

O/0889/26

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3760305
IN THE NAME OF SHENZHEN VERDEWELL
TECHNOLOGY LIMITED
TO REGISTER THE FOLLOWING TRADE MARK:**

Rizo

IN CLASS 34

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 434294
BY IMPERIAL TOBACCO INTELLECTUAL PROPERTY LIMITED**

Background and pleadings

1. On 1 March 2022, Shenzhen Verdewell Technology Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK, under number 3760305 (“the applicant’s mark”). Details of the application were published for opposition purposes on 18 March 2022. Registration is sought for the following goods in class 34:

Electronic cigarettes; oral vaporizers for smokers; liquid solutions for use in electronic cigarettes; flavorings, other than essential oils, for use in electronic cigarettes; electronic vaping device; smokeless cigarette vaporizer pipes; parts and fittings for heating hand-held smoking appliances; heating elements for use in electronic cigarettes; atomizing elements for electronic atomization; vaping device; vape cartridge.

2. On 17 June 2022, Imperial Tobacco Intellectual Property Limited (“the opponent”) opposed the application in its entirety under sections 5(2)(b) and 5(4)(a) of the Trade Marks 1994 (“the Act”).

3. Under s.5(2)(b), the opponent relies upon the trade marks shown below (collectively, “the opponent’s marks”):

United Kingdom Trade Mark (“UKTM”) 900416750¹

RIZLA

Filing date: 25 November 1996

Registration date: 16 June 1999

Priority claimed: 13 January 1964 (GB); 6 April 1960 (GB)

¹ The first earlier mark is a comparable mark deriving from an EUTM. On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UKIPO created comparable UK trade marks for all rights holders with existing EUTMs. As a result, the marks were automatically converted to comparable UK trade marks. Comparable UK marks are now recorded on the UK trade marks register, have the same legal effect as if they had been applied for and registered under UK law, and the original filing dates remain the same.

Goods relied upon: *smokers' articles, including cigarette papers (whether or not in books) and cigarette rollers (Class 34)*

UKTM 858505

RIZLA

Filing date: 3 January 1964

Registration date: 3 January 1964

Goods relied upon: *All goods included in Class 34*

UKTM 2186564



Filing date: 19 January 1999

Registration date: 30 July 1999

Goods relied upon: *cigarette papers; cigarette tubes; filters for cigarettes; hand held machines for rolling cigarettes; smokers' articles and matches (Class 34)*²

4. For the purpose of its objection under s.5(2)(b), the opponent submits that the parties' marks are highly similar and the respective goods identical or highly similar, giving rise to a likelihood of confusion, which includes a likelihood of association. The opponent also completed a statement of use in respect of its earlier marks.

5. As for s.5(4)(a), the opponent claims to have established a goodwill in the sign "RIZLA", which it has used throughout the UK since approximately 1929. It claims that use of the applicant's mark would give rise to misrepresentation and pose a risk of damage to the opponent's business. In other words, the opponent contends that use of the applicant's mark would constitute passing off. The goods which the sign is said to have been used in relation to are set out below:

² Whilst the opponent indicates at Question 1 of the Form TM7 that it wishes to rely upon 'all' goods and services for which this mark is registered, at Question 3a which invites the opponent to set out the goods for which use is being claimed, it has limited the specification to the goods reproduced here.

Absorbent paper for tobacco; Ashtrays; Articles for use with tobacco; Books of cigarette papers; Cigarette boxes; Cigarette cases; Cigarette filters; Cigarette lighters; Cigarette paper; Cigarette papers; Cigarette rolling machines; Cigarette rolling papers; Cigarette tips; Cigarette tubes; Flavourings for tobacco; Filter tips; Lighters for smokers; Matches; Smokers' articles; Clothing, footwear, headgear; Umbrellas and parasols; leather goods; Paper, cardboard; cards made from paper or cardboard; aromatic or flavoured cards made from paper or cardboard containing or infused with aromatic substances, essences or flavourings; paper and cardboard treated or infused with perfumes; essences and flavourings; Flavourings being essences and additives for non-nutritional purposes, other than essential oils; flavours being essences and additives for paper and cardboard, other than essential oils.

6. The applicant filed a counterstatement in which it denied the grounds of opposition. It also put the opponent to proof of the marks relied upon.

7. Both parties are professionally represented; the opponent by Stevens Hewlett & Perkins and the applicant by Trademarkit LLP. Both parties filed evidence. No hearing was requested and only the opponent filed written submissions in lieu. This decision is taken following careful consideration of all the papers before me.

Relevance of EU law

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, s.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

9. The opponent's evidence is given in the witness statement of Ms Holly Lewsey, dated 14 October 2024, which is accompanied by six exhibits. Ms Lewsey has held the position of Senior IP Counsel in Corporate and Legal Affairs since February 2024.

