O/218/20

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No. 3310389
IN THE NAME OF LAGONIASSA LTD

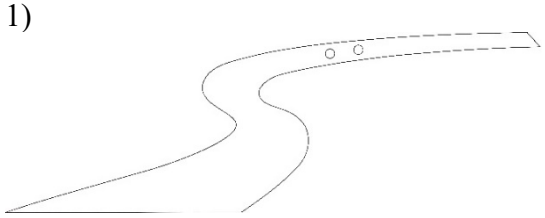
AND IN THE MATTER OF OPPOSITION No. 413583 THERETO
BY PUMA SE

AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE OPPONENT
AGAINST A DECISION OF MS CLARE BOUCHER
DATED 18 JULY 2019

DECISION

Background

1. On 12 May 2018 Lagoniassa Limited ("the Applicant") applied under number 3310389 to register the series of two designations represented below for use as trade marks in the UK in Class 25[1]:

1)	2)
	

2. The Application was opposed by Puma SE ("the Opponent") on 30 August 2018 under Section 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994.

3. The Opponent relied on its earlier EUTM Registration number 12697066 in Classes 18, 25 and 28 (Section 5(2)(b) and 5(3)) and unregistered rights in the UK in relation to apparel, footwear and headgear (Section 5(4)(a)) both concerning the figurative mark represented as follows:

[1] The full list of goods as applied for in Class 25 was set out in Annex A of the Hearing Officer's decision, and in Annex B as broken down into groups comprising "apparel", "footwear" and "headgear".

4. EUTM Registration number 12697066 was applied for on 12 March 2014 and registered on 7 October 2014. It therefore constituted an earlier trade mark within the meaning of Section 6(1)(a) of the Act and was not subject to proof of use.

5. The Applicant took issue with the grounds of opposition in a Notice of defence and counterstatement filed on 29 October 2018.

6. Both sides filed evidence and the matter came to be heard by Ms Clare Boucher, acting for the Registrar, on 12 June 2019. At that hearing the Opponent was represented by Mr Alan Fiddes, Urquhart-Dykes & Lord LLP. The Applicant was represented by its Director, Mr Oluwatosin Saheed Tijani.

7. The Hearing Officer issued her written decision on 18 July 2019 under reference number BL O/415/19 rejecting the opposition on all of the grounds. The Applicant was invited but declined at the hearing to claim litigant in person costs as the successful party, and the Hearing Officer therefore made no award.

8. On 15 August 2019, the Opponent filed Notice to appeal to the Appointed Person against the Hearing Officer's decision under Section 76 of the Act. The statement of grounds included a request to introduce fresh evidence in the form of a Witness Statement of Christopher James Hoole, dated 15 August 2019. A reason for the request was that the Opponent had appointed new representatives, Appleyard Lees IP LLP.

9. On 15 November 2019, the Opponent made an Application for Security for Costs of the opposition and the appeal. I refused that application in a decision issued on 11 February 2020 under reference number BL O/084/20.

10. The hearing of the substantive appeal was appointed for 21 February 2020. I heard the Opponent's request to introduce fresh evidence as a preliminary to the main appeal. At the appeal hearing, the Opponent was represented by Mr Christopher Hoole of Appleyard Lees IP LLP. The Applicant was represented by a friend, Ms Scarlett Dan.

The Hearing Officer's decision

Section 5(2)(b)

11. Section 5(2)(b) of the Act provides that a trade mark must be refused registration if because 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, which includes the likelihood of association with the earlier trade mark.

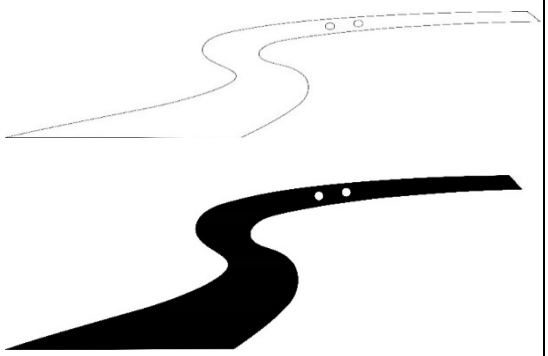
12. In determining the ground of opposition under Section 5(2)(b) the Hearing Officer instructed herself by reference to the Registrar's usual summary of applicable principles gleaned from the case law of the Court of Justice of the European Union (para. 21). There was no suggestion that she misdirected herself.

