The following standard summary of the principles applicable to the assessment of the likelihood of confusion was approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor*, [2025] UKSC 25:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; and

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

## COMPARISON OF GOODS

40. The competing goods are as follows:

| The opponent's goods               | The applicant's goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Class 34 – Tobacco; Hookah tobacco | <p>Class 1 - Herb extracts, other than essential oils, for use in the manufacture of cosmetics.</p> <p>Class 5 - Cannabidiol for medical use; Liquid herbal supplements; Herbal creams for medical use.</p> <p>Class 34 - Hemp for smoking; Humidifiers for tobacco; Oral vaporizers for smokers; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarette atomizers; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Vaporizers for smoking purposes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Flavorings, other than essential oils, for tobacco substitutes.</p> |

41. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the “Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979.”

42. 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 of its judgment 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.”

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

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

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

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

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

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

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

44. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“...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.”

45. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amalia Mary Elliot v LRC Holdings Limited* BL O/255/13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

46. I bear in mind that it is permissible to group goods together for the purposes of the assessment.<sup>17</sup>

47. The opponent submits:

“16. The goods in classes 1 and 5 of the Application are complementary to the goods covered by the Registration, it is clear that there is a high degree of similarity between the two marks when considering them both holistically. This is particularly true in looking at the British Sugar and Canon cases.

17. The potential users/consumers of the goods in classes 1 and 5 of the Application are likely to be the same for the goods in class 34 of the Registration, being customers purchasing, or potential customers looking to purchase items relating to smoking, vapes and/or CBD-related products, via a website or in store.

18. The goods in classes 1 and 5 of the Application are also likely to be sold through the same trade channels as those goods in class 34 of the Registration (i.e. via tobacco, vape and CBD stores) and advertised via the same media (i.e. next to one another on the same internet page or social media page or side by side in retail outlets) and you would not typically expect those goods in classes 1 and 5 of the Application to be sold or promoted separately in other types of retail outlets.

19. The usual origin of the goods in classes 1 and 5 of the Application and the goods in class 34 of the Registration are the same. It would be understood by the relevant public that the origin of the goods in classes 1 and 5 of the Application could be the origin of the goods in class 34 of the Registration, or that there is at least some link, connection or association. It is very common for

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<sup>17</sup> *Separode Trade Mark O/399/10*

entities to offer tobacco products and other nicotine, vape and/or CBD related products to the relevant public.”

#### Class 1

*Herb extracts, other than essential oils, for use in the manufacture of cosmetics.*

48. In the absence of specific submissions, I consider the applicant’s above term to be the raw ingredients which are used in the manufacture of cosmetic products. The opponent’s specification contains *tobacco* and *hookah tobacco* in Class 34, which is a consumable plant material used for tobacco consumption via smoking. The nature of the goods therefore differs, as does the purpose. I find that the applicant’s goods will be added to cosmetic products as an ingredient by manufacturers, whereas the opponent’s tobacco will be smoked, chewed, or otherwise consumed by end users, and therefore the method of use and users will differ. Trade channels will not overlap, and I do not consider the goods to be in competition or complementary. Overall, I find the goods to be dissimilar.

#### Class 5

*Cannabidiol for medical use; Liquid herbal supplements; Herbal creams for medical use.*

49. In the absence of specific submissions, I consider the applicant’s above terms to be therapeutic products which are used for health-related purposes. The opponent’s specification contains *tobacco* and *hookah tobacco* in Class 34. The applicant’s goods are likely to be sold in the form of supplements and medicated topical preparations, whereas the opponent’s goods are smoking products. Whilst some of the applicant’s goods may be ingested, I consider the method of use to differ. The purpose and nature of the goods is clearly different. I consider that trade channels are unlikely to overlap. Even if the goods are found in the same stores, they will not be found on the same shelves. Any overlap in user is at a very general level (all being used by the general public) I do not consider the goods to be in competition, nor are they complementary. Overall, I find the goods to be dissimilar.