I take the following from the opponent's evidence:

- The opponent is a wholly-owned subsidiary of Imperial Brands Plc.
- The opponent manufactures and sells a “comprehensive range of cigarettes, rolling papers, tobacco, cigars, non-tobacco smoking devices, smoking products and accessories.”
- “RIZLA” products are available in more than 120 countries. “The Rizla Story” documented on the website <https://www.rizla.co.uk/history/> is provided in evidence and indicates that rice paper for rolling was introduced in 1886, marked by the introduction of the name Riz La +. In 1942, “Rizla+” became the first to “create the complete rolling paper”. Further dates of note are listed below:

1996: Rizla “extends their close relationship with music” via the launch of their “renowned café”, present at some of Europe’s leading music festivals.

2002: Rizla sponsors Suzuki in the British Superbikes competition.

2011: The opponent rolls out an improved *Rizla Invisible Players* van, “filling it with legendary musicians and becoming the most popular vehicle at major events.”

2016: Rizla co-sponsors the Yamaha World Superbikes Championship team.

2019: Rizla launches a new product made with 100% organic hemp, “Natura”, said to make “the world’s number 1 in rolling paper even better.” In the same year, it launched Rizla Bamboo, the first rolling paper in the UK to be made from sustainable, biodegradable and chemical-free bamboo.

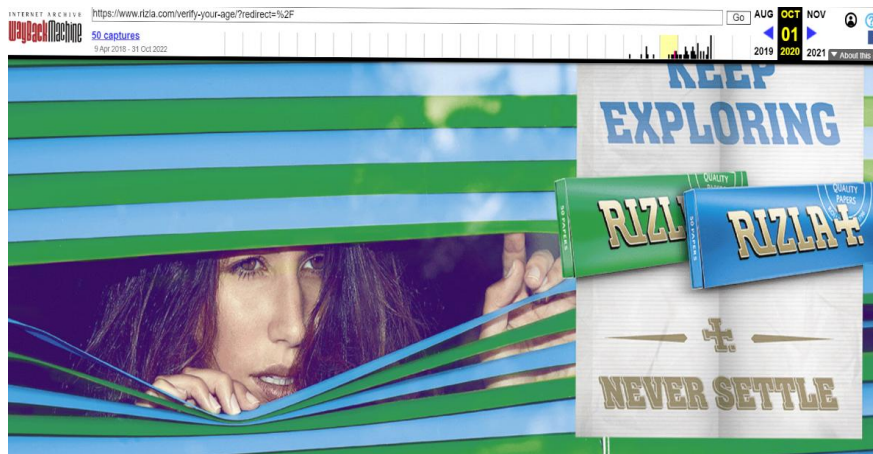
2020: Rizla launches *Flavour Infusion Cards*, available in ‘menthol chill’ and ‘fresh mint’.

- As for the revenue generated by sales of the opponent’s Rizla products, Ms Lewsey sets out the following summary:

	<u>UK</u>	<u>EU (excluding UK)</u>
Gross sales revenue per financial year 2017-2021 (inclusive) (GBP):	In excess of 35million	In excess of 84 million
Total gross sales revenue 2017-2021 (inclusive) (GBP):	In excess of 175million	In excess of 368 million

- The opponent uses domain names *rizla.com* and *rizla.co.uk*. An archived screenshot from 1 October 2020 shows an example of the goods advertised on the

opponent's website,³ reproduced below:



- Details of “RIZLA products and their packaging” are enclosed at Exhibit IB04, from which I provide a sample below. The pages are clearly from a brochure, but it is unclear when or how widely it was published:

RIZLA HARD FACTS

World's **Number 1** paper brand

31% market share

Sold in more than 120 countries globally

Over 55 billion leaves annually

More than 200 years of heritage and innovation

Watch this space in 2020!

STANDARD PORTFOLIO

SUPER THIN SILVER
Super thin papers for really slow burn

THIN BLUE
Thin papers for a slow burn

MEDIUM THIN RED
Medium thin papers for a regular burn

RICH LIQUORICE
Regular papers with liquorice flavour

NATURA
Made from 100% organic hemp responsibly sourced

MICRON
Micron-thin papers for the expert roller

BAMBOO
Made from bamboo

PRECISION
Ultra thin papers

RIZLA TUBES

VARIANT:	RIZLA KS BLUE		
FORMAT:	BOX		
FILTER TIP SIZE:	8MM		
TUBES PER PACK:	100	200	250
SIZE OF OUTERS AVAILABLE:	500	1000	1000
SHIPCASE:	10K	10K	10K
PALLET:	20	21	20

RIZLA ROLLING MACHINES

VARIANT:	REGULAR SLIDE
FORMAT:	70MM
MATERIAL:	PLASTIC
USED FOR ROLLING:	STANDARD PAPERS
CLOSING SYSTEM:	SLIDING SYSTEM
SIZE OF OUTERS AVAILABLE:	10

