

O/098/20

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF REGISTRATION NO. UK00003317771 BY

GLH IP HOLDINGS LIMITED

TO REGISTER:

REPLAY
BAR

AS A TRADE MARK IN CLASS 43

AND OPPOSITION THERETO UNDER NO. 413968 BY

FASHION BOX S.P.A.

AND

IN THE MATTER OF REGISTRATION NO. UK00003318723 FOR THE MARK:

REPLAY

IN THE NAME OF GLH IP HOLDINGS LIMITED

AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO. 502283

BY FASHION BOX S.P.A.

BACKGROUND AND PLEADINGS

1. On 14 June 2018, GLH IP Holdings Limited (“GLH”) applied to register the following trade mark (no. 3317771) in the UK:



(“the 771 Mark”)

2. The application for the 771 Mark was published for opposition purposes on 6 July 2018. Registration is sought for the following services:

Class 43 Bar services; restaurant, café and catering services; hiring of bar, catering and restaurant equipment and facilities; temporary accommodation reservations; hotel and motel services; rental of temporary accommodation; preparation of food, meals and beverages for the consumption on or off the premises; provision of food and drink; rental of rooms for holding functions, conferences, conventions, exhibitions, seminars and meetings.

3. GLH is also the registered proprietor of UK trade mark registration no. 3318723 for the following trade mark:



(“the 723 Mark”)

4. The 723 Mark was filed on 18 June 2018 and registered on 21 September 2018. It was published for opposition purposes on 6 July 2018. It stands registered for the following services:

Class 43 Bar services; restaurant, café and catering services; hiring of bar, catering and restaurant equipment and facilities; temporary accommodation reservations; hotel and motel services; rental of temporary accommodation; preparation of food, meals and beverages for the consumption on or off the premises; provision of food and drink; rental of rooms for holding functions, conferences, conventions, exhibitions, seminars and meetings.

5. On 5 October 2018, Fashion Box S.p.A. (“Fashion Box”) applied to invalidate the 723 Mark and opposed registration of the 771 Mark. Fashion Box relies upon the same grounds for both the invalidation and opposition, namely sections 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). For its invalidation and opposition based upon section 5(3) of the Act, Fashion Box relies on the following trade marks:

REPLAY

UK registration no. 1551752

Filing date 27 October 1993; registration date 21 October 1994

Fashion Box claims a reputation for all goods for which the mark is registered, namely:

Class 25 Coats, overcoats, jerkins, jackets, trousers, skirts, shirts and blouses, hosiery, pullovers, sweaters, cardigans, tracksuits, sweatshirts, foulards, ties, socks and stockings, hats, caps, boots, shoes and slippers; all included in Class 25.

(“the First Earlier Mark”)

REPLAY

UK registration no. 1487709

Filing date 8 January 1992; registration date 12 February 1993

Fashion Box claims a reputation for some of the goods for which the mark is registered, namely:

Class 18 Handbags, suitcases, trunks, travelling bags, vanity cases sold empty, purses, billfolds, attache cases, wallets, briefcases, belts,

key-cases, passport cases, business and credit card cases; umbrellas; all included in Class 18.

("the Second Earlier Mark")

REPLAY

UK registration no. 1201267

Filing date 5 August 1983; registration date 28 October 1988

Fashion Box claims a reputation for all of the goods for which the mark is registered, namely:

Class 25 Articles of outerclothing, but not including skirts or slacks for women, or any goods of the same description as skirts or slacks for women.

("the Third Earlier Mark")

REPLAY

EUTM no. 520080

Filing date 18 April 1997; registration date 31 January 2006

Fashion Box claims a reputation for some of the goods for which the mark is registered, namely:

Class 18 Leather and imitations of leather, and goods made of these materials and not included in other classes; Animal skins, hides; Trunks and travelling bags; Umbrellas, parasols and walking sticks; Whips, harness and saddlery; Attaché cases; Beach bags; Briefbags; Card cases [notecases]; Mesh bags not of precious metals; Frames for umbrellas or parasols; Handbag frames; Handbags; Haversacks; Music cases; Net bags for shopping; Wallets; Purses; Purses, not of precious metal; Backpacks; Satchels; Shopping bags; Handles for trunks; Umbrella covers; Umbrella handles; Umbrella rings; Umbrella sticks; Vanity cases, not fitted; Wheeled shopping bags.