## Class 34

50. The opponent submits:

“11. The nature and intended purpose of the goods in class 34 of the Application and the goods covered by class 34 of the Registration is similar if not the same (i.e., both marks cover products which the consumer will inhale). The goods in class 34 of the Application relate to various accessories and equipment used exclusively in the sale of and use of the goods in class 34 of the Registration.

12. The potential users/consumers of the goods in class 34 of the Application are the same for the goods in class 34 of the Registration, being customers purchasing, or potential customers looking to purchase items for smoking or related to smoking from a retail outlet, via a website or via a catalogue.

13. The goods in class 34 of the Application are noticeably similar to the goods covered by the Registration even if they are not expressed using the same wording. For example, 'tobacco' is highly similar and has a clear connotation in the mind of the average consumer of being strongly related to 'cigarettes', 'smoking', 'electronic cigarettes' and 'vaporisers' all of which appear throughout the Application.

14. The goods in class 34 of the Application would all be in competition with the goods in class 34 of the Registration and are also likely to be sold by the same trade channels (i.e. via supermarkets, convenience stores and/or tobacco, vape and CBD stores) and advertised via the same media (i.e. next to one another on the same internet page or social media page or side by side in retail outlets.)

15. The usual origin of the goods in class 34 of the Application and the goods in class 34 of the Registration are the same. It would be understood by the relevant public that the origin of the goods in class 34 of the Application could also be the origin of the goods in class 34 of the Registration, or that there is at least some link, connection or association. It is not uncommon for entities to offer both tobacco products and other nicotine related products to the relevant public.”

51. The applicant submits:

“Distinct Market Segments: Our trademark 'Haze CBD' is designated for products within the CBD niche, specifically under class 34 for CBD/E-Liquids and Vaporisers. This is distinctly different from the market segment of 'Haze Tobacco', which is under the Tobacco/Hookah range in the same class. The nature of the products, their usage, and target consumers are clearly differentiated, reducing the likelihood of confusion among consumers.”

*Hemp for smoking.*

52. The opponent's specification includes the terms *tobacco* and *hookah tobacco* in Class 34. I consider that both parties' terms comprise of plant-based products which are intended to be smoked, although they are derived from different plants and have different active ingredients. Both can be smoked in cigarettes, rolls, pipes, or similar smoking devices, and therefore, the purpose and methods of use will overlap. Users may overlap, and the goods may be sold through the same outlets. It is my understanding that smokable hemp products can be marketed as an alternative to tobacco products and therefore, consumers may substitute one for the other, creating a degree of competition. I do not find complementarity. Overall, I find a medium to high degree of similarity between these goods.

*Humidifiers for tobacco; oral vaporizers for smokers; vaporizers for smoking purposes.*

53. In the absence of specific submissions, I consider that the applicant's above terms are smoking articles which may be used to keep tobacco moist and for inhalation of the same. The opponent's specification includes *tobacco* and *hookah tobacco*, the primary purpose of which is as a source of nicotine to provide a recreational stimulant. As such, the purpose of the goods will plainly differ, as will the method of use. However, there may be an overlap in trade channels and end user. In the absence of evidence as to whether the same undertakings would typically be viewed as responsible for such goods, I do not consider that the goods are complementary. As Ms Emma Himsworth stated, sitting as the Appointed Person in *Everest Dairies Limited v Everest Food Products Private Limited*<sup>18</sup>, “the question of whether goods are

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<sup>18</sup> [23] O/0107/23

'complementary' is to be distinguished from use in combination, where goods are merely used together, whether for choice or convenience". I do not find competition. I therefore find that these goods are similar to a low degree.

*Electronic cigarette atomizers.*

54. In the absence of specific submissions, I understand *atomizers* to be components of vaping devices which would be used to heat e-liquid to create an inhalable vapour. The opponent's specification includes *tobacco* and *hookah tobacco*, the purpose of which is as set out above, and is typically inhaled (although I accept it can be consumed via other methods, such as chewing). The nature and method of use will plainly differ. There may be some overlap in purpose at a high level, as both are used in the process of providing the consumer with nicotine. Users may overlap, as a person who inhales tobacco may also use a vape. Trade channels may also overlap as both may be found in supermarkets and online tobacco/vape retailers. I do not find the goods to be in competition, neither do I find complementarity. Overall, I find the goods to be similar to a low degree.

*Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Flavorings, other than essential oils, for tobacco substitutes.*

55. In the absence of specific submissions, I consider that all of the applicant's above terms comprise of vapes, e-cigarettes and e-liquid, the likes of which would be used in a vaping device. The opponent's specification includes *tobacco*, the purpose of which is as set out above, and is a product which is typically inhaled. The nature of the goods is different, with one deriving from a plant material and intended for consumption, whereas the other is a liquid preparation used in e-cigarettes or vaporizers. There is an overlap in the purpose of the goods, which is to deliver nicotine via a smoking experience. The method of use differs, as one product is burned, whilst the other is heated and vaporised. I consider that users may overlap, as may trade channels. The goods may be in competition, as consumers may choose e-liquids as an alternative to smoking. I do not find the goods to be complementary. Overall, I find the goods to be similar to a medium degree.

56. As some degree of similarity between goods and services is necessary to engage the test for likelihood of confusion, my findings above mean that the opposition aimed against those goods that I have found to be dissimilar will fail.<sup>19</sup> Therefore, the opposition under section 5(2)(b) fails for the following goods:

Class 1 - Herb extracts, other than essential oils, for use in the manufacture of cosmetics.

Class 5 - Cannabidiol for medical use; Liquid herbal supplements; Herbal creams for medical use.

## **AVERAGE CONSUMER AND THE PURCHASING ACT**

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

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

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

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

(c) The average consumer is neither a single hypothetical person nor a mathematical average; assessment from the perspective of the average consumer does not involve a statistical test. There is no single meaning rule

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<sup>19</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

and if, having regard to the perceptions and expectations of the average consumer, the court considers that a significant proportion of the relevant public is likely to be confused, a finding of infringement may properly be made;

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

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

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

59. The average consumer of the respective goods will be the general public, albeit that the goods include both tobacco, vapes and other smoking articles and as such, they are likely to be directed at those over the age of 18. The goods will be selected on a relatively frequent basis and are relatively inexpensive. Consideration will be given to factors such as price, strength/tar content of the tobacco-based products, and the choice of flavours available and the nicotine strength of the liquid for electronic cigarettes. Consequently, I consider that a medium degree of attention will be paid.

60. The goods at issue will be purchased through a range of channels including general retail shops, including newsagents, supermarkets and tobacconists, as well as specialist "vaping" suppliers, and via the internet. In physical retail stores, tobacco-based products are often hidden from view and are restricted to 'behind the counter' cabinets, where they will need to be requested by the consumer, whereas the consumer may view e-cigarettes on display. For online sales, the consumer will select the goods having viewed an image displayed on a webpage. The selection process will be by a combination of both visual and aural means, with aural considerations featuring more highly when the goods are requested from behind the counter displays, or are selected following verbal advice from sales staff, as opposed to visually when

purchased online. I therefore consider that both aural and visual considerations will play a role during the purchasing process.

## COMPARISON OF MARKS

61. 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 Court of Justice of the European Union 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.”

62. It would be wrong, therefore, to dissect the trade marks artificially, 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.

63. The respective trade marks are shown below:

| Earlier trade mark  | Contested trade mark                                                                 |
|---------------------|--------------------------------------------------------------------------------------|
| <b>HAZE TOBACCO</b> |  |

64. The applicant states:

“Precedence in Industry Usage: The term ‘Haze’ has been widely used in the industry, as evidenced by other trademarks like UK00003347109 and UK00003214383. These trade marks, under the same class, incorporate the word ‘HAZE’ and demonstrate that the term is not exclusively associated with STB Worldwide Limited’s products. The use of ‘HAZE’ in our trade mark is consistent with industry practices and does not infringe upon the distinctiveness of ‘Haze Tobacco’”

65. The opponent states:

“6. The global appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impression given by the marks, bearing in mind their distinctive and dominant components.