13. The respective goods were identical and similar. The Hearing Officer would proceed on the basis of identicality of goods (returning to similarity of goods if required) (para. 22). Again no issue was taken with regard to these deliberations on appeal.

14. The average consumer of the goods was a member of the general public who was reasonably well informed and reasonably observant and circumspect. The average consumer would choose the goods themselves in a shop, from a catalogue or online although the assistance of a sales person might be recruited. The visual perception of the marks was therefore more significant. The goods might vary in price, be regular purchases and the level of attention devoted to the purchase act was average (paras. 23 – 25). I did not understand these findings to be challenged.

15. The overall impressions of the marks were paramount. It was wrong artificially to dissect the marks (paras. 26 – 27).

16. The marks to be compared were (para.28):

Applicant's marks	**Opponent's mark**
	

17. The overall impressions were:

> "29. The overall impression of the opponent's mark is of a band of a single colour, wider at the bottom and curving upwards to the right as it narrows.
>
> 30. The contested mark is also a band of a single colour, wider at the bottom. This time it curves upwards in an S-shaped bend. In addition, there are two small circles on the upper part of the mark. In the second mark of the series, these are presented in a contrasting colour. These circles make a contribution to the overall impression of the mark, but the greater weight lies with the S-shape."

18. Visually there was a low degree of similarity between the marks:

> "31. The visual similarities between the marks lie in the single coloured-band that is wider at the bottom than the top, and that curves upwards to the right. Beyond this, though, the shapes are different and the applicant's mark contains the additional element of the circles. In my view, these marks are visually similar to a low degree."

19. An aural comparison was unnecessary because neither mark contained a word(s) (para. 32).

20. The average consumer would likely perceive the marks as abstract shapes with no conceptual content. On the other hand, the Applicant's mark could be seen as a stylised letter "S" in which case there was a conceptual difference (para. 33).

21. I think it is fair to say that a large part of the appeal related to the Hearing Officer's findings on the comparison of the marks.

22. The earlier trade mark enjoyed a high level of acquired distinctiveness for sports footwear[2] (para. 36). That finding went unchallenged, but the Opponent said that the earlier mark's acquired distinctiveness extended more widely in terms of goods.

23. Despite the Opponent's submissions, the marks were likely to be seen as a whole when the average consumer selected the goods:

> "40. At the hearing, the opponent submitted that the fundamental question centred on how the marks would be seen when in use …
>
> […]
>
> 42. The parties disagree on how the mark will be viewed. I note that, in its promotional material, the opponent's mark is shown fully, with no part obscured by clothing. In a store, the consumer would also be able to see the whole mark, whether it is applied to the goods themselves, labels or packaging. Online retailers frequently offer several views of a product as they highlight particular features and details: if the mark is applied directly to the goods, it is likely that the whole will be visible. The mark may also appear on the website. In my view, the consumer is likely to be able to see the whole mark when they make their selection."

24. Globally assessed there was no likelihood of confusion, direct or indirect:

> "43. I found that the marks had only a low degree of visual similarity. The average consumer will, of course, not be making the kind of side-by-side comparison I carried out earlier in this decision. They will have an image of the earlier mark in their mind, but this may well be inaccurate. That said, I consider that the contested mark is insufficiently similar for there to be a likelihood of direct confusion, despite my findings that the goods are identical, the mark has a high level of distinctive character for sports footwear, and the average consumer will be paying an average amount of attention. Even with imperfect recollection, the average consumer is likely to remember the earlier

[2] On examination it had been considered inherently non-distinctive.

mark as a band of colour moving in one direction, while the band of the applicant's mark changes direction in the same way as an S-bend.

44. I shall briefly consider whether there is a likelihood of indirect confusion. This requires the consumer to make the assumption that the marks belong to the same or connected undertakings. In my view, this is unlikely. I have already found that the average consumer is likely to perceive both marks as abstract shapes. Beyond the band, there is no shared element that might lead a consumer to assume a connection. The image reproduced at paragraph 41 [comparing Lagoniassa/Puma/Diadora products] shows that the application of shapes to sports footwear is not unique to the opponent.

