

O/0876/26

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO. 3826698

IN THE NAME OF BARGAIN BUSTING LIMITED

IN RESPECT OF THE FOLLOWING TRADE MARK:

BLOODY MARY BAR

AND

**AN APPLICATION FOR A DECLARATION OF THE INVALIDITY
THEREOF UNDER NO. 506126**

BY

IMIRACLE (HK) LIMITED

BACKGROUND AND PLEADINGS

1. Trade mark No. 3826698 shown on the cover page of this decision stands registered in the name of Bargain Busting Limited (“the registered proprietor”). It was applied for on 6 September 2022 by Tashmeen Kaur and completed its registration procedure on 25 November 2022. The ownership of the mark was assigned to the registered proprietor with effect from 28 August 2025. The goods for which it is registered are as follows:

Class 34

Electronic cigarettes; Electronic cigarette filters; Filter tipped cigarettes; Hookah; Tobacco pouches; Cigarette cases; E Liquid; Electronic cigarette liquid; Shisha pen liquid; Disposable cigarettes; Disposable vape bars; Vape bars; Refillable cigarette lighters; Disposable cigarette lighters; Cigarette rolling tins; Electronic cigarette with nicotine; Electronic cigarette without nicotine; Devices for heating tobacco for the purpose of inhalation; Cigarette tips; Cigarette filters; Disposable vape with nicotine; Disposable vape without nicotine.

2. On 22 May 2023, Imiracle (HK) Limited (“the applicant”) filed an application to have this trade mark declared invalid under the provisions of sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”), which are relevant in invalidation proceedings under section 47 of the Act. The application concerns all the goods for which the contested mark stands registered.

3. Under sections 5(2)(b) and 5(3), the applicant is relying on International Registration (“IR”) No. 1616521, which is shown below.

LOST MARY

It was registered on 4 August 2021 and designated for protection in the UK on the same date. Protection was granted on 20 January 2022 for the following goods:

Class 34

Cigarettes; cigarette tips; oral vaporizers for smokers; matches; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes; cigarette cases.

4. The IR qualifies as an earlier mark under section 6(1) of the Act by virtue of its earlier filing date. As protection was granted less than five years before the application date for the declaration of invalidity, the applicant is not required to have used the IR and can rely on all the goods listed above.

5. Under section 5(2)(b), the applicant claims that the marks are similar and that the goods are either identical or similar. It also claims that the earlier mark has an enhanced degree of distinctive character. As a result, there is a likelihood of confusion between the marks, which includes a likelihood of association.

6. Under section 5(3), the applicant claims that the earlier mark has acquired a reputation for all the goods listed in paragraph 3. It further claims that use without due cause of the contested mark would take unfair advantage of and/or be detrimental to the distinctiveness and/or the repute of the earlier mark.

7. Under section 5(4)(a), the applicant claims to have used the sign **LOST MARY** throughout the UK since March 2022 for the following goods: *Cigarettes; vapes; cigarette tips; oral vaporizers for smokers; matches; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes; cigarette cases*. It claims that as a result of this use it has acquired goodwill and a reputation in the sign in relation to the aforementioned goods. The use of the contested mark for the registered proprietor's goods would constitute a misrepresentation to the public that the goods are those of, or are in some way connected to, or authorised, licensed or endorsed by, the applicant, and that the applicant is entitled to prohibit such use under the law of passing off.

8. Under section 3(6), the applicant claims that the filing of the contested mark was an abuse of the trade mark system and that it forms part of a pattern of such behaviour. The applicant cites three applications made by Ms Kaur for marks comprising, or similar to, UK trade marks owned by the applicant or related companies. These are Application No. 3755629 for VAPESTICKELFBAR+ EXTRA, Application No. 3755631 for ZEUSELFBAR+ EXTRA, and Application No. 3873150 for the following:

BLOODY MARY

All these applications were withdrawn. The applicant claims that the registered proprietor had the dishonest intention of taking advantage of the repute of, and goodwill in, the earlier mark in the UK.

9. The registered proprietor filed a defence and counterstatement. It admits that the parties' respective goods are similar, but denies that they are all identical and also denies that the marks are confusingly similar. It puts the applicant to proof of its claims to enhanced distinctiveness, reputation and goodwill and denies there would be a link and damage under section 5(3) and misrepresentation and damage under section 5(4)(a). In particular, it claims that any reputation that the earlier mark might possess would not be a positive one, referring to "*various scandals*", including the products bearing the earlier mark being declared illegal in the UK and having to be removed from sale. It also denies, under section 3(6), that the application for the contested mark was made in bad faith. It asserts that the applications referred to in the statement of grounds were voluntarily withdrawn without any contact being made by the applicant, its related companies or any third party.

10. The matter came to be heard by me on 12 March 2026. The applicant was represented by Katie Cameron of Maucher Jenkins LLP. The registered proprietor was represented by Stephen Lowry of Brandsmiths SL Limited.

RELEVANCE OF EU LAW

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

EVIDENCE

12. The applicant's evidence comes in the form of a witness statement from Zeyuan Tang, Internal Legal Counsel for Imiracle (ShenZhen) Technology Co., Ltd, a fully owned subsidiary of Imiracle (ShenZhen) Innovation Co., Ltd, which itself is a fully owned subsidiary of Imiracle (HK) Limited, the opponent. He has held this position

since 6 June 2023. His witness statement is dated 7 February 2024 and is accompanied by 10 exhibits.

13. The registered proprietor's evidence comes from Stephen Lowry, a Chartered Trade Mark Attorney who at the time of making his witness statement was employed by Barker Brettell LLP, the registered proprietor's then representative. His witness statement is dated 22 April 2024 and is a vehicle for exhibiting a selection of news articles reporting that the Lost Mary range of vapes had been withdrawn from sale because the tank capacity was larger than legally permitted on the UK market.