Class 25 Clothing, footwear, headgear; Napkins (babies' -) of textile; Dress shields; Footwear uppers; Frames (Hat -) [skeletons]; Heelpieces for boots; Heelpieces for footwear; Heelpieces for stockings;

Heels; Insoles; Fittings of metal for footwear; Non-slip devices for boots; Pockets for clothing; Linings (Ready-made -) [parts of clothing]; Shirt fronts; Shirt yokes; Footwear soles; Tips for footwear; Visors.

("the Fourth Earlier Mark")

6. Fashion Box claims that use of GLH's marks would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or repute of the earlier marks.

7. For its invalidation and opposition based upon section 5(4)(a) of the Act, Fashion Box claims that the sign **REPLAY** has been used in respect of "clothing and fashion items" throughout the UK since 31 December 2009. Fashion Box claims that use of the applicant's marks would be contrary to the law of passing-off.

8. GLH filed counterstatements denying the grounds of opposition and invalidation (and requesting that Fashion Box provide proof of use of the earlier marks).

9. Fashion Box is represented by D Young & Co LLP and GLH is represented by HGF Limited. Only Fashion Box filed evidence. No hearing was requested and only Fashion Box filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

10. Fashion Box filed evidence in the form of the witness statement of Eligio Volpi dated 31 May 2019, which was accompanied by 10 exhibits. Mr Volpi is the Managing Director of Fashion Box, a position he has held since 16 May 2017. I have read Mr Volpi's evidence in its entirety and have summarised the most pertinent points below.

11. Mr Volpi confirms that the REPLAY brand was established in 1981 in Italy. Mr Volpi has provided print outs from the Replay website which shows bags, glasses, jewellery,

wallets, hats, scarves, tops, shirts, jackets, jeans, dresses and trainers available for sale.¹ However, all these print outs are undated.

12. Replay branded goods are sold in a number of stores across the UK including those located in London, Leeds, Nottingham, Newcastle, Sheffield, Hull, York, Glasgow and Belfast.² These stores opened between 2006 and 2017.

13. Mr Volpi has provided a selection of invoices dated between 4 August 2011 and 29 November 2018.³ I note the following:

a. In total, these invoices amount to sales of over £640,000.

b. Not all of the invoices display the word REPLAY in the header or the product description, however, those that do amount to sales of over £590,000.

c. The invoices confirm the goods are to be delivered to a variety of locations across the UK including Harrogate, Gateshead, Glasgow, London, Reading, Greater Manchester and Belfast.

d. The invoices relate to a range of goods including trousers, tops, jackets, knitwear, scarfs, shirts, hats, belts, shoes, dresses, shorts, bags and underwear.

e. A proportion of the sales to which these invoices relate include items used in the sale of goods such as display bases, clothes hangers, Christmas promotional items and mannequins.

f. The invoices are all addressed to Fashion Box UK Limited, albeit some display a different delivery location (although the actual recipients have been redacted).

¹ Exhibit EV3

² Exhibit EV4

³ Exhibit EV5

14. Mr Volpi confirms the following revenue figures for REPLAY branded goods in the United Kingdom and the European Union:⁴

Year	UK (Euro)	European Union (Euro)
2010	11,927,323	170,551,848
2011	13,308,755	157,496,910
2012	14,728,143	144,573,439
2013	16,251,444	139,691,381
2014	15,500,790	146,343,386
2015	20,356,847	147,957,925
2016	20,356,563	144,744,771
2017	22,674,206	153,356,956
2018	25,614,816	156,086,993