FILTER TIPS

ULTRA SLIM

SLIMS

KING SIZE

- Exhibit IB05 comprises screenshots from the Amazon platform showing the

³ web.archive.org/web/20201001081238/https://www.rizla.com/verify-your-age/?redirect=%2F

following RIZLA-branded products available for sale: Rizla Crystal Glass Ashtray, Official Licensed Rizla Astray (sic) (Multi Rainbow)⁴, £12.50; RIZLA Flavour Cards, Mint Flavour Pack of 25 Cards,⁵ £9.59; RIZLA KING SIZE SLIM SILVER ROLLING PAPER FULL BOX OF 50 BOOKLETS,⁶ £18.79; RIZLA Leather Tobacco Pouch Large, Faux Leather,⁷ £4.99; Rizla Menthol Extreme Infusion Flavour Cards – 25 Packs,⁸ £9.95; Rizla Metal Automatic Rolling Tin, Great for Rolling Rizla Papers,⁹ £5.99; Rizla Polar Blast Extra Slim Filter Tips 5, 7mm 60 Tips Per Pack by SOS (24 Packs (Full Box)),¹⁰ £21.95; Rizla Regular Green Rolling Paper 50 Packs / Booklets¹¹, £9.99' SUTUS OFFICIAL RIZLA WOODEN STORAGE BOX WITH ROLLING PLATFORM¹², £12.50.

- The opponent's final exhibit (IB06) contains what Ms Lewsey describes as "further company marketing and advertising evidence". The first images are extracts from a "Rizla+" brochure¹³ which set out various facts concerning RIZLA products and the brand's history.



⁴ Date first available: 24 March 2021

⁵ Date first available: 5 June 2020

⁶ Date first available: 5 January 2007

⁷ Date first available: 6 March 2020

⁸ Date first available: 17 September 2020

⁹ Date first available: 20 November 2020

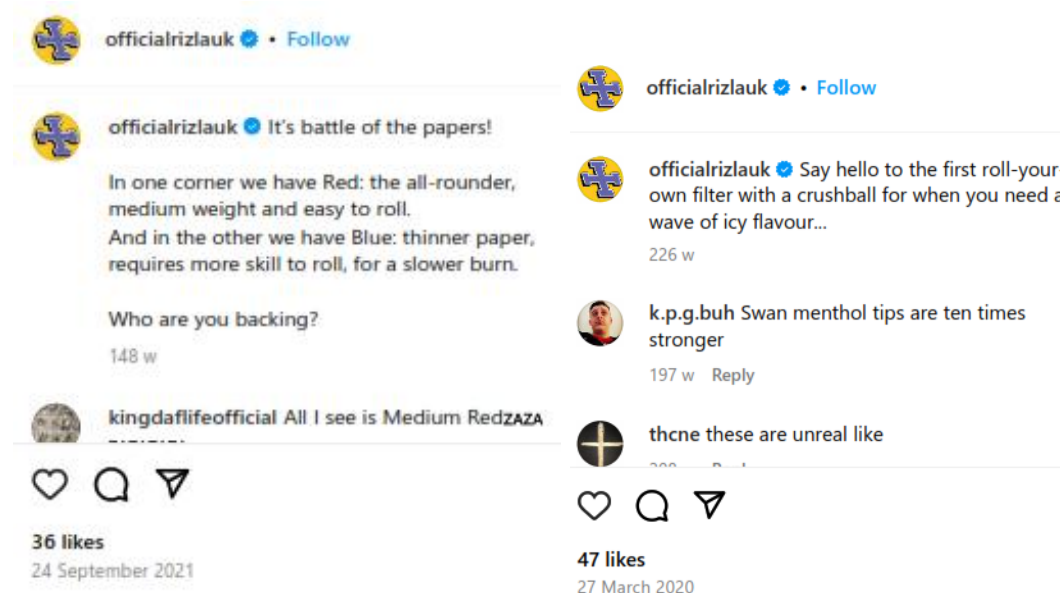
¹⁰ Date first available: 22 April 2019

¹¹ Date first available: 23 April 2017

¹² Date first available: 13 September 2020

¹³ Undated

- There are also a number of posts from the opponent's Instagram platform¹⁴ ("officialrizlauk"), with two examples shown here:



10. An article from *Grocery Trader*¹⁵ dated 16 December 2019 headed "A Fresh New Launch from the World's No.1 Rolling Paper Brand" discusses the roll-out of *Rizla Flavour Infusions*. The article explains that these "can be used to mentholate traditional factory made cigarettes or roll your own tobacco products." Within the article, a quote from Mr Chris Street of Imperial Tobacco reads: "When the menthol ban arrives in May 2020, many adult smokers will be left without their flavour of choice. This revolutionary new proposition from the world's leading rolling paper brand will allow these shoppers to discover a whole new way to flavour their tobacco products". The article goes on to recommend that the Infusions "don't need to be hidden from the sight of shoppers, so we recommend stocking them at the till point or on an open gantry."