7. The dominant and distinctive element of both the Application and the Registration is the word HAZE. The differences between the marks (i.e., the words TOBACCO and CBD) is insignificant and not sufficient to distinguish the Application and Registration. It is also well known and accepted that the first word in a mark (i.e., HAZE) is generally given greater prominence by the relevant public when perceiving a mark which contains more than one word. The other elements included in the Application, by way of the minimal stylisation it contains, adds little if anything at all by way of distinctive character to the Application particularly when considered against the Registration.

8. The descriptive words "TOBACCO" and "CBD" are both words which are commonly used in the tobacco and smoking industry. The word "CBD" is commonly used to refer to a chemical used in tobacco-like products and can also be inhaled like tobacco through smoking.

9. Accordingly, as a result of the aural, visual and conceptual similarities between the marks in issue, the overall impression made by the Application on the relevant public is highly similar to that made by the Registration. The level of attention of the average consumer in the cases of these goods in issue is a member of the general public, or other consumer relevant for product. The purchase of the goods are not highly considered purchases. The goods will,

therefore, receive relatively low attention from the average consumer. The average consumer rarely has the two marks in front of him and does not have the chance to make direct comparisons between marks (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77). As such, the average consumer must rely on his imperfect recollection that he has kept in his mind.”

### **Overall impression**

66. The earlier mark is a word only mark consisting of the words ‘HAZE TOBACCO’. There are no other elements contributing to the mark. In this instance, TOBACCO will be understood as being descriptive of the goods on offer, and therefore I find HAZE to be the distinctive element of the mark.

67. The contested mark is a figurative mark, with the words ‘HAZE CBD’ set against a solid black background. HAZE is displayed in white, whilst CBD is displayed in a bright green font. The font is bold and italic. In this instance, CBD, will be understood as being descriptive of the goods on offer, being goods containing cannabidiol, and therefore I find HAZE to be the most distinctive element of the mark.

### **Visual comparison**

68. A word trade mark protects the notional use of the word itself irrespective of font or capitalisation and therefore the difference in casing/font will have no impact on the assessment. The competing marks are similar to the extent that they share the identical word HAZE, which is the first word in both marks. The difference in the marks is the use of CBD in the contested mark and TOBACCO in the earlier mark, which will be seen as descriptive or allusive of the goods in respect of both marks. As a general rule the beginning of a mark tends to have more impact, as per the matter of *El Corte Inglés, SA v OHIM*<sup>20</sup> and as a result, HAZE, will be the consumer’s focus when considering the marks. Weighing up the differences as against the similarities, I find there to be between a medium and high degree of visual similarity between the marks.

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<sup>20</sup> Cases T-183/02 and T-184/02

## **Aural comparison**

69. The point of aural overlap lies with the word HAZE, which is an English dictionary word and is the same in both marks, and will be pronounced identically. The second word in the contested mark is CBD, which will be pronounced letter by letter, whereas the second word in the earlier mark is TOBACCO, which has three syllables. There is no overlap in the second words, which are aurally different. Overall, I find the marks to be aurally similar to between a medium and high degree.

## **Conceptual comparison**

70. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer, as highlighted in numerous judgments of the GC and the CJEU.<sup>21</sup>

71. Neither party has made specific submissions in respect of the meaning of the marks. HAZE appears identically in both marks and is a dictionary word which will be understood to mean “something such as heat or smoke in the air that makes it less clear, so that it is difficult to see well”.<sup>22</sup> In respect of both marks, I consider that HAZE will be understood as referring to the smoke or vapour which is emitted by the goods, and therefore I find that HAZE is conceptually identical in both marks.

72. As stated above, I consider that TOBACCO will be understood as being descriptive of the opponent’s goods, and that CBD will be considered descriptive of the applicant’s goods. The stylisation of the applicant’s mark will not impact the consumer’s conceptual understanding of the mark, as it is stylistic. I find the marks to be conceptually highly similar.