45. As I have found there to be no likelihood of confusion where the goods are identical, it follows that there is no likelihood of confusion for the remaining goods, which I considered to be all similar to the opponent's goods to varying degrees."

25. The Section 5(2)(b) ground failed.

26. These findings were highly contentious.

Section 5(3)

27. Section 5(3) of the Act states that a mark that is identical or similar to an earlier trade mark shall not be registered where the earlier trade mark has reputation in the relevant territory and the use of the later mark without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier trade mark.

28. The Opponent had demonstrated that the earlier trade mark had a strong reputation in the EU for sports footwear (para. 50). Again this was challenged on the basis that the reputation of the earlier mark had been interpreted by the Hearing Officer too narrowly in terms of goods.

29. The public would not make the requisite link for Section 5(3) between the marks. The Opponent's claim to the contrary was largely based on an allegation of confusion:

> "53. I have already set out why I consider that there is no likelihood of confusion. The opponent has made no further claims as to why the consumer might make a link between the marks. As the average consumer will not make a link where the goods are identical, it seems to me that they will not make a link where the goods are only similar. Without a link, the section 5(3) ground fails."

30. This passage was also challenged.

Section 5(4)(a)

31. Section 5(4)(a) precludes the registration of a mark where its use in the United Kingdom is liable to be prevented by the law of passing off protecting unregistered rights.

32. The Opponent had established goodwill associated with the sign in relation to sports footwear (para. 59).

33. There was no likelihood of misrepresentation even in the case of identical goods because the signs were not similar enough for the customer to be misled into purchasing the Applicant's goods in the belief that they were the Opponent's goods (para 61).

34. The 5(4)(a) findings were challenged on similar grounds to above (i.e., wider goodwill and misrepresentation in use).

Conclusion

35. The opposition failed on all grounds. The Applicant indicated that it did not seek costs so none would be ordered (paras. 63 – 64).

Preliminary issue – Request for permission to adduce new evidence

36. The Grounds of appeal included a request by the Opponent for permission to introduce fresh evidence into the proceedings. That evidence comprised a Witness Statement of Christopher James Hoole dated 15 August 2019.

37. Mr Hoole's evidence was largely concerned with incorporating and commenting upon screen shots taken from the Applicant's Facebook page displaying images allegedly showing the Applicant's mark in use on sports shoes/trainers.

38. I noted that the Applicant's Facebook posts, which the Opponent sought to have introduced, all derived from June 2018. The hearing before the Hearing Officer took place on 12 June 2019 (i.e., around 1 year later).

39. The principles governing the admission of fresh evidence on appeal were summarised by Henry Carr J in *Consolidated Developments Ltd v. Cooper* [2018] EWHC 1727 (Ch) as follows:

> "33. The cases to which I have referred establish the following principles in respect of the admissibility of fresh evidence in trade mark appeals, sought to be introduced for the first time on appeal:
>
> i) the same principles apply in trade mark appeals as in any other appeal under CPR part 52. However, given the nature of such appeals, additional factors may be relevant;
>
> ii) the *Ladd v Marshall* factors are basic to the exercise of the discretion, which are to be applied in the light of the overriding objective;
>
> iii) it is useful to have regard to the *Hunt-Wesson* factors;

> iv) relevant factors will vary, depending on the circumstances of each case. Neither the *Ladd v Marshall* factors nor the *Hunt-Wesson* factors are to be regarded as a straightjacket;
>
> v) the admission of fresh evidence on appeal is the exception and not the rule;
>
> vi) the *Gucci* decision does not establish that the Court or the Appointed Person should exercise a broad remedial discretion to admit fresh evidence on appeal so as to enable the appellant to re-open proceedings in the Registry; and
>
> vii) where the admission of fresh evidence on appeal would require that the case be remitted for a rehearing at first instance, the interests of the parties and of the public in fostering finality in litigation are particularly significant and may tip the balance against the admission of such evidence."