The applicant's evidence

11. The applicant's evidence takes the form of a witness statement from its Legal Director, Ms Li Zhengyu, dated 23 December 2024, alongside two supporting exhibits (LZ1 to LZ2). Ms Zhengyu's statement goes to the use the applicant has made of its "Rizo" mark. I take the following from the evidence:

¹⁴ Posts enclosed from 27 January 2022, 24 September 2021, 11 November 2021, 5 June 2021, 19 April 2021, 27 March 2020, 31 October 2019, 24 October 2019, 18 January 2019, 4 January 2019

¹⁵ <https://grocerytrader.co.uk/a-fresh-new-launch-from-the-world's-no-1-rolling-paper-brand/>

- The applicant was founded in 2021 in China as an electronic cigarette manufacturer, with its “Rizo” mark first used on 17 May 2022. Ms Zhengyu explains that “Rizo” was inspired by the word “Rise”, with the meaning resonating with its goods’ advanced features and high performance.
- Its Rizo product is sold in the UK through the applicant’s website *www.genuineccell.co.uk* as well as a number of other online retailers including, for example, *www.puffpuffpalace.co.uk* and Amazon. Screenshots of the applicant’s vaping device for sale from these platforms are enclosed at Exhibit LZ1. The exhibit also features examples of the mark being promoted via social media, examples of product packaging and photographs from trade show displays.
- Within its witness statement, the applicant submits its shipment volumes and shipment values in global terms as well as EU and UK figures pertaining to the years 2022-2024.
- Finally, the applicant encloses a copy of the registration of its US trade mark “Rizo”, number 7270906.

12. That concludes my summary of the parties’ evidence insofar as I consider it necessary.

Proof of use

13. Section 6A of the Act reads as follows:

“(1) This section applies where:

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a),
(aa) or (ba) in relation to which the conditions set out in section 5(1),
(2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed
before the start of the relevant period.

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

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

(5)-(5A) [Repealed]

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

14. Section 100 of the Act is also relevant. It reads:

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

15. As the first mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It is as follows:

“(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.”

16. In *easyGroup Ltd v Nuclei Ltd & Ors*,¹⁶ Arnold LJ summarised the law relating to genuine use as follows:

¹⁶ [2023] EWCA Civ 1247

“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 I-9223, 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 sub-category 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].

17. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real”¹⁷ because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark” is, therefore, not genuine use.

18. Section 6A of the Act (cited above) makes clear that the relevant period for the present assessment is the five-year period prior to the filing date of the applicant’s mark, being 1 March 2022. The relevant period is, therefore, 2 March 2017 to 1 March 2022 (“the relevant period”).

Assessment

19. I have summarised the opponent’s evidence above and set out the goods upon which the opponent intends to rely. There is evidence of both the word-only mark and figurative mark, with the word used by itself in promotional material or product descriptions, for example, and the figurative mark seemingly used on the goods’ packaging. In general terms, the evidence would have benefited from a greater degree of context. The brochure extracts, for example, are undated (though on one of the pages readers are told to “Watch this space in 2020!”, so it seems reasonable to infer that the publication preceded this) and I have no insight as to how widely or to whom these were circulated. Particularly given that the content indicates that the opponent’s products are available in 120 countries, I cannot be sure in which territory of consumers

¹⁷ *Jumpman* BL O/222/16

the brochures were distributed. The information presented within those brochures sets out significant achievements on the opponent's part including, for example, its position as the "WORLD'S NUMBER 1 PAPER BRAND" and ownership of a "30% MARKET SHARE". It also shows that, in 2019, the opponent launched rolling papers made with hemp and bamboo. There are a number of Amazon listings showing the opponent's goods for sale with their respective 'first available dates' falling within the relevant period but I have no invoices to show which goods were purchased during this time and it is not clear whether there is any relationship between the opponent and the seller of these goods on the Amazon platform ("NIGHT STAR"). The case law makes clear that it is the efforts of the opponent I must be conscious of here.

20. The opponent has provided its revenue throughout the relevant period, which exceeded £35million annually (approximately) in the UK between 2017 and 2021. These figures are not broken down by goods or categorised to any degree, other than representing the revenue generated by sales of "Rizla products" at large. Only one example of an archived screenshot from the opponent's website is retrieved from *www.rizla.com* and simply shows a promotional image within which two variations of its rolling papers are displayed. In the portfolio from its brochure (albeit undated), goods such as rolling papers, rolling tips, tubes and rolling machines are shown alongside useful product information. There are several examples of the opponent making use of the Instagram platform via its UK profile "officialrizlauk", to promote its goods or events, for example. Whilst the evidence could have benefitted from greater insight as to the steps taken by the opponent to promote its marks and a greater specificity concerning the proportionate number of goods sold, for example, I must consider the picture created by the evidence in its entirety. The annual revenue generated by sales of the opponent's RIZLA goods is particularly compelling. Taking this alongside its product launches and promotion via social media, I am satisfied that the opponent made use of its earlier marks during the relevant period.