14. On 10 March 2026, two days before the hearing, the registered proprietor requested leave to submit additional evidence going to the claim made by the applicant under section 3(6). This consisted of a witness statement from Mr Lowry dated 10 March 2026 accompanied by an exhibit that contained copies of notices of opposition filed against two applications made in the name of Tashmeen Kaur that were referred to by the applicant in its claim under section 3(6) of the Act.¹ These applications were relied on by the applicant as evidence of the registered proprietor's bad faith. I took the request as a preliminary issue at the hearing. Ms Cameron for the applicant did not object to the admission of the evidence and so I agreed to the registered proprietor's request.

DECISION

15. Section 47 of the Act is as follows:

“(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection 1(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use

¹ Application No. 3755629 for **VAPESTICKELFBAR+ EXTRA** and Application No. 3755631 for **ZEUSELFBAR+ EXTRA**.

which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

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

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

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

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

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

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

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

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

(c) the use conditions are met.

(2B) The use conditions are met if—

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

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

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

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

(2C) For these purposes—

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

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

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

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

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

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

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

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

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

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

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that—

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

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

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

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

Section 5(2)(b)

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

“A trade mark shall not be registered if because—

...

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

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

17. 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 they have kept in their 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

18. It is settled case law that I must make my comparison of the goods on the basis of all relevant factors. These include the nature of the goods, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*

Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. As the General Court (“GC”) said in *Boston Scientific Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, goods and services are complementary when

“82. ... there is a close connection between them in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking.”

19. The goods to be compared are shown in the table below:

Contested goods	Earlier goods
<u>Class 34</u> <i>Electronic cigarettes; Electronic cigarette filters; Filter tipped cigarettes; Hookah; Tobacco pouches; Cigarette cases; E Liquid; Electronic cigarette liquid; Shisha pen liquid; Disposable cigarettes; Disposable vape bars; Vape bars; Refillable cigarette lighters; Disposable cigarette lighters; Cigarette rolling tins; Electronic cigarette with nicotine; Electronic cigarette without nicotine; Devices for heating tobacco for the purposes of inhalation; Cigarette tips; Cigarette filters; Disposable vape with nicotine; Disposable vape without nicotine.</i>	<u>Class 34</u> <i>Cigarettes; cigarette tips; oral vaporizers for smokers; matches; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes; cigarette cases.</i>

20. The following contested goods appear in the specification of the earlier mark: *Electronic cigarettes; Cigarette cases; Cigarette tips; Cigarette filters*. They are self-evidently identical.

21. Goods are also considered to be identical where the goods in the specification of one party are included in a broader term from the other party's specification: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. In my view, this is the case for the following goods:

Contested goods	Earlier goods
<i>Electronic cigarette filters</i>	Included in <i>Cigarette filters</i>
<i>Filter tipped cigarettes; Disposable cigarettes</i>	Included in <i>Cigarettes</i>
<i>E Liquid; Electronic cigarette liquid</i>	Includes <i>Liquid solutions for use in electronic cigarettes</i>
<i>Disposable vape bars; Vape bars; Disposable vape with nicotine; Disposable vape without nicotine.</i>	Included in <i>Oral vaporizers for smokers</i>
<i>Refillable cigarette lighters; Disposable cigarette lighters</i>	Included in <i>Lighters for smokers</i>
<i>Electronic cigarette with nicotine; Electronic cigarette without nicotine</i>	Included in <i>Electronic cigarettes</i>
<i>Devices for heating tobacco for the purposes of inhalation</i>	Includes <i>Electronic cigarettes</i>

22. The remaining contested goods are *Hookah; Tobacco pouches; Shisha pen liquid; Cigarette rolling tins*. The registered proprietor admitted that the parties' goods are similar and in his skeleton argument Mr Lowry argued that they were identical or highly similar. I shall proceed on the basis that the goods listed at the start of this paragraph are highly similar to the goods of the earlier mark.

Average consumer and the purchasing process

23. In *Iconix*, 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:

“16. First, the average consumer is both a legal construct and a normative benchmark. They are a legal construct in that consumers who are ill-informed or careless and consumers with specialised knowledge or who are excessively careful are excluded from consideration. They are a normative benchmark in that they provide a standard which enables the courts to strike a balance between the various competing interests involved, including the interests of trade mark owners, their competitors and customers.

17. Secondly, the average consumer is neither a single hypothetical person nor some form of mathematical average, nor does assessment from the perspective of the average consumer involve a statistical test. They represent consumers who have a spectrum of attributes such as gender, age, ethnicity and social group. ... It follows that assessment from the perspective of the average consumer does not involve the imposition of a single meaning rule akin to that applied in defamation law (but not malicious falsehood). ... 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, then a finding of infringement may properly be made.

18. Thirdly, assessing from the perspective of the average consumer is designed 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. ...

19. Fourthly, the average consumer's level of attention varies according to the category of goods or services in question.

20. Fifthly, 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.”

24. The average consumer of the parties’ goods is an adult member of the general public. In my view, most of the goods will be purchased relatively frequently, although hookahs may be bought less often. When buying cigarettes, electronic cigarettes, vapes and liquid for use in electronic cigarettes, the average consumer will pay attention to the nicotine content or absence of nicotine and the flavour of the product, as well as the price. The goods are likely to be of relatively modest cost. I find that the average consumer will pay a medium degree of attention.