40. The 3 conditions in *Ladd v. Marshall* [1954] EWCA Civ 1 that are central to my discretion to allow new evidence are (Denning LJ at p. 4):

> "In order to justify the reception of fresh evidence or a new trial, three conditions mast be fulfilled: first, it must be shown that the evidence could not have been obtained with reasonable diligence for use at the trial: second, the evidence most be such that, if given, it would probably have an important influence on the result of the case, though it need not be decisive: thirdly, the evidence must be such as is presumably to be believed, or in other words, it must be apparently credible, though it need not be incontrovertible."

41. The additional factors in *Hunt-Wesson Inc's Trade Mark Application* [1996] 1 RPC 233 at 242 that may be relevant include: (a) the nature of the mark; (b) the nature of the objection to it; (c) whether or not the other side will be significantly prejudiced by the admission of the new evidence in a way which cannot be compensated, for example, by an order for costs; (d) the desirability of avoiding multiplicity of proceedings; and (e) the public interest in not admitting onto the Register invalid marks.

42. Whilst on the one hand, the Opponent recognised the high threshold its request for permission to introduce fresh evidence needed to meet, on the other hand the Opponent reasoned (Grounds of appeal, para. 13):

> "Nevertheless, the Appellant has new professional representation and is taking steps to remedy the position, demonstrate contrition and furnish appropriate evidence to support its case. In short, it wishes to mitigate the loss and damage it will potentially suffer by reason of the Decision and ensure a legally sound decision is reached which is fair in all the circumstances."

43. I refused the Opponent permission to introduce Mr Hoole's evidence into the appeal.

44. First, it was absolutely evident that the Facebook images could have been obtained with reasonable diligence for use before the Hearing Officer.

45. Amongst other things, the Witness Statement of Oluwatosin Saheed Tijani, Director of the Applicant, dated 8 January 2019, referred to the Applicant's social media use "*showing the shoe making process*" (para. 7)[3].

46. It was no excuse for the lateness of the evidence sought to be introduced to say that the present representative had newly been appointed and wished on appeal to put a new slant on the case relying on evidence that could have been obtained by the former representative with reasonable diligence for use at the first instance hearing. As Lewison LJ observed in *Fage UK Limited v. Chobani UK Limited* [2014] EWCA Civ 5 at paragraph 114:

> "The trial is not a dress rehearsal. It is the first and last night of the show."

47. Second, I did not consider that the late evidence would have an important (albeit not needing to be decisive) influence on the outcome of the case.

48. As the Hearing Officer remarked, the dispute between the parties largely centred on how the respective marks would be viewed in use, with the parties supporting their opposing cases with evidence/arguments. Indeed one of the images sought to be introduced on appeal by the Opponent (relying on the appearance of the lace placket rather than the mark applied for) was of a shoe, an image of which was already in the Applicant's evidence taken from a different angle (as discussed below). In my judgment, the fresh images did not notably advance the Opponent's case as put to the Hearing Officer.

49. Third, whilst the late evidence was apparently credible, in my view none of the *Hunt-Wesson* factors weighed in favour of its admittance.

Grounds of appeal

50. The grounds of appeal challenged the decision of the Hearing Officer in its entirety. The decision was said to be materially wrong under Section 5(2)(b), 5(3) and 5(4) because in each case the Hearing Officer failed properly to apply the law to the facts.

51. The Applicant denied the grounds of appeal in their entirety. I should mention that the Applicant sought in its skeleton argument to rely on additional images that I also ignored.

Standard of review

52. An appeal to the Appointed Person is by way of review not rehearing and I should be reluctant to interfere in the absence of material error on the part of the Hearing Officer (*REEF Trade Mark* [2002] EWCA Civ 763, para. 28; and see the summary of principles in *TALK FOR LEARNING Trade Mark*, BL O/017/17, para. 52).

[3] Mr Tijani's Witness Statement confirmed that no products had been marketed/sold under the mark pending resolution of the present dispute (paras. 5 and 6).