15. Mr Volpi also confirms the following advertising expenditure for REPLAY branded goods in the UK and European Union:⁵

Year	UK (Euro)	European Union (Euro)
2010	418,615.28	10,305,470.14
2011	484,910.17	13,620,714.01
2012	794,232.51	12,254,883.26
2013	725,986.73	11,293,567.97
2014	876,856.68	14,283,066.24
2015	746,833.82	12,888,682.91
2016	851,083.89	11,361,205.33
2017	367,546.89	7,899,719.88
2018	358,717.18	8,720,392.63

⁴ Witness statement of Eligio Volpi, para. 11

⁵ Witness statement of Eligio Volpi, para. 12

16. Mr Volpi explains that the REPLAY brand is advertised at airports and train stations throughout Italy, on Oxford Street in London, at Heathrow Airport, on the Metro in France, Ibiza Airport in Spain, as well as in the Netherlands and Belgium.⁶

17. A report provided by the opponent confirms that the REPLAY brand was advertised at a fashion show in Ibiza in 2014 and at the Cannes Film Festival in 2012. It also confirms that REPLAY was a partner of the MTV European Music Awards in 2003, 2004, 2005, 2006, 2011 and 2012. REPLAY is also the official sponsor of Barcelona FC for clothing and fashion, having signed a deal from 2013-2014 to 2016-2017.⁷

18. A report dated 2014 confirms that in that year, the REPLAY brand Facebook page had 402,176 likes and its Youtube channel had 3,963,172 views.⁸ Another report shows screenshots of posts from various celebrities' social media accounts (such as Laura Whitmore, Pixie Geldof and Daisy Lowe) dated 2016 in which they state that they are wearing REPLAY products.⁹ Some of these celebrities have over 300,000 followers on their social media accounts.

19. Mr Volpi has provided a number of examples of press releases which reference the REPLAY brand.¹⁰ In particular, I note the REPLAY brand was advertised in GQ and Glamour magazines in 2014 and 2015. I also note that the fact that celebrities were wearing REPLAY branded jeans was reported in the Mail Online in 2016. Fashion Box notes that the Mail Online is the world's most highly trafficked website with over 236,000,000 users. Mr Volpi states that the REPLAY brand has also appeared in publications such as Grazia, Cosmopolitan, Marie Claire and Esquire magazines.¹¹

⁶ Witness statement of Eligio Volpi, para. 13

⁷ Exhibit EV6

⁸ Exhibit EV6

⁹ Exhibit EV6

¹⁰ Exhibit EV7

¹¹ Witness statement of Eligio Volpi, para. 15

20. Mr Volpi confirms that the numbers of new UK users of the REPLAY website from the UK were 182,004 in 2016, 204,635 in 2017 and 207,803 in 2018.¹² The REPLAY brand was shortlisted for Draper's Young Fashion Brand of the Year award in 2015.¹³

21. I have read the opponent's written submissions and, whilst I do not propose to summarise those here, I have taken them into consideration in reaching my decision.

DECISION

22. As Fashion Box relies upon the same trade marks in both the opposition and the invalidation, I will deal with both together.

Section 5(3)

23. Section 5(3) of the Act states as follows:

“5(3) A trade mark which -

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

24. Section 5 of the Act also has application in invalidation proceeding because of the provisions set out in section 47 of the Act. The relevant legislation is set out below:

¹² Witness statement of Eligio Volpi, para. 18

¹³ Exhibit EV9

“47. –[...]

(2) 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.

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

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

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

(c) the use conditions are met.”

25. Given their dates of filing, Fashion Box’s trade marks qualify as earlier trade marks pursuant to section 6 of the Act. All four of the earlier marks relied upon by Fashion Box under section 5(3) are subject to proof of use pursuant to section 6A of the Act.

Proof of Use

26. The first issue, therefore, is whether, or to what extent, Fashion Box has shown genuine use of the earlier marks. The relevant provisions for the opposition are set out in section 6(3)(a) and for the invalidation in section 47 of the Act.

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

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

28. The relevant period in which genuine use must be established for both the opposition and the invalidation is the five-year period ending on the date of publication of the applied for mark. As both the 771 and 723 Marks were published on the same date, the relevant period is the same for both the opposition and the application for invalidation i.e. 7 July 2013 to 6 July 2018.

29. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*

[EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an

outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

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

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

30. As the Fourth Earlier Mark is an EUTM, the comments of the Court of Justice of the European Union (“CJEU”) in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, are relevant. The court noted that:

“36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining

genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And:

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And:

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)”.

31. The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the mark concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

32. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant’s challenge to the Board of Appeal’s conclusion that there had been genuine use of the mark

in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guilford, and thus a finding which still left open the possibility of conversion of the community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that “genuine use in the Community will in general require use in more than one Member State” but “an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State.” On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use.”

33. The General Court (“GC”) restated its interpretation of *Leno* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there

are no special factors, such as the market for the goods/services being limited to that area of the Union.

34. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods at issue in the Union during the relevant 5-year period. In making the required assessment I am required to consider the relevant factors, including:

- a) The scale and frequency of the use shown;
- b) The nature of the use shown;
- c) The goods for which use has been shown;
- d) The nature of those goods and the market(s) for them; and
- e) The geographical extent of the use shown.

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

Form of the Mark

36. All four of the earlier marks relied upon are word only marks. Throughout the evidence filed by Fashion Box, the marks are used as registered or in the following variant:

REPLAY

37. As registration of a word only mark covers use in any standard typeface, I consider this to be an acceptable variant upon which Fashion Box may rely.

Sufficient Use

38. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.¹⁴

39. There are certainly issues with the evidence filed by Fashion Box. For example, many of the print outs are undated and the invoices provided are addressed to “Fashion Box UK Limited”. No explanation is given regarding this and so, on the face of it, these appear to be internal sales. However, it is clear that REPLAY branded goods have been sold across the UK during the relevant period. Even accepting that the internal sales evidenced by the invoices may represent a proportion of the total revenue figures provided by Mr Volpi, this would still amount to revenue of between €10million and €25million each year during the relevant period in the UK (and revenue of over €130million each year in the European Union). Taking the evidence as a whole into account, I am satisfied that Fashion Box has used the earlier marks in both the UK and the EU during the relevant period.

Fair Specification

40. I must now consider whether, or the extent to which, the evidence shows use of the earlier marks in relation to the goods relied upon.

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

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they

¹⁴ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

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

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria’s Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed

independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

43. Although the invoices provided by Fashion Box appear to relate to internal sales they do identify a broad range of goods sold under the REPLAY mark. This is reflected in much of the advertising material and website print outs provided by Fashion Box.

44. In relation to the First Earlier Mark, I consider a fair specification to be:

Class 25 Coats, overcoats, jackets, trousers, shirts and blouses, sweaters, sweatshirts, hats, shoes.

45. In relation to the Second Earlier Mark, I consider a fair specification to be:

Class 18 Handbags.

46. In relation to the Third Earlier Mark, I consider a fair specification to be:

Class 25 Coats, jackets.

47. In relation to the Fourth Earlier Mark, I am satisfied that Fashion Box has shown genuine use in relation to handbags. However, I do not consider that it has shown genuine use in relation to any of the other goods listed in class 18. As the evidence filed by Fashion Box showed use in relation to a range of clothing items, hats and shoes, I consider a fair specification for the Fourth Earlier Mark to be:

Class 18 Handbags

Section 5(3) – case law

48. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is

weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

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

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

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

49. The conditions of section 5(3) are cumulative. Firstly, Fashion Box must show that the earlier marks have achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires

that one or more of the types of damage claimed will occur and/or that the contested marks will, without due cause, take unfair advantage of the reputation and/or distinctive character of the reputed marks. It is unnecessary for the purposes of section 5(3) that the goods or services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks. The relevant date for the assessment under section 5(3) is the date of the application i.e. 14 June 2018 for the opposition and 18 June 2018 for the invalidation.

Reputation

50. In *General Motors*, Case C-375/97, the CJEU stated:

“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.”