21. I must now determine for which goods the use provisions have been satisfied. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors*¹⁸, Kitchin LJ (as he then was) set out the approach to be followed when considering partial revocation of a trade mark. The same approach is relevant when framing a fair specification. He said:

¹⁸ [2017] EWCA Civ 1834

“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.”

22. This approach was endorsed by the Supreme Court in *SkyKick UK Ltd & Anor v Sky Ltd & Ors*¹⁹, subject to the proviso that it must be seen in light of more recent guidance by the Court of Justice of the European Union (“CJEU”) that the essential criterion to apply for the purposes of identifying a coherent subcategory of goods and services capable of being viewed independently is their purpose and intended use (for example, *Ferrari SpA v DU*²⁰).

23. Having considered the above in light of the opponent’s evidence, I am satisfied that the evidence supports a finding of use in respect of *cigarette papers*, having regard in particular to the product launches of 2019, taken alongside the declared revenue and references to the opponent being the “world’s number one paper brand”. Whilst I acknowledge that the brochure extracts and Amazon listings show a wider range of goods available under the Rizla brand (filter tips or ashtrays, for example), I am unclear on the date of publication and means of circulation (i.e. in which territory and at what quantity, for example). Further, it is not clear whether the enclosed Amazon listings are reflective of any effort on the opponent’s part to create or preserve a share of the market in respect of these goods.

24. For the purpose of the opposition, the opponent may therefore rely upon *cigarette papers* only.

Section 5(2)(b)

Legislation and case law

25. Sections 5(2)(b) and 5A of the Act read as follows:

“5(2) A trade mark shall not be registered if because -

[...]

¹⁹ (Rev1) [2024] UKSC 36

²⁰ Joined Cases C-720/18 and C-721/18

(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.”

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

26. 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*²¹:

(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

²¹ [2025] UKSC 25

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

27. In *Canon*²², the CJEU stated, at paragraph 23 of its judgment, that:

²² Case C-39/97

“In assessing the similarity of the goods or services concerned, [...] 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.”

28. The relevant factors identified by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited*²³ 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.

29. In *Kurt Hesse v OHIM*²⁴, 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 OHIM*²⁵, the General Court (“GC”) stated that

²³ [1996] RPC 281

²⁴ Case C-50/15 P

²⁵ Case T-325/06

“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.”

30. In *Sanco SA v OHIM*²⁶, 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. 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 QC noted as the Appointed Person in *Sandra Amalia Mary Elliot v LRC Holdings Limited*²⁷:

“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.”

31. For the purpose of a comparison it is permissible to group goods together, where appropriate²⁸.

Electronic cigarettes; oral vaporizers for smokers; smokeless cigarette vaporizer pipes; electronic vaping device; vaping device

32. As the opponent’s goods are components of traditional cigarettes and the above goods a finished vaping product, the goods’ immediate use is not the same, though there is an overarching similarity in what the goods will be used for, i.e. to facilitate smoking or vaping. For the most part, the goods are likely to be purchased by the same users, i.e. members of the public of an appropriate legal age. The goods’ physical nature is distinct, though there may be some overlap in the method and

²⁶ Case T-249/11

²⁷ BL O/255/13

²⁸ *Separode Trade Mark* BL O-399-10 (AP)

reason for use of the end product; as a means of relaxation, for example. There is likely to be some coincidence in trade channels, with the goods available to purchase from retail outlets such as supermarkets or newsagents but, to my knowledge, the goods are not typically positioned for sale in close proximity. I do not consider the goods to be complementary but there may be an element of competition (albeit limited), with the consumer choosing between purchasing papers to create their own traditional cigarettes, or an electronic device which is ready-to-use. Weighing all considerations, I find a medium degree of similarity between the respective goods.

Liquid solutions for use in electronic cigarettes; flavorings, other than essential oils, for use in electronic cigarettes

33. The aforementioned goods are used alongside electronic cigarettes to provide a particular flavour or scent, for example. As above, the relied-upon goods are components of traditional cigarettes. There is some similarity in use in that respect, insofar as both end-products will be used for smoking or vaping, though the products are clearly not the same. The users of the goods are mostly shared though I cannot see any similarity in the goods' physical nature. There will likely be some crossover in the goods' respective trade channels and in some circumstances there could be a degree of competitiveness, though generally the consumer will require one or the other (depending on whether they intend to roll a traditional cigarette or prepare an electronic cigarette for use). I do not consider the goods complementary. On balance, I find a low degree of similarity between the goods.