## **DISTINCTIVE CHARACTER OF THE EARLIER TRADE MARK**

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

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<sup>21</sup> *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29

<sup>22</sup> HAZE | English meaning - Cambridge Dictionary

“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).”

74. 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 earlier mark comprises of the words, HAZE TOBACCO. As set out above, I consider that the average consumer would interpret the mark as I have set out above, with the word TOBACCO being descriptive of the goods at issue. As HAZE will be understood as referring to the smoke/vapour emitted from the goods, it may be considered to be mildly allusive, however, as TOBACCO is descriptive of the goods at issue, HAZE is the only element of the mark that is distinctive. I consider that the earlier mark is inherently distinctive to a medium degree.

75. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it, and such enhanced distinctiveness may affect the likelihood of confusion between that mark and a later mark including the same, or a similar, element.

76. As discussed in detail above, the opponent filed a witness statement by Mr Minhas to evidence its use of the earlier mark in the UK during the relevant period. Whilst I have determined that the opponent has provided sufficient evidence to illustrate use of the marks, I note that there are limitations to the evidence. The opponent has generated revenue of hundreds of thousands of pounds per annum since 2019, albeit that it is not clear if these figures are worldwide or UK specific. However, there are no details in relation to the size of the relevant market, or the share of that market held by goods bearing the opponent's mark which makes it difficult for me to assess whether the scale of the use shown is sufficient for establishing enhanced distinctiveness. I also note that the opponent has provided limited marketing information save for attendance at UK trade shows, however, I have no information as to how many people from the UK came into contact with the mark at these events, nor do I have details of the custom generated. As noted, whilst I have found this evidence to be sufficient in respect of genuine use, I do not consider that it goes far enough to establish enhanced distinctiveness.

## **LIKELIHOOD OF CONFUSION**

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

78. I have found as follows:

- The goods at issue range from being similar to between a medium and high degree and a low degree (except those that are dissimilar which will not form part of this assessment);
- The average consumer will be the general public who are over the age of 18. They will select the contested goods via an equally visual and aural process;
- The level of attention paid will be a medium degree;
- The marks are visually similar to between a medium and high degree;
- The marks are aurally similar to between a medium and high degree;
- The marks are conceptually highly similar;
- The earlier mark overall is inherently distinctive to a medium degree, but the evidence did not sufficiently show that it had enhanced its distinctive character through use.

79. I begin by considering a likelihood of direct confusion. The competing marks share the word HAZE. I have found the word, HAZE, to be the dominant element of the marks, and this gives rise to a visual, aural and conceptual similarity, even when considering the stylisation of the contested mark. I also bear in mind that I have found the opponent's mark to be inherently distinctive to a medium degree. Given this similarity, it is my view that consumers may mistake one mark for another, and bearing in mind the principle of interdependence, I find that even accounting for the fact that some of the goods are only similar to a low degree, consumers may mistake one mark for another. Taking all the above into account, and bearing in mind the principle of imperfect recollection, and that the marks will not be considered side by side, I consider that there exists a likelihood of direct confusion. In case I am wrong about that, I will move on to consider indirect confusion.

80. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis Q.C., 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 recognised 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).”

81. The three categories set out in *L.A. Sugar* are not exhaustive; rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court

of Appeal<sup>23</sup>. I recognise that a finding of indirect confusion should not be made merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark; this is mere association not indirect confusion.<sup>24</sup>

82. When assessing indirect confusion, I find that as a result of the common word, HAZE, consumers will be confused between the two entities as this appears identically in each mark. When considering the differences within the marks, namely the inclusion of CBD and TOBACCO, which I have found to be descriptive of the goods on offer, I find that HAZE will be considered as the distinctive element of the mark. Therefore, I find that HAZE CBD is likely to be interpreted as a sub-brand or indicative of goods provided by the same, or a linked undertaking. I am satisfied that such is the similarity between the marks visually, aurally and conceptually, and due to the interdependency principle, there would be a likelihood of confusion for all goods that I have found to be similar. As a result of this, I find a likelihood of indirect confusion.