25. Under current regulations, tobacco products are not put on display in a retail outlet for the consumer to make their own selection. They have to ask for the product that they want to purchase. Consequently, the purchasing process for these goods will be largely aural. However, once the purchase has been made, the consumer is likely to see some branding on the product, notwithstanding the visual branding restrictions imposed on cigarettes and other tobacco products. These goods may also be purchased online, in which case the average consumer will see some branding before they buy. Goods such as electronic cigarettes and vapes, liquids for electronic cigarettes and smokers’ articles like tobacco pouches and lighters may be self-selected from the shelves, and so the purchasing process will be largely visual. However, there may also be a role for the aural element of the mark, should the consumer seek advice from sales staff.

Comparison of marks

26. It is clear from *SABEL BV v Puma AG*, Case C-251/95, that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: see, in particular, paragraph 23 of that judgment. 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 (“CJEU”) stated in *Bimbo SA v OHIM*, Case C-519/12 P, that:

“34. ... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”

27. Artificial dissection of the marks would therefore be wrong, although it is necessary for me to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

28. The respective marks are shown below:

Contested mark	Earlier mark
BLOODY MARY BAR	LOST MARY

29. The earlier mark consists of two words, “LOST” and “MARY”, presented in a stylised typeface. The words play a greater role in the overall impression of the mark than that played by the stylisation. I consider that “lost” is a word that describes a person called Mary, and so it is the second word that makes a slightly greater contribution to the overall impression of the mark. Mr Lowry submitted that, as English-speaking consumers read from left to right, the first word in a mark attracts the most attention. He also referred me to the frequently cited judgment of the GC in *El Corte Inglés, SA v OHIM*, Joined cases T-183/02 and T-184/02. However, while I accept that usually the average consumer will pay more attention to the beginning of the mark, this is not a hard and fast rule.

30. The contested mark consists of three words. Mr Lowry submitted at the hearing that the word “BAR” was descriptive of some vape products, which take that shape. For these goods, the distinctive part of the mark is “BLOODY MARY”. As I discuss below, I consider that the average consumer will understand these two words to form a unit. Where the word “BAR” would not be seen as descriptive, for example, it is likely

to be seen as alluding to the shape of the goods. Thus, it will play a lesser role in the overall impression of the mark than “BLOODY MARY”.

Visual comparison

31. The earlier mark has two words and the contested mark three. The second word of each mark is “MARY”. The contested mark is a plain word mark. As such, it protects the words contained in the mark which may be used in any form, colour or typeface: see *LA Superquímica v European Union Intellectual Property Office (EUIPO)*, Case T-24/17, paragraph 39. Mr Lowry submitted that the stylised typeface used in the earlier mark was a point of visual difference between the marks. In *mr heron Trade Mark*, BL O/954/22, Mr Iain Purvis KC, sitting as the Appointed Person, said that in the comparison between a stylised mark and a plain word mark, the stylisation would only be relevant “if (whether by emphasising or obscuring some elements of the word, or conveying some extraneous meaning) the stylisation had some impact on the similarity between the word **HERNO** and the words **mr heron**.”² I do not consider that to be the case here. In my view, the marks are visually similar to a low to medium degree.

Aural comparison

32. The earlier mark has three syllables, while the contested mark has five. The third and fourth syllables of the contested mark are identical to the second and third of the earlier mark. I do not agree with Mr Lowry’s submission that the secondary element of both marks is “MARY” for the reasons I have already explained. Considering the marks as wholes, I find that they are aurally similar to a low to medium degree.

Conceptual comparison

33. I have already said that I consider the earlier mark would bring to the mind of the average consumer a person called Mary who is lost, either literally or figuratively. Turning to the contested mark, Mr Lowry submitted that the first word would be understood to mean gory, but that when the mark as a whole is considered it would be seen as a reference to the Bloody Mary cocktail. I agree that this is the concept that would be brought to the mind of the average consumer. A further message is conveyed

² Paragraph 45(b).

by the mark, namely, that the shape of the goods is that of a bar. Consequently, I find that the marks are conceptually dissimilar.

Distinctive character of the earlier mark

34. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*, Case C-39/97:

“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).”

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

36. As I have already found, the earlier mark brings to mind a person called Mary who is literally or figuratively lost. The mark is formed of a fairly common name and a word frequently used in standard English. It has no descriptive or allusive character. I found that the typeface also makes a contribution to the overall impression of the mark. Overall, I consider that it has a slightly higher than medium degree of inherent distinctive character. I shall now consider whether that distinctive character has been enhanced through the use that has been made of the mark.

The applicant's evidence of use

37. Mr Tang states that the applicant has sold vape products under the earlier mark in the UK since March 2022. He describes the product as *“a disposable vape kit with a unique bottle shaped design which is available in 50 different flavours”*.³ Exhibit ZT1 contains extracts from the applicant's UK website showing the range of flavours available and explaining the features of the vape. These are undated. Mr Tang explains that the website was not crawled by the Wayback Machine before the filing date so he has been unable to find any printouts from before that date. (Mr Lowry disputed this account of how the Wayback Machine works.) However, he does say that the LOST MARY vape has been offered for sale through this website since the date that it was launched. Prices are shown in sterling. Despite this evidence, Mr Tang says a little later that the applicant *“does not sell the LOST MARY Vape directly to consumers”* and that this is why it does not have direct access to sales figures.⁴

38. Mr Tang then goes on to say that the vape was also sold in major e-cigarette retail and online retail stores, convenience stores and corner shops. Exhibit ZT3 contains printouts of some of these retailers' websites. While the printouts themselves are undated, I can see that there are some reviews from before the relevant date.