Parts and fittings for heating hand-held smoking appliances; heating elements for use in electronic cigarettes; atomizing elements for electronic atomization; vape cartridge.

34. The above goods are components of electronic cigarettes or vaping devices. Whilst again there is some broad coincidence in the goods' *ultimate* but not immediate use, in this case there would likely be some degree of distinction in the respective users, with the opponent's goods generally selected predominantly by manufacturers responsible for producing such devices. The goods are not similar in their nature and they are unlikely to utilise the same trade channels. I do not consider the goods to be competitive nor do I find they are complementary to one another. For these reasons, I

find the goods are not similar. If that finding is considered incorrect, applying due weight to the relevant factors, I find any similarity between the goods would be of no more than a low degree.

The average consumer and the nature of the purchasing process

35. 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*²⁹.

36. In *Iconix*, the Supreme Court approved the comments of Arnold LJ in *Lidl Great Britain Ltd & Anor v Tesco Stores Ltd & Anor*³⁰, 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 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

²⁹ Case C-342/97

³⁰ (Rev1) [2024] EWCA Civ 262

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.

37. The average consumer of the goods at issue here is likely to be an adult member of the general public. To my understanding, both the visual and aural impression of the marks will have significance in the purchasing process, of roughly equal weight. The consumer may, for example, be required to orally request the goods over-the-counter to secure its purchase but even so, having done so, they will subsequently be visually exposed to the goods (and marks) as part of its selection. The consumer is likely to be alive to factors such as quality and compatibility and, in regard to some of the goods, perhaps flavourings or nicotine content. The goods are unlikely to be of a particularly high cost and the purchase is likely to be fairly frequent. That said, the goods are used to facilitate smoking or vaping. In either case, the consumer will be conscious of what is, or will be, ingested into their body as it could potentially affect their health. Weighing all factors, I find that, generally speaking, a medium degree of attention is likely to be applied to the selection of the parties' goods.

Comparison of trade marks

38. It is clear from *Sabel* that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo* 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.”

39. Therefore, it would be wrong to dissect the trade marks artificially, though it is necessary to take into account the distinctive and dominant components of the marks; due weight must be given to any other features which are not negligible and hence contribute to the overall impressions created by the marks.

40. The marks to be compared are as follows:

The opponent’s marks	The applicant’s mark
RIZLA (the word-only mark)  (the figurative mark)	Rizo

41. The opponent’s word-only mark comprises a single five-letter word. Its overall impression therefore resides solely in the word RIZLA.

42. The opponent’s mark ending ‘654 comprises a figurative representation of the word “RIZLA” which takes an almost three-dimensional form, positioned at a slight angle. The word is followed by a three-dimensional addition symbol (or plus sign) and a full stop. The mark’s word element is likely to carry the greater weight in the mark’s overall impression, with the symbol playing a lesser (but not negligible) role, and the punctuation a lesser role still.

43. The applicant’s mark comprises a single four-letter word. In the absence of any further elements, the mark’s overall impression lies solely in the word the mark comprises: Rizo.

The word-only mark

44. Visually, the marks begin with an identical three-letter sequence, R-I-Z. In the opponent's mark, this is followed by two letters, L-A, and in the applicant's mark the sequence precedes one final letter, 'O'. Whilst I take into account that the beginnings of marks are generally more impactful, I also keep in mind that the marks at issue are fairly short. There is no special test which applies to the comparison of short marks, the visual similarities must be assessed in the normal way³¹. I find the marks are visually similar to at least a medium degree.

45. Aurally, the opponent's mark will likely be articulated in two syllables, RIZZ-LAH. The applicant's mark is also likely to comprise two syllables, RIZZ-OH. Having regard again to the effects of the beginnings of marks, I find at least a medium degree of aural similarity between the marks.

46. The marks' conceptual impressions must be assessed from the point of view of the average consumer. Whilst the applicant has indicated that its mark was inspired by the word "rise", I do not consider it likely that consumers in the UK would pick up on this. To my mind, both marks are likely to be perceived as invented words. This being so, neither mark will provide the consumer any conceptual insight. There is, consequently, no conceptual comparison to be undertaken.

The figurative mark

47. Both marks incorporate a word beginning R-I-Z (albeit presented in a three-dimensional text in the earlier mark). In the earlier mark this sequence is followed by a further two letters, L-A, and in the applicant's mark by one letter, 'O'. In the opponent's mark its word element is followed by a symbol and a full stop which are absent from the applicant's mark. Having regard to these findings, and what I have said above regarding the marks' overall impressions, I find the visual similarity is between a low and medium degree.