### **SECTION 5(3)**

83. Section 5(3) states:

“(3) A trade mark which-

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

84. 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.”

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<sup>23</sup> *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

<sup>24</sup> *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17

85. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case C-252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C-383/12P, *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) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L’Oreal v Bellure NV*, paragraph 44.

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

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

(i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40. The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it; *L'Oreal v Bellure NV*, paragraph 44.

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

86. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that their mark and the applicant's mark are similar. Secondly, the opponent must show that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them in the sense of the earlier mark being brought to mind by the later mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods be 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 between the marks. For the purposes of section 5(3) the relevant date for the assessment is 17 April 2023.

87. In *General Motors*, Case C-375/97, the CJEU held that:

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

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

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

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

88. I have already found that the opponent's evidence was insufficient for the purposes of establishing that the distinctive character of its mark had been enhanced at the relevant date. Whilst I acknowledge that reputation and enhanced distinctive character are different, the nature, factors, and evidence used to prove them are the same. For the same reasons as given at paragraph 76, I cannot be satisfied that the opponent's mark had a reputation in the UK at the relevant date in respect of *tobacco* and *hookah tobacco*. In making this finding, I have borne in mind that evidence in the EU which falls prior to IP Completion Day can be taken into account. Consequently, the opposition under section 5(3) fails.

## **SECTION 5(4)(a)**

### **Legislation and case law**

89. I now turn to the opposition based upon section 5(4)(a) of the Act. Section 5(4)(a) states as follows:

“(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.”

90. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

## **Relevant date**

91. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*<sup>25</sup>, Mr Daniel Alexander QC (now KC) as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act where the proprietor has used the mark(s) at issue prior to the date of the application to register the contested mark(s). He explained that:

“41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom’s TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user’s mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

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<sup>25</sup> BL O/410/11

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.”

92. I note that the applicant’s mark was applied for on 17 April 2023, which is the prima facie relevant date. Mr Hussain has claimed that he has used the contested mark prior to making the application for registration, stating as follows:

“I started using the Haze CBD trade mark in February 2022”.<sup>26</sup>

Therefore, I will also consider the passing off claim at the earlier relevant date, being the start of the behaviour complained about (i.e. the date that Mr Hussain began using the mark, 1 February 2022).

## **Goodwill**

93. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL):

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

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<sup>26</sup> Witness statement of Mr Hussain, para “introduction”

94. I have already found that the evidence provided by the opponent is sufficient for establishing genuine use in respect of its mark. For the same reasons, I am satisfied that the opponent has demonstrated that its business in tobacco and hookah tobacco enjoyed a reasonable level of goodwill at the prima facie relevant date. Having reviewed the evidence, I am also satisfied that the same applies at the earlier relevant date of 1 February 2022.

## **Misrepresentation**

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

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

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

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

And later in the same judgment:

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

concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

96. I have already found that there is a likelihood of confusion between the parties’ marks. Whilst the tests for likelihood of confusion and misrepresentation are different, it is accepted that they are likely to produce the same outcome. The dominant and distinctive element of the contested mark is the word ‘HAZE’, which is also true of the sign relied upon. Given the overlapping fields of activity in respect of the applied-for Class 34 specification, I find that a substantial number of members of the public will be deceived into believing that the goods of the applicant originate from the opponent. In such circumstances, I consider that damage though diversion of sales is foreseeable, resulting in the opponent suffering financial loss. Therefore, the opponent’s claim under section 5(4)(a) is successful in relation to the Class 34 goods. However, in respect of the Class 1 and 5 goods, given the distance between the fields of activity, I do not consider it likely that misrepresentation or damage will occur, notwithstanding the similarity of the marks. As such, I find that the section 5(4)(a) ground fails in respect of these goods.

### **SECTION 3(6)**

97. Section 3(6) of the Act reads as follows:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

98. In *SkyKick UK Ltd & Anor v Sky Ltd & Ors (Rev1)* [2024] UKSC 36, Lord Kitchin summarised the general principles applicable to bad faith at [240] as follows:

“(i) [...]