51. Fashion Box has made submissions regarding a decision of the Italian courts which found that it had a reputation, leading it to be successful in an action against a

business operating under a 'REPLAY' mark in relation to class 12 goods. The copy of the decision filed by Fashion Box is in Italian. No certified translation has been provided. In any event, it is clear from Fashion Box's submissions that that case concerned a different relevant public and different goods, and so is not of assistance to Fashion Box in these proceedings.

52. The UK registrations (the First, Second and Third Earlier Marks) and the EUTM (the Fourth Earlier Mark) must have a reputation in a substantial part of the UK and EU respectively. Fashion Box has not provided me with a market share figure for the REPLAY brand. However, the revenue figures provided by Mr Volpi are not insignificant. Further, REPLAY branded goods are sold in a number of outlets across the UK and throughout the EU. In addition to this, advertising expenditure in the UK has varied from approximately €350,000 to €870,000 per year between 2013 and 2018. Several million euros have been spent on advertising the REPLAY brand in the EU each year. The REPLAY brand has clearly been referenced in a number of high-circulation publications, as well as on social media platforms. I also note that the REPLAY brand was shortlisted for Draper's Young Fashion Brand of the Year award in 2015. Taking the evidence as a whole, I am satisfied that the REPLAY brand has a reasonable reputation in the UK for clothing.

Link

53. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

The 771 Mark consists of the words RE and PLAY, with a colon separating the two. This is presented in a slightly stylised font with white lines running through it, and the word BAR beneath it. The 723 Mark consists of the words RE and PLAY presented in the same manner as the 771 Mark, but without the addition of the word BAR. It is the words RE:PLAY that play the greater role in the overall impression of both marks. Fashion Box's marks all consist of the word only

registration REPLAY. There are no other elements to contribute to the overall impression which lies in the word itself.

Visually, the marks coincide in the presence of the same six letters – REPLAY. In the 771 Mark and the 723 Mark they are divided between the E and the P by a colon. However, as the letters form a recognised dictionary word, it will be recognised in both marks notwithstanding the presence of the colon. Nonetheless, the addition of the colon, the stylisation of the word (and the addition of the word BAR for the 771 Mark) all act as points of visual difference. I consider the marks to be visually similar to between a medium and high degree.

Aurally, the words REPLAY/RE:PLAY will be pronounced identically in all of the marks. The 723 Mark is, therefore, aurally identical to the earlier marks. The word BAR in the 771 Mark is unlikely to be pronounced by the average consumer because it is descriptive of the services offered under the mark. Consequently, I consider the 771 Mark to also be aurally identical to the earlier marks. However, if I am wrong in this finding and the word BAR is pronounced, they will be aurally similar to a high degree.

Conceptually, the dictionary word REPLAY will be recognised in all of the marks and will be given its ordinary meaning i.e. to repeat something such as a sports game or music track. I consider the 723 Mark to be conceptually identical to the earlier marks. As noted above, the word BAR in the 771 Mark will be seen as identifying the services sold under the mark. I consider the 771 Mark to be conceptually highly similar to the earlier marks.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

The specifications of the 771 Mark and the 723 Mark cover a range of bar, restaurant, accommodation and conference services. The specifications of the earlier marks all cover varying ranges of clothing, footwear, hats and handbags.

Clearly, the goods and services differ in nature and method of use. I also consider that they differ in purpose and trade channels. Fashion Box submits that it not uncommon for hotels and bars to have retail outlets within their premises or associated with them, citing the Hard Rock Café as an example. I disagree. To my mind, this is far from common practice. In the absence of any evidence filed by Fashion Box to support this submission, I see no reason to conclude that there is an overlap in trade channels.

There may be an overlap in user to the extent that they may all be used by members of the general public, but this is not sufficient on its own for a finding of similarity. The goods and services are not in competition, nor are they complementary.¹⁵

I consider the goods and services to be dissimilar.

The strength of the earlier mark's reputation

I have found the REPLAY brand to have a reasonable reputation in the UK for clothing.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

The earlier marks all consist of the word REPLAY. This is an ordinary dictionary word which has no connection to the goods sold under it. I consider it to be inherently distinctive to a medium degree.