39. The applicant used distributors and importers to sell its goods, which, Mr Tang says, are manufactured in China. He states that the main importer to the UK was Green Fun Alliance Limited (“GFA”). Exhibit ZT2 contains sample invoices covering a range of different products, some of which were sold under a different mark. I have extracted the information that is relevant to the contested mark:

Date of Invoice	Quantity	Net Amount
15 June 2022	2,400	£5,040
22 June 2022	1,200	£2,520
26 July 2022	400	£840
22 August 2022	4,800	£10,080
22 August 2022	4,800	£10,080

³ Witness statement, paragraph 3.

⁴ Ibid, paragraph 6.

40. Unit sales of the LOST MARY vape to GFA are shown in the table below:⁵

Period	UK LOST MARY unit sales
April 2022	1,296,662
May 2022	4,077,450
June 2022	3,977,700
August 2022	3,848,100
September 2022	5,637,204
TOTAL	18,810,116

41. Exhibit ZT4 contains what Mr Tang describes as a stock keeping unit report showing stocks of the LOST MARY vape held by the applicant's distributors other than GFA. I note, however, that the heading at the top of the first column is "*Retailer*" and the remaining columns refer to units sold. The details in the table are redacted, but the totals are given. These are shown in the table below:

Period	LOST MARY units
May 2022	365,000
June 2022	1,379,600
August 2022	1,706,000
September 2022	2,477,200
TOTAL	5,927,800

42. A spreadsheet that Mr Tang states contains IRI Worldwide data shows weekly figures for revenue and UK market share for the earlier mark. These are as follows:⁶

Week	Sum of Revenue (GBP)	Market share (%)
26 June 2022	3,529	1.35
3 July 2022	375,894	2.82
10 July 2022	416,555	3.04
17 July 2022	496,758	3.48
24 July 2022	577,017	3.90
31 July 2022	626,495	4.06

⁵ Ibid. The month of July 2022 is not included in this, or the following, table.

⁶ Exhibit ZT6.

Week	Sum of Revenue (GBP)	Market share (%)
7 August 2022	732,686	4.60
14 August 2022	742,891	4.18
21 August 2022	774,084	4.38
28 August 2022	794,690	4.38
4 September 2022	854,301	4.60
11 September 2022	923,848	5.08

43. Mr Tang states that UK regulations governing the marketing of vapes and electronic cigarettes prevented the applicant from conducting any advertising or marketing activities for the LOST MARY vape. In 2023, the LOST MARY BM600 won The Electronic Cigarette Company's Disposable Vape of the Year Awards. The article announcing this award is dated 17 January 2023.

Assessment of the evidence

44. Mr Lowry made a number of criticisms of Mr Tang's evidence. For example, he drew my attention to gaps in the evidence on the distribution of the goods to end consumers. In addition, he suggested that the Excel spreadsheet in Exhibit ZT6 could have been created by anyone and that it would have been more useful to present an extract from the IRI data. However, IRI data can be found, along with further statistics, in Confidential Exhibit ZT7. The graph showing market share is consistent with the figures presented in Exhibit ZT6. I am therefore satisfied that between 26 June 2022 and 4 September 2022 the earlier mark's share of the market for disposable vapes rose from 1.35% to 4.60%. This is rapid growth over a period of just over two months. Furthermore, I remind myself that the product was only launched in March 2022. These are factors in favour of the applicant

45. There is no dated evidence that shows me what the consumer would have seen when deciding whether to purchase the applicant's goods, and, for reasons that have already been explained, there is no promotional or advertising material. I have referred to the reviews that were made before the relevant date and can be seen below the product listing on various websites. On the basis of this evidence, I am satisfied that goods were targeted towards consumers throughout the UK. The retailers are UK Ecig Store, evapo.co.uk and vampirevape.co.uk. A few have thumbnail pictures, but they

are too small for me to be able to say with certainty that the mark as registered was used on the goods. The nearest one is a review dated 2 June 2022 from a verified customer called Emma:⁷



46. The earlier mark is not a plain word mark, as I have already found: the stylised typeface makes a contribution to its overall impression. I do not consider it would be appropriate to assume that the product shown in the image above is marked with the earlier mark as registered. It is not clear enough. Mr Tang states that it has not been possible to provide historic web pages via the Wayback Machine and says that he was informed by his legal representative *“that this is likely because e-commerce website pages change or are amended so regularly that they are rarely picked up by the Wayback Machine”*. At the hearing, Mr Lowry submitted that this was incorrect. Neither party has provided me with evidence as to how the Wayback Machine actually works, although I note that historic e-commerce website pages are frequently filed in trade mark proceedings. Section 100 of the Act states that *“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.”* However, Wayback Machine prints are not the only way in which evidence of use may be adduced. I note that Mr Tang does not even say in his witness statement that the later images are representative of what the products looked like on or before the relevant date. Therefore, despite the evidence of sales and an increasing market share, I find that the applicant has not shown that the distinctive character of the earlier mark had been enhanced by 6 September 2022.

⁷ Exhibit ZT3, page 8.

Conclusions on likelihood of confusion

47. Making an assessment of the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer of the goods at issue and determining whether they are likely to be confused. When doing this, I am required to bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely on the imperfect picture of them that they have in their mind. This means that the global assessment emulates what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the earlier mark. The courts have not said what weight should be attached to each of the factors or provided a formula that can be applied to any set of circumstances. Because this is a global assessment, there is some interdependence between the factors and so a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa.

48. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Mr Iain Purvis QC, sitting 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)."

49. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition.

13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

50. Earlier in my decision, I found that:

- a) The parties' goods are identical or highly similar;
- b) The average consumer is an adult member of the general public who will pay a medium degree of attention. Both aural and visual aspects of the mark are important during the purchasing process;
- c) The marks are visually and aurally similar to a low to medium degree and conceptually dissimilar; and
- d) The earlier mark has a slightly higher than medium degree of inherent distinctive character, which had not been enhanced through use by the relevant date in these proceedings.