(ii) The date for assessing whether an application to register [a] trade mark was made in bad faith is the date the application for registration was made (*Lindt*, para 35).

(iii) Bad faith in this context is an autonomous concept of EU law which must be given a uniform interpretation [...], and must be interpreted in the context of Directive 89/104 in the same manner as in the context of Regulation 40/94 ([*Malaysia Dairy Industries Pte Ltd v Ankenaevenet for Patenter og Varemaerker* (C-320/12) EU:C:2013:435 (“*Malaysia Dairy*”)], para 29; [*Sky plc v SkyKick UK Ltd* (C-371/18) EU:C:2020:45 (“*Sky CJEU*”)], para 73).

(iv) While, in accordance with its usual meaning in everyday language, the concept of bad faith presupposes the presence of a dishonest state of mind or intention, the concept must also be understood in the context of trade mark law, which involves the use of marks in the course of trade. Further, it must have regard to the objectives of the [...] law of trade marks, namely the establishment and functioning of [...] a system of undistorted competition in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable consumers, without any possibility of confusion, to distinguish those goods or services from those which have a different origin (*Lindt*, para 45; [*Koton Mağazacılık Tekstil Sanayi ve Ticaret AS v European Union Intellectual Property Office (EUIPO)* (C-104/18) EU:C:2019:724 (“*Koton*”)], para 45).

(v) Consequently, the objection will be made out where the proprietor made the application for registration, not with the aim of engaging fairly in competition but either (a) with the intention of undermining, in a manner inconsistent with honest practices, the interests of third parties; or (b) with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, and in particular the essential function of indicating origin (*Koton*, para 46; *Sky CJEU*, para 75).

(vi) The intention of the applicant is a subjective matter, but it must be capable of being established objectively by the competent administrative or judicial authorities having regard to the objective circumstances of the case ([*Hasbro Inc v EUIPO, Kreativni Dogaaji d.o.o. (intervening)* (Case T-663/19) EU:T:2021:211 (“*Hasbro*”)], paras 39 and 40; *Koton*, para 47).

(vii) The burden of proving that an application for a registered mark was made in bad faith lies on the party making the allegation. But where the circumstances of the case may lead to a rebuttal of the presumption of good faith, it is for the proprietor of the mark to explain and provide a plausible explanation of the objectives and commercial logic pursued by the application for registration (*Hasbro*, paras 42 and 43).

(viii) Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all of the factors relevant to the particular case (*Lindt*, para 37).

(ix) The applicant for a trade mark is not required to indicate or to know precisely when the application is filed or examined, the use that will be made of it (*Sky CJEU*, para 76; [*AS v Deutsches Patent-und Markenamt* (C-541/18) EU:C:2019:725], para 22).

(x) Nevertheless, the registration by an applicant of a mark without any intention to use it in relation to the goods and services covered by the registration may constitute bad faith where there is no rationale for the application in the light of the aims referred to in Regulation 40/94 and Directive 89/104 (*Sky CJEU*, para 77).

(xi) Such bad faith may, however, be established only where there are objective, relevant and consistent indicia tending to show that, when the application was filed, the applicant for registration had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark (*Sky CJEU*, para 77).

(xii) It follows that the bad faith of the applicant cannot be presumed on the basis of a mere finding that, at the time of filing the application, the applicant had no economic activity corresponding to the goods and services referred to in the application (*Sky CJEU*, para 78).

(xiii) When the absence of an intention to use the mark in accordance with the essential functions of a trade mark concerns only certain goods or services referred to in the application for registration, that constitutes making the application in bad faith only in so far as it relates to those goods or services (*Sky CJEU*, para 81).

(xiv) If, at the end of the day, the court concludes that, despite formal observance of the relevant rules and conditions for obtaining registration, the purpose of the rules has not been achieved, and that there was an intention to take advantage of the rules by creating artificially the conditions laid down for obtaining the registration, this may amount to an abuse sufficient to find that the application was made in bad faith (see, for example, *Hasbro*, para 72).