53. In *Actavis Group PTC EHF v. ICOS Corporation* [2019] UKSC 15, Lord Hodge made clear that an error of principle justifying interference by the appellate tribunal was not confined to errors of law but extended also to evaluative errors in the application of a legal standard to the facts. Lord Hodge continued:

> "80. What is a question of principle in this context? An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. What is the nature of such an evaluative error? In this case we are not concerned with any challenge to the trial judge's conclusions of primary fact but with the correctness of the judge's evaluation of the facts which he has found, in which he weighs a number of different factors against each other. This evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible: *Assicurazioni Generali SpA v Arab Insurance Group (Practice Note)* [2002] EWCA Civ 1642; [2003] 1 WLR 577, paras 14-17 per Clarke LJ, a statement which the House of Lords approved in *Datec Electronic Holdings Ltd v United Parcels Service Ltd* [2007] UKHL 23; [2007] 1 WLR 1325, para 46 per Lord Mance.
>
> 81. Thus, in the absence of a legal error by the trial judge, which might be asking the wrong question, failing to take account of relevant matters, or taking into account irrelevant matters, the Court of Appeal would be justified in differing from a trial judge's assessment of obviousness if the appellate court were to reach the view that the judge's conclusion was outside the bounds within which reasonable disagreement is possible. It must be satisfied that the trial judge was wrong: see, by way of analogy, *In re B (A Child) (Care Proceedings Threshold Criteria)* [2013] UKSC 33; [2013] 1 WLR 1911, paras 90-93 per Lord Neuberger, para 203 per Lady Hale."

54. I have borne the above in mind.

Section 5(2)(b)

55. There were three strands to the Opponent's challenge under Section 5(2)(b).

56. First, it was contended that the Hearing Officer erred in finding a low degree of visual similarity between the marks. Instead, the Opponent argued that the Hearing Officer should have compared the top part of the Applicant's mark with the Opponent's mark as shown in the Opponent's table reproduced below (para. 8(a) Grounds of appeal):

Earlier mark	Part of 389 mark
	

57. That, said the Opponent, would have led the Hearing Officer to find a medium degree of similarity in the marks. I note that the Opponent's argument below appeared in contrast to focus on an alleged similarity caused through comparison with the lower part of the Applicant's mark (discussed below).

58. I reject this first line of argument. The signs to be compared are the mark as applied for and the earlier mark as registered without excision or dismemberment. It is trite law that marks must be compared as wholes and the overall impressions of the marks on the average consumer is paramount.

59. Indeed, the Opponent recognised that it was wrong artificially to dissect a sign since this was not an exercise that would be performed by the average consumer (Grounds of appeal, para. 8a). However, in my judgment that was exactly what the Opponent was seeking to do.

60. There was no suggestion by the Opponent that the top part of the Applicant's mark would be viewed as dominant; quite rightly in my view because as recognised by the Hearing Officer the respective marks were single device marks that the average consumer would perceive as wholes.

61. The Hearing Officer correctly instructed herself under Section 5(2)(b) by reference to the Registrar's accepted list of legal principles which included that: "*(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details*". She drew particular guidance on the question of the proper comparison of the marks in this case from Case C-251/91, *Sabel BV v. Puma AG* [1997 I-6191, paragraph 23 and Case C-591/12 P, *Bimbo SA v. OHIM* EU:C:2014:305, para. 34. She decided how each mark would be viewed overall by the average consumer and concluded that there was a low degree of visual similarity between them (decision, paras. 29 – 31 reproduced at paras. 17 – 18 above). That was a properly conducted evaluative determination of the law to the facts with which I should not and decline to interfere.

62. Second, the Opponent argued that the Hearing Officer failed correctly to recognise the acquired distinctiveness of the earlier trade mark in terms of the products that acquired distinctiveness covered.

63. The Hearing Officer determined that the Opponent's evidence showed that the earlier trade mark had acquired a high level of acquired distinctive character for sports footwear.

64. The Opponent contended (both below and on appeal) that this high level of acquired distinctiveness also extended to clothing. However, I have reviewed the evidence carefully and I agree with the Hearing Officer that none of the evidence adduced by the Opponent in support of its case showed use of the earlier trade mark (as opposed

to other trade marks of the Opponent) on clothing or any item of clothing. In fact when probed by me at the hearing Mr Hoole confirmed this[4].

65. Additionally, the Opponent said that the high level of acquired distinctiveness should have been found by the Hearing Officer to cover footwear in general and should not have been confined by her to sports footwear. In support, Mr Hoole took me to pictures of celebrities including Rhianna and Usain Bolt advertising the Opponent's shoes, the latter wearing a pair of jeans and t-shirt (i.e., in informal non-sporting mode).