51. Mr Lowry referred me to the judgment of the CJEU in *Ruiz-Picasso & Ors v OHIM*, Case 361/04 P, in which the court said:

"20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law."

52. I have found that the contested mark will bring to mind the Bloody Mary cocktail. I consider that this is a clear and specific meaning that counteracts the visual and aural similarities between the marks so that, *prima facie*, the marks would not be directly confused.

53. However, I need to address the evidence that has been adduced to show that confusion has actually occurred. In *Maier & Anor v ASOS & Anor*, [2015] EWCA Civ 220, Kitchin LJ (as he then was) stated that:

"80. ... the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in

Specsavers at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion...”

54. Mr Tang states that the applicant has received “*numerous*” queries from customers who are confused about the origin of vapes sold under the contested mark. On 5 May in an unstated year, an individual (S) contacted the applicant. They reported that the Bloody Mary strawberry raspberry cherry ice vape “*leaked battery acid into my mouth*”.⁸ On 11 May 2023, another individual (J) contacted the applicant to complain about the Bloody Mary blue razz cherry vapes. They said that out of a box of 20 vapes, six did not work and seven tasted burnt and as if there were no liquid in the vapes.⁹ J explained in an email dated 14 May 2023 that they had contacted the shop from which they had purchased the vapes and had been told to contact the applicant. Another individual (C) contacted the applicant on 13 May 2023 to complain about two blueberry and raspberry Bloody Mary vapes, neither of which was working. A different individual with the initial C contacted the applicant on 1 June 2023 complaining about Bloody Mary vapes purchased on 30 May 2023 that they claimed were “*infested with some sort of bacteria*”.¹⁰ The individual attached photographs of the product and its packaging which were clearly marked with “BLOODY MARY”. Finally, on 9 July 2023, an individual (L) contacted the applicant to complain about a Bloody Mary vape, reporting that the liquid leaked into their mouth when they puffed on the product.

55. With the possible exception of the first of these five queries, all were in May-July 2023, at least seven months after the relevant date in these proceedings. The evidence shows that by this point, the sales of goods under the earlier mark had increased to such an extent that an article from the *Daily Mail* dated 4 March 2023 could report that the market share of the mark was around 25%.¹¹ The factual matrix at this point was therefore different at this point than it was on 6 September 2022. In particular, by this point the distinctive character of the mark is likely to have been enhanced through use. I do not consider that these queries shed any light on the likelihood of confusion at

⁸ Exhibit ZT9, page 2.

⁹ Ibid, page 4.

¹⁰ Ibid, page 8.

¹¹ Exhibit SL01. The exhibit is not paginated, but the article begins on the 30th page.

6 September 2022. The same applies with regards to Mr Tang's evidence of articles referring to "copycat" products. These are either undated or were published after the relevant date.¹² I find that there is no likelihood of direct confusion.

56. I shall now consider whether there is a likelihood of indirect confusion. At the hearing, Ms Cameron submitted that it was possible that the average consumer would assume that a Bloody Mary-branded vape was a Bloody Mary-flavoured Lost Mary vape. This appears to be an argument that Mr Purvis's third scenario is met: that the change is entirely logical and consistent with a brand extension, as in his hypothetical "FAT FACE"/"BRAT FACE" example.

57. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor QC (as he then was), sitting as the Appointed Person, said:

"81.4 ... I think it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element. When Mr Purvis was explaining in more formal terms the sort of mental process involved at the end of his [16], he made it clear that the mental process did not depend on the common element alone: 'Taking account of the common element in the context of the later mark as a whole' (my emphasis)."

58. The later mark is not BLOODY MARY, but BLOODY MARY BAR. To my mind, this decreases the likelihood of the average consumer assuming that it is merely a brand extension of the FAT FACE/BRAT FACE type. In such a case, why would the undertaking responsible add the word "BAR"? At the most, the earlier mark may be called to mind by the later mark and, as Mr Mellor said this is mere association, not indirect confusion. It is my view that neither Mr Purvis's first nor his second scenario apply either. The evidence does not show that the common element, "MARY", was so strikingly distinctive at the relevant date that the average consumer would assume that only the applicant was using it, and the word "BLOODY" is not one that would be expected to be found in a brand extension. I find that at the relevant date there was no likelihood of indirect confusion.

¹² Exhibit ZT8.

59. The application for invalidation under section 5(2)(b) fails.

Section 5(3)

60. Section 5(3) of the Act is as follows:

“A trade mark which—

(a) is identical with or similar to an earlier trade mark,

[...]

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

61. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L'Oréal SA & Ors v Bellure & Ors* (Case C-487/07), *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09) and *Environmental Manufacturing LLP v OHIM* (Case C-383/12 P). 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 Salomon*, 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 and/or services, the extent of the overlap between the

relevant consumers for those goods and/or 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 that 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'Oréal*, paragraph 44.

g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or 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 and/or services for which the earlier mark is registered, or a serious risk that this will happen in the 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 on the earlier mark; *L'Oréal*, paragraph 40.

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; *Interflora*, paragraph 74, and the court's answer to question 1 in *L'Oréal*.

Reputation

62. In *General Motors Corp v Yplon SA*, Case C-375/97, the CJEU held that:

“24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

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.”