¹⁵ *Boston Scientific Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

Taking into account the revenue figures provided by Mr Volpi, the fact that Fashion Box has sold its goods in retail outlets across the UK and spent a reasonable amount on advertising in the UK, I consider that the distinctiveness of the earlier marks has been enhanced to a higher than medium degree through use in relation to clothing.

Whether there is a likelihood of confusion

For there to be likelihood of confusion, trade mark law requires some degree of similarity between the relevant goods and services. I have found the goods and services to be dissimilar, so there can be no likelihood of confusion.

54. I recognise that the parties' respective marks are aurally and conceptually identical or highly similar, and visually similar to between a medium and high degree. However, Fashion Box has demonstrated only a reasonable reputation in relation to clothing. This, combined with the dissimilarity between the goods and services for which the marks are registered, leads me to conclude that no link will be made by the relevant public. If any link is made, it would be too fleeting for the image of the earlier marks to transfer to the later marks in such a way that would give them an unfair advantage.

55. The opposition and application for invalidation under section 5(3) are unsuccessful.

Section 5(4)(a)

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

"5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

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”.

57. As noted above, section 5 has application in invalidation proceedings because of the provisions of section 47 of the Act.

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

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

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

59. Whether there has been passing off must be judged at a particular point (or points) in time. There is no evidence that GLH was trading prior to the application dates of the 771 and 723 Marks. The relevant date for assessing whether section 5(4)(a) applies is, therefore, the date of application i.e. 14 June 2018 for the opposition and 18 June 2018 for the invalidation.

Goodwill

60. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“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 customers. It is the one thing which distinguishes an old-established business from a new business at its first start.”

61. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

62. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

63. Goodwill arises as a result of trading activities. It is clear from the revenue figures provided by Mr Volpi that Fashion Box has been trading under the REPLAY sign for a number of years in the UK. It is also clear that Fashion Box has been selling goods under the REPLAY sign in a number of outlets that are located across the UK. Taking the evidence as a whole into account, I am satisfied that Fashion Box has demonstrated a good degree of goodwill in relation to clothing, hats, footwear and handbags in the UK. I am also satisfied that the earlier signs are distinctive of that goodwill.

Misrepresentation and damage

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

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

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

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville*

Perfumery Ltd. v. June Perfect Ltd. (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

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

65. *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309, it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff 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 feature 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 successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court 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 plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (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 confusion or 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.”

66. I have found Fashion Box to have a good degree of goodwill in the UK in relation to clothing, hats, footwear and handbags. I have found the earlier signs to be distinctive of that goodwill. I recognise that it is not essential under the law of passing off for the parties to be engaged in the same fields of business activity (see *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)). However, the closeness of the parties' respective fields is a factor which must be taken into account. GLH's services are dissimilar to the goods for which Fashion Box has established goodwill. I recognise that the marks are visually similar to between a medium and high degree and aurally and conceptually highly similar or identical.

67. Taking all of the above factors into account, I consider that similarities between the marks will be offset by the differences between the goods and services and the fact that Fashion Box only has a good degree of goodwill in the UK. I can see no reason, particularly given the dissimilarity between the goods and services, why the relevant public would view the use of the word REPLAY in relation to GLH's services to be a reference to Fashion Box or its trade marks.

68. The opposition and application for invalidation under section 5(4)(a) are unsuccessful.

CONCLUSION

69. Both the opposition and the invalidation are unsuccessful.

70. The 771 Mark can proceed to registration.

71. The 723 Mark can remain on the Register.

COSTS

72. GLH has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award GLH the sum of **£900** as a contribution towards the costs of the proceedings. This sum is calculated as follows:

Preparing a statement and considering Fashion Box's statement (x2)	£400
Considering Fashion Box's evidence	£500
Total	£900

73. I therefore order Fashion Box S.p.A. to pay GLH IP Holdings Limited the sum of £900. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 17th day of February 2020

S WILSON

For the Registrar