48. Were the earlier mark to be articulated in the same way as the word-only mark, my above finding applies. I find it likely, however, that at least some consumers will look

³¹ *Bosco Brands UK Limited v Robert Bosch GmbH*, Case BL- O/301/20, paragraph 44

to articulate the symbol in the earlier mark, meaning the mark would comprise three syllables, RIZ/LA/PLUS. This results in a lesser degree of aural similarity which, notwithstanding the identical syllable at the beginning of the marks, I consider would be of a fairly low degree. I do not find it likely that the consumer will seek to verbalise the mark's punctuation in either scenario.

49. From a conceptual perspective, I do not consider that the figurative mark will convey any particular meaning to the average consumer. RIZLA will be viewed (again) as an invented word to which the consumer will not attach any concept. Whilst the symbol and punctuation might be thought to create some conceptual indication, even if loosely meaning 'more than', for example, I do not consider that these have any meaningful impact on the mark's conceptual position as they serve to qualify the mark's RIZLA element. On that basis, there is no conceptual comparison to be made. If I am wrong in that interpretation and the mark does evoke some conceptual message, given that the applicant's mark does not offer any concept, there is no similarity between them regardless.

Distinctive character of the earlier marks

50. In *Lloyd Schuhfabrik Meyer*, the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *WindsurfingChiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

51. 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 *WindsurfingChiemsee*, paragraph 51).”

52. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services, to those with high inherent distinctive character, such as invented words. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark, the greater the likelihood of confusion.

53. Beginning with the opponent’s word-only mark, **RIZLA**, I have found above that this is likely to be viewed as an invented word absent of any identifiable concept. For that reason, I do not find the mark descriptive nor allusive when considered in respect of the relevant goods. Whilst I take into account that it is not a particularly elaborate word, I nonetheless find the mark’s inherent distinctiveness is between a medium and fairly high degree. As for the opponent’s figurative mark, I have found its overall impression will reside predominantly in its word element. Whilst the mark’s three-dimensional effect and additional symbols have some degree of impact, generally speaking I find the mark will enjoy the same degree of inherent distinctiveness as the opponent’s word-only mark.

54. I turn now to consider whether the evidence shows that the distinctive character of the earlier marks has been enhanced by virtue of the use the opponent has made of them. For such purposes it is use of the mark in the UK specifically to which I must be mindful. I have already discussed some of the limitations faced by the opponent’s evidence. This includes, for example, a number of exhibits which have no surrounding context. It is not clear, for example, where the brochures enclosed by the opponent were distributed nor when or in what quantity, for that matter. Further, whilst the market share boasted by the opponent in such brochures is undoubtedly impressive, it does not seem to be limited to the UK only. Still, the evidence shows that the turnover generated by sales of the opponent’s RIZLA products in the UK exceeded £35 million

annually (approximately) between 2017 and 2021. I find these figures highly compelling, even without the size of the market, particularly given that the cost of the relevant products is likely to be relatively low. The scale of the Superbikes events sponsored by the opponent is unclear, at least insofar as UK exposure is concerned. Pages from one of the opponent's promotional brochures suggest that such championships enjoy over 700,000 track-side spectators and 260 million television views. Still, those that are detailed in the opponent's history appear to have preceded the start of the relevant period³². There are a number of examples of the opponent's goods being promoted via its Instagram platform, "officialrizlauk", which suggests at least that the content will be somewhat engineered toward the UK consumer, though I do not have before me the number of UK subscribers. Whilst there are elements of the opponent's evidence that go toward a finding of enhanced distinctiveness (its consistently significant revenue and perception as the "world's number one paper brand", for example), in light of limitations such as those referenced above, I do not find the evidence sufficient to take the matter of the marks' distinctiveness any further than the inherent position. For the avoidance of doubt, I have taken into account in reaching my conclusion that there is likely to be some degree of restriction in place concerning the advertisement or promotion of tobacco products (or accessories thereof) in the UK.

Likelihood of confusion

55. 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. One such factor is the interdependency principle, i.e. a lesser degree of similarity between the competing marks may be offset by a greater degree of similarity between the respective goods and services, and vice versa. As mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's marks, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be mindful 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 they have retained in their mind. I will also keep in mind the findings reached throughout the course of my decision.

³² British Superbikes competition, 2002; Yamaha World Superbikes Championship, 2016

56. 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 and services down to the responsible undertakings being the same or related.

57. In *Kurt Geiger v A-List Corporate Limited*³³, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it."

58. In *L.A. Sugar Limited v By Back Beat Inc*³⁴, Mr Iain Purvis QC, sitting as the Appointed Person, explained the difference between direct confusion and indirect confusion in the following terms:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the

³³ BL O-075-13

³⁴ BL O/375/10

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).”