63. The applicant submits that the earlier mark enjoyed a reputation, noting that over a six-month period from the launch of the mark it had acquired 5% of the market for disposable vapes. It had gone from selling 1.2 million units in April 2022 to 5.6 million in August 2022. In paragraph 43 above, I referred to the evidence showing that the LOST MARY BM600 won The Electronic Cigarette Company's Disposable Vape of the Year Award. Mr Lowry submitted that the award should be disregarded for the purposes of assessing reputation. This is because the article is dated 17 January 2023. On the other hand, the applicant notes that the first line of the article is *"Let's look at the best disposables of 2022"*. Ms Cameron submitted that the giving of an award nine months after product launch, plus the increase in sales, shows that the earlier mark had a reputation.

64. In my view, the applicant faces the same difficulties here as it did when I was considering the question of enhanced distinctiveness. The lack of evidence showing the mark as registered was used up to the relevant date leads me to find that the applicant has not shown that that particular mark had a reputation.

65. The application for invalidation under section 5(3) fails.

Section 5(4)(a)

66. Section 5(4)(a) of the Act states that:

"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 or 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 4(A) is met

..."

67. Subsection 4(A) is as follows:

"The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of

application for registration of the trade mark or date of the priority claimed for that application.”

68. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off at [406]:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

69. *Halsbury’s Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other indicium which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

- (a) the nature and extent of the reputation relied upon,
- (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the claimant;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged are likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

Relevant Date

70. In *Maier & Anor v ASOS plc & Anor* [2015] EWCA Civ 220, Kitchin LJ (as he then was) said:

“165. ... Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, *Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under

Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the [contested] trade mark would have amounted to passing off. But if the [contested] trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began.”

71. There is no evidence that the registered proprietor was using the contested mark prior to registration, so the relevant date is 6 September 2022.

Goodwill

72. The applicant must show that it had goodwill in a business at the relevant date and that the sign relied upon, **LOST MARY**, is associated with, or distinctive of, that business.

73. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at [224]:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages 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. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

74. Mr Lowry submitted that, even if the applicant owned any goodwill, it was illegally accrued and that therefore there would be no good name from which the cancellation applicant could benefit. He referred me to the Supreme Court decision in *Laboratoires*

Servier & Anor v Apotex Inc & Ors [2014] UKSC 55, in which Lord Sumption summarised the law on the *ex turpi causa* principle from paragraph 13 onwards, citing the statement of principle made by Lord Mansfield CJ in *Holman v Johnson* (1775) 1 Cowp. 341, 343:

“No court will lend its aid to a man who founds his cause of action on an immoral or an illegal act. If, from the plaintiff’s own stating or otherwise, the cause of action appears to arise *ex turpi causa*, or the transgression of a positive law of this country, there the court says that he has no right to be assisted. It is upon that ground the court goes; not for the sake of the defendant, but because they will not lend their aid to such a plaintiff. So if the plaintiff and defendant were to change sides, and the defendant was to bring his action against the plaintiff, the latter would then have the advantage of it; for where both are equally in fault, *potior est conditione defendantis*.”

75. The applicant’s LOST MARY vapes were, as I have previously noted, first sold in the UK in March 2022. Mr Lowry’s evidence shows that in February and March 2023 the vapes were being withdrawn from sale. An investigation carried out by the *Daily Mail* showed that samples of vapes bought from Sainsbury’s and Asda exceeded the legal nicotine limit. The products had a larger tank capacity than that permitted under UK legislation.¹³ He argued that this evidence casts doubt on the nature of the products sold before the relevant date and asked whether these were also illegal.

76. Ms Cameron submitted that goodwill needed to be assessed on the filing date. She added that the overfilling issue had only been reported in February and March 2023. I agree. Different markets operate under different regulatory conditions and Mr Lowry’s own evidence indicates that other jurisdictions allow a 3ml chamber, as opposed to the UK maximum of 2ml.¹⁴ There is no evidence that this was an issue at the relevant date and so I dismiss this argument.

77. I have already summarised the evidence of use filed by the applicant in paragraphs 36-43 above and so will not repeat the exercise here. The sign relied on in this ground

¹³ Exhibit SL01.

¹⁴ Mr Lowry’s exhibit is not paginated, but this information comes from page 3 of an article entitled “Evapo statement on Elf Bar 600 compliance”.

consists of the words “LOST MARY” without the stylisation used in the earlier trade mark. Mr Lowry contended that there was no evidence of direct sales to UK consumers, but I note that, by the relevant date, the applicant’s vapes sold under the “LOST MARY” sign enjoyed a share of the UK market for disposable vapes that was nearly 5%. I consider that this is a level of goodwill that is protectable under the law of passing off. At this point, I would characterise the level as moderate, although I would acknowledge that it continued to grow fairly rapidly after the relevant date. In my view it covers *Vapes; oral vaporizers for smokers; electronic cigarettes*.

Misrepresentation

78. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

“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] RPC 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 RPC 147 at page 175; and *Re Smith Hayden’s Application* (1945) 63 RPC 97 at page 101.”

79. The contested mark is **BLOODY MARY BAR**, while the earlier sign is **LOST MARY**. Both share the word “MARY” and the lack of any stylisation in the applicant’s sign leads me to find a slightly higher degree of visual similarity than I found under section 5(2)(b). In my view, the contested mark is visually similar to the earlier sign to a medium degree, aurally similar to a low to medium degree and conceptually dissimilar.

80. Some of the contested goods are identical or highly similar to the goods in respect of which the applicant enjoys goodwill. Those goods are related to electronic cigarettes or vapes. The contested goods that relate to more traditional cigarettes or smoking habits (such as hookahs) belong to a closely related field, all being used to consume nicotine.

81. The applicant refers me to the three articles in its Exhibit ZT8. These explain how to distinguish a fake Lost Mary disposable vape from a real one, and discuss the differences between Lost Mary and Bloody Mary vapes. The article that deals with these differences is dated 29 August 2023. It says:

“... A Bloody Mary is a simple to use disposable vape device that consists of 600 puffs per device. They come in a wide range of different flavours some of which are the same as the flavours available in a Lost Mary BM600, in fact it’s fair to say the Bloody Mary BM600 looks identical to the Lost Mary BM600 which led a lot of consumers wondering, are Bloody Marys fake?