(xv) Directive 89/104 does not preclude a provision of national law under which an applicant for registration must state that the mark is being used in relation to the goods or services in relation to which it is sought to register the mark, or that the applicant has a *bona fide* intention that it should be used, provided that infringement of such an obligation cannot constitute a ground for invalidity. It may, however, constitute evidence for the purposes of establishing possible bad faith on the part of the applicant when the application was filed (*Sky CJEU*, paras 86 and 87)."

99. In deciding the section 3(6) ground, I must determine whether the opponent has proved on the balance of probabilities that in seeking to register the trade mark shown on the cover page of this decision for the goods in issue, the conduct of the applicant, judged by the ordinary standards of honest people, was somehow dishonest or otherwise fell short of the standards of acceptable commercial behaviour. The relevant date under section 3(6) is the date of the application for the contested mark i.e. 17 April 2023.

100. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

- (b) Was that an objective for the purposes of which the contested application could not be properly filed? And
- (c) Was it established that the contested application was filed in pursuit of that objective?

101. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

What, in concrete terms, was the objective that the applicant has been accused of pursuing?

102. The opponent's pleadings are as set out in paragraph 5, above. The opponent alleges that Vape Club Limited previously applied for a trade mark which the opponent successfully partially opposed. The opponent submits that the applicant was a director of Vape Club Limited and therefore had full knowledge of this previous opposition. The applicant has now re-applied, in his personal capacity, for some of the goods which the opponent had successfully opposed.

Was that an objective for the purposes of which the contested application could not be properly filed?

103. It is not unusual for an applicant to try and amend their application in some way when it has previously been opposed, whether that being changing the mark or the specification. Whilst I accept that repeated filings may be abusive, or attempting to affect another party's business could amount to bad faith, in this instance, one re-filing does not amount to that, and I consider this to be consistent with the applicant acting in good faith. I note that the previous opposition succeeded on the basis that it was undefended. I have nothing before me from the opponent regarding any intention on behalf of the applicant to undermine their business and there is no evidence before me that it was that the motive or intention of the applicant to engage in conduct that

departed from honest commercial practices. I find that the evidence is insufficient to support an allegation of bad faith and the opposition under section 3(6) is dismissed accordingly.

## CONCLUSION

104. The opposition against UKTM no. 3901381 is partially successful and subject to appeal, the application is refused in relation to the following goods:

Class 34      Hemp for smoking; Humidifiers for tobacco; Oral vaporizers for smokers; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarette atomizers; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Vaporizers for smoking purposes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Flavorings, other than essential oils, for tobacco substitutes.

105. The opposition fails for the following goods which will proceed to registration:

Class 1      Herb extracts, other than essential oils, for use in the manufacture of cosmetics.

Class 5      Cannabidiol for medical use; Liquid herbal supplements; Herbal creams for medical use.

## COSTS

106. On balance, I consider that the opponent has enjoyed the greater degree of success in these proceedings. Therefore, I consider that the opponent is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. Given that the applicant has succeeded in registering some of its goods, I consider it appropriate to reduce the costs award to a degree in order to reflect the applicant's partial success. In the circumstances, I award the opponent the sum of **£1,150** as a contribution towards the costs of the proceedings, calculated as follows:

|                                                                 |      |
|-----------------------------------------------------------------|------|
| Preparing a statement and considering the applicant's statement | £350 |
|-----------------------------------------------------------------|------|

|                                                             |               |
|-------------------------------------------------------------|---------------|
| Preparing evidence and considering the applicant's evidence | £800          |
| Reduction for applicant's partial success                   | -£200         |
| Official fee                                                | £200          |
| <b>Total</b>                                                | <b>£1,150</b> |

107. I therefore order Imtiaz Hussain to pay STB WORLDWIDE LIMITED the sum of **£1,150**. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 24<sup>th</sup> day of September 2026**

**LA Bailey**

**For the Registrar**