59. These three categories are not exhaustive. Rather, they were intended to be illustrative of the general approach.²⁶

60. Turning first to direct confusion, as the case law above makes clear, this is a simple matter of the average consumer mistaking one mark for the other. I keep in mind when approaching my decision that the marks begin identically, R-I-Z, and that both will be perceived as invented words absent of any clear concept. Whilst these factors may, at

first, point toward a likelihood of direct confusion, the remaining elements in the marks both visually and aurally are rather distinct. Amongst what are fairly short word elements, I find these differences are unlikely to be overlooked, even having regard to the effects of imperfect recollection and the distinctiveness enjoyed by the earlier marks. In the opponent's figurative mark, the additional elements act as a further point of differentiation. The parties' respective fields are similar but, to my mind, are sufficiently distinct that the consumer would not necessarily expect the parties' goods to originate from the same undertaking, which further mitigates the likelihood of confusion. Weighing all considerations, I find the average consumer, whom I have found likely to apply a medium level of attention to its purchase, will successfully identify that the marks are not the same. In other words, there will be no direct confusion.

61. I turn now to consider the matter of indirect confusion and, in doing so, I keep in mind that the distinctive character of the earlier marks lies (at least predominantly) in the word RIZLA, as a whole. I can see no reason why the average consumer would, having identified the marks' differences, nonetheless be inclined to conclude that the marks originate from a single or related undertaking simply because the marks incorporate the same sequence of letters at the beginning of the respective word elements. Instead, this is likely to be attributed to mere coincidence; two distinct parties having independently created different invented words simply happen to have used the same first three letters. The differences between the marks are not consistent with what the consumer is likely to interpret as a sub-brand or brand extension. For these reasons, I dismiss a likelihood of indirect confusion.

Conclusion

62. The opponent's claim under s.5(2)(b) is unsuccessful.

Section 5(4)(a)

Legislation and case law

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

“(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

a. by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

b. [...]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

64. Subsection (4A) of s.5 states:

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

65. In *Discount Outlet v Feel Good UK*,³⁵ 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.

³⁵ [2017] EWHC 1400 IPEC

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)."

66. 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 is 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”.

67. There is no evidence that the applicant’s mark was used before its filing date or the earliest claimed use of the opponent’s sign. As such, the relevant date for assessing this ground of opposition is the filing date of the applicant’s mark, namely 1 March 2022³⁶.

Goodwill

68. The first hurdle for the opponent is to show that it had the necessary goodwill resulting from the trading activity relied on under its sign (“**Rizla**”) at the relevant date. Goodwill was described in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd*³⁷ in the following terms:

“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.”

69. I do not intend to reproduce my summary of the opponent’s evidence here.

³⁶ *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11

³⁷ [1901] AC 217 (HOL)

Goodwill arises from trading activities and, for the present assessment, it is only the opponent's custom generated in the UK which is relevant. Earlier in my decision I found the evidence insufficient to show that the distinctiveness of the opponent's word-only mark (which is identical to the sign relied upon) had been enhanced beyond its inherent position. Still, the tests for enhanced distinctiveness and goodwill are not the same and the burden for proving enhanced distinctiveness is significantly more onerous than that for goodwill. I remind myself at this point that the opponent's evidence indicates that it is credited with being the creator of the first "complete rolling paper" in 1942; revenue from sales of its Rizla products in the UK exceeded £35million annually between 2017 and 2021 and brochures describe Rizla as the "world's number one rolling paper brand". Although I do not overlook some of the criticisms I have directed toward the opponent's evidence and note that I do not have before me evidence showing (for example) instances of repeat custom, I must look at the picture created by the evidence as a whole. In doing so, I am satisfied that the opponent enjoyed at least a moderate goodwill in its business and that its RIZLA sign was distinctive of that goodwill at the relevant date.

Misrepresentation

70. Whilst I accept that the test for misrepresentation is different from that for a likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it has been acknowledged that they are unlikely to produce different outcomes in practice.³⁸ To my mind, the level of goodwill shown in the opponent's business (even had I found it to be at a level higher than moderate) is not sufficient to overcome the differences between the relied-upon sign and the applicant's mark (or indeed the differences between the parties' respective goods). On reflection of the findings reached throughout my decision, I do not consider that a substantial number of members of the public will be deceived into purchasing the applicant's goods in the mistaken belief that they are the goods of the opponent. There may be a number of members who recognise the shared 'opening sequence' of letters R-I-Z in the respective word elements, but this is as far as it will go. Absent any misrepresentation, it follows that there can be no damage.

³⁸ *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41

Conclusion

71. The opposition has failed. Subject to any successful appeal against this decision, the applicant's mark may proceed to registration.

Costs

72. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the applicant the sum of **£950**, which is calculated as follows:

Considering the Notice of Opposition and preparing a counterstatement:	£300
Considering the opponent's evidence and preparing evidence:	£650
Total	£950

73. I hereby order Imperial Tobacco Intellectual Property Limited to pay Shenzhen Verdewell Technology Limited the sum of **£950**. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of the proceedings if any appeal against this decision is unsuccessful.

Dated this 30th day of September 2026

Laura Stephens
For the Registrar