...

In summary the Bloody Mary Disposable vapes are not a fake version of the Lost Mary but an alternative product that has followed and imitated the design of the Lost Mary disposable vapes. ...”¹⁵

82. This article is, of course, after the relevant date, as is one of the others. The remaining article has a date of 29 June, but no year is given. Even if the articles had been published before the relevant date, I find that references such as “*a lot of consumers*” are rather vague. I have already discussed the customer complaints in Exhibit ZT9 in the context of the assessment of the likelihood of confusion under section 5(2)(b). The same caveats apply here. All but one of the complaints dates from a period at least seven months after the relevant date. The rapid growth in sales and market share enjoyed by the applicant’s goods up to that point are likely to have enhanced the distinctive character of the earlier mark and strengthened the goodwill to a higher level. The factual circumstances will have been different than they were on the relevant date.

¹⁵ Pages 16-18.

83. In my view, the similarities between the earlier sign and the mark were at the relevant date not sufficient for the relevant public to be misled into believing that the registered proprietor's goods were those of the applicant. This is because while they are visually similar to a medium degree, they are aurally similar to a low to medium degree and conceptually dissimilar. Mere wondering as to a connection between the parties is not sufficient for passing off: see *W.S. Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 18 (PCC), paragraph 54. Misrepresentation is not made out.

84. The application for invalidation under section 5(4)(a) fails.

Section 3(6)

85. Section 3(6) of the Act is as follows:

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

86. In *Skykick UK Ltd & Anor v Sky Ltd & Ors (Rev1)*, [2024] UKSC 36, the Supreme Court considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, *Sky plc & Ors v Skykick UK Limited & Anor*, Case C-371/18, *AS v Deutsches Patent- und Markenamt*, Case C-541/18, *Malaysia Dairy Industries Pte. Ltd v Ankenævnet for Patenter Varemærker* Case C-320/12, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, *Hasbro, Inc. v EUIPO*, Case T-663/19, *pelicantravel.com s.r.o. v OHIM*, Case T-136/11, and *Psytech International Ltd v OHIM*, Case T-507/08. Lord Kitchin summarised the law as follows:

“240. The general principles are these:

...

(ii) The date for assessing whether an application to register an EU 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 in the European Union, 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*, para 29; *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 EU law of trade marks, namely the establishment and functioning of the internal market, and 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*, 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*, 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; *Deutsches Patent- und Markenamt*, 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 89/04 (*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 the 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)."

87. In the same case, Lord Kitchin also considered the question of what amounts to bad faith. He explained that the categories of bad faith and the circumstances which may constitute bad faith are not "closed", and continued:

"152. In seeking to identify the relevant principles, it is necessary to have in mind two fundamental aspects of trade mark law to which I have already referred: first, it is concerned with the use of marks in trade to denote the origin of goods and services. Secondly, the aim of the trade mark regime is to contribute to a system of undistorted competition in which businesses are able to attract and retain customers by the quality of their goods and services, and for that purpose are able to have registered signs which enable consumers to distinguish the goods and services of one undertaking from those of another. Such a system must also provide an incentive and protection for the investment by a brand owner in the quality and other

beneficial aspects of its goods and services, and so allow it to develop a goodwill in its business relating to their sale and supply.

153. Against this background, the essence of the objection that an application to register a mark was made in bad faith may be understood: it is that the motive or intention of the applicant was to engage in conduct that departed from accepted principles of ethical behaviour or honest commercial practices having regard to the purposes of the trade mark system which I have described. Whether the conduct was undertaken with that motive or intention and did indeed depart from such ethical behaviour or honest commercial practices must be assessed having regard to all the objective circumstances of the case: see, for example, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AS v European Union Intellectual Property Office (EUIPO)* (C-104/18) EU:C:2019:724 (“Koton”), paras 46 and 47 [...].”

88. Further relevant points arising from the case law are the following:

(a) An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies. However, Arnold J (as he then was) said that “*cogent evidence is required due to the seriousness of the allegation*”. This means that it is not enough to establish facts which are as consistent with good faith as bad faith: see *Red Bull GmbH v Sun Mark Limited & Anor* [2012] EWHC 1929 (Ch), paragraph 133;

(b) It is necessary to ascertain what the applicant knew at the relevant date: see *Red Bull*, paragraph 137; and

(c) Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: see *Hotel Cipriani SRL & Ors v Cipriani (Grosvenor Street) Limited & Ors* [2008] EWHC 3032 (Ch), paragraph 167.¹⁶

¹⁶ Approved by the Court of Appeal in *Hotel Cipriani SRL & Ors v Cipriani (Grosvenor Street) Limited & Ors* [2010] EWCA Civ 110.

89. According to Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are as follows:

- (a) What, in concrete terms, was the objective that the party alleged to have acted in bad faith has been accused of pursuing?
- (b) Was that an objective for the purposes of which the contested application could not properly be filed?
- (c) Has it been established that the contested application was filed in pursuit of that objective?¹⁷

90. The original registered proprietor's intention, according to the applicant, was to take advantage of the repute and goodwill in the earlier mark. I note here that, while I found the evidence did not show that the earlier mark had a reputation, I was satisfied that the applicant enjoyed a protectable goodwill associated with use of the sign **LOST MARY**. The applicant claims that the original registered proprietor, Ms Kaur, had filed (and then withdrawn) three other applications for marks allegedly similar to ones owned by the applicant or by a related company. In its view, this constituted a pattern of behaviour.

91. The mere fact that Ms Kaur knew, or must have known, that another party used an identical or similar sign for identical or similar goods does not establish bad faith: see *Koton*, paragraph 55. However, to apply for a mark with the intention to take advantage of the reputation or goodwill of an existing business may be grounds for a finding of bad faith. Consequently, if proven, this is an objective for which the contested mark could not properly be filed.

92. I shall now look at the marks cited in the applicant's pleadings, alongside the contested mark:

(i) UKTM(A) No. 3755629

VAPESTICKELFBAR+ EXTRA

¹⁷ Paragraph 8.

Application date: 16 February 2022

Opposed by Shenzhen Weiboli Technology Co. Ltd, relying on UKTM No. 3646223 (**ELFBAR**). The Notice of Opposition also refers to UKTM Nos. 2561423 and 2561424 (**VAPESTICK**), owned by Nicoventures Retail (UK) Limited.¹⁸ The applied-for mark combines the two trade marks for vapes with non-distinctive elements (+, **EXTRA**) that imply that this product is bigger or better than what has gone before. The opposition was not defended and so was deemed to be withdrawn.

(ii) UKTM(A) No. 3755631

ZEUSELFBAR+ EXTRA

Application date: 16 February 2022

Opposed by Shenzhen Weiboli Technology Co. Ltd, relying on UKTM No. 3646223 (**ELFBAR**). The Notice of Opposition also refers to UKTM No. 917944355 (**ZEUS**), owned by 2334271 Ontario Ltd.¹⁹ Again, this applied-for mark combines two trade marks for vapes with non-distinctive elements. The opposition was also not defended and was deemed to be withdrawn.

(iii) UKTM No. 3826698

BLOODY MARY BAR

Application date: 6 September 2022

The contested mark.

(iv) UKTM(A) No. 3873150

BLOODY MARY

Application date: 31 January 2023

¹⁸ Exhibit SL02.

¹⁹ Ibid.

This mark uses an identical typeface to that used for the earlier mark. The application was withdrawn pre-publication.

93. Although the fourth mark shown above has an application date later than the relevant date, in my view it may shed light backwards on the intention of Ms Kaur at the relevant date. The use of the same typeface is striking. Turning to the other applications, I note that Mr Lowry's evidence is that the ElfBar600 was the best-selling disposable vape brand prior to its removal from the shelves following the discovery that products contained more e-liquid than permitted by UK law.²⁰ The share of the market enjoyed by the earlier mark had risen to between [REDACTED] prior to the filing of the application for the stylised BLOODY MARY mark.²¹

94. I find it striking that three applications have been made using marks that belong to other parties or a typeface that is identical to that used by the applicant. The first two applications combined two earlier marks. In my view, it is unlikely that this is a coincidence. In *Trump International Ltd v DTTM Operations LLC* [2019] EWHC 769 (Ch), Carr J said:

"42. ... In relation to allegations of copyright infringement, it is necessary to decide, as a matter of fact, whether copying has occurred. As with claims of bad faith, direct evidence of copying is rarely available. In this context, it is well established that similar fact evidence may be admissible. The case law is considered in *Copinger and Skone James on Copyright*, Vol 1, 17th Edition at [21-393]:

'... where the issue in a copyright case is whether the similarity between the claimant's work and the defendant's work is due to copying or is a coincidence, it is relevant to know that the defendant has produced works which bear a close resemblance to works other than the work in question which are the subject of copyright. Whereas similarity between two works might be mere coincidence in one case, it is unlikely that there could be

²⁰ Exhibit SL01, page 2.

²¹ Exhibit ZT7, page 4.

coincidental similarity in, say, four cases. The probative force of several resemblances together is much better than one alone.'

43. This reasoning may well apply, depending on the facts, to an allegation that a third-party trade mark has been applied for in bad faith. The probative force of several instances of such applications, by the same or a connected party who has applied to register a third-party trade mark, is obvious. Such instances, if based on solid grounds, are likely to require evidence from the applicant to refute the inference of bad faith that may otherwise be drawn from them."

95. The fact that the same applicant applied for multiple marks which are identical or similar to those in which third parties claim to have an interest, combined with the market position of Elfbar and Lost Mary at the time of the applications, creates in my view a rebuttable presumption of bad faith on the part of the original applicant.

96. I note that there is no explanation from Ms Kaur herself of her decision to apply for the contested mark. Mr Lowry submits that Ms Kaur was an unrepresented individual with little understanding of the trade mark system, but there is nothing in evidence on this point. He also argues that the first two applications were not opposed on the grounds of bad faith. It is correct that the only ground relied on in those two oppositions was section 5(2)(b). Parties to proceedings have a choice as to which grounds they bring, and several factors influence the decision, including the evidential burden. I am not willing to read anything into the absence of a claim under section 3(6) in these oppositions. I find that the registered proprietor has failed to rebut the *prima facie* case put forward by the applicant and that the contested mark was applied for in bad faith.

97. The application for invalidation based upon section 3(6) is successful.

OUTCOME

98. Subject to a successful appeal, UKTM No. 3826698 is declared invalid.

COSTS

99. The applicant has been successful and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice 1/2023. In the circumstances, I award Imiracle (HK) Limited the sum of £2,150, calculated as follows:

£350 for preparing the TM26(I) and considering the other side's statement

£1,000 for preparing evidence and considering the other side's evidence

£600 for preparing for and attending a hearing

£200 for filing the TM26(I)

£2,150 in total

100. I therefore order Bargain Busting Limited to pay Imiracle (HK) Limited the sum of £2,150. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 28th day of September 2026

**Clare Boucher
For the Registrar**