66. I accept Mr Hoole's point that the wearing of sports shoes/trainers for not only sporting activities, but also everyday purposes is fashionable at present and has been for a number of years. However, just because a certain type of footwear is fashionable does not change its nature. "Fashion footwear" would not in my view be an appropriate description of the goods in respect of which a mark had been used because fashions change. It is certainly the case that the Opponent's evidence shows use on sports footwear and not footwear in general. I think therefore that the Hearing Officer was right to determine that the earlier mark enjoyed a high level of acquired distinctiveness for sports footwear but not footwear generally.

67. In any event, I failed to see where the argument took the Opponent since the Hearing Officer considered that even for identical goods (i.e., sports footwear) there was no likelihood of confusion.

68. Third, the Opponent argued that in assessing the likelihood of confusion the Hearing Officer failed to take into account the ways in which the Applicant's mark might be used on the goods in question (by which the Opponent meant sports shoes/trainers).

69. In particular, the Opponent had submitted below mock ups of the respective marks on shoes under trousers where the trouser legs in each case covered the tops of the marks so that only the bottom parts of the marks were seen. The Applicant in turn had submitted images with actual trousers and shoes in support of the Applicant's argument that even in those circumstances there was no likelihood of confusion. The Opponent also dwelt on a sample shoe that had appeared in the Applicant's evidence where the lace placket (or presumably the shape of the lace placket) was said to be similar to the earlier trade mark but in fact as the Applicant pointed out the Applicant's mark was on the heel of the shoe. Further, the Opponent argued before me that the Hearing Officer had failed to take into account that the Applicant's shoes could be constructed from contrasting materials which could overlap with part of the mark, and that the Hearing Officer had failed to consider the full gamut of the angles at which the Applicant's shoes bearing the Applicant's mark might be viewed in use.

70. There can be no doubt from the decision that the Hearing Officer took into account the respective arguments of the parties on how the marks would be viewed in use, with the respective mock ups/images supplied by the parties being reproduced therein. She concluded:

[4] Transcript p. 15: "*I agree, Professor, that the evidence submitted in the earlier decision principally is on footwear*".

> "42. … I note that, in its promotional material, the opponent's mark is shown fully, with no part obscured by clothing. In a store, the consumer would also be able to see the whole mark, whether it is applied to the goods themselves, labels or packaging. Online retailers frequently offer several views of a product as they highlight particular features and details: if the mark is applied directly to the goods, it is likely that the whole will be visible. The mark may also appear on the website. In my view, the consumer is likely to be able to see the whole mark when they make their selection."[5]

71. The Hearing Officer properly considered notional fair use of the Applicant's mark on the goods in the light of *inter alia* the evidence provided by the Opponent concerning the Opponent's use of the earlier mark in relation to identical goods – sports footwear. She concluded that in most situations of purchase the average consumer was likely to be able to see the whole of the mark (not just part of the mark as argued by the Opponent). The Hearing Officer was not under an obligation to imagine all of the possible (or indeed manufactured) angles from which the Applicant's mark might be viewed (see a similar discussion by Mr Daniel Alexander QC sitting as the Appointed Person in *ZOHARA Trade Mark*, BL O/040/20, paras. 24 – 25).

72. In my judgment, the Hearing Officer was entitled to form the view that the whole of the marks would be perceived by the average consumer, and I decline to interfere with her reasoning with which in any event, I agree.

73. Finally the Opponent argued that the Hearing Officer erred in finding that the marks were insufficiently similar to lead to a likelihood of confusion, direct or indirect.

74. Since that criticism depended on the success of the Opponent's foregoing arguments which have failed, that overarching criticism of the Hearing Officer's decision under Section 5(2)(b) also fails.

Section 5(3)

75. First, the Opponent criticised the Hearing Officer's finding that the earlier trade mark had a strong reputation in the EU for sports footwear as opposed to more generally for footwear and clothing. I have already dealt with a similar point in relation to acquired distinctiveness (see above paras. 64 – 66). The Hearing Officer held, and I agreed, that the Opponent's evidence established no use of the earlier trade mark at all on clothing and in respect of footwear only in relation to sports footwear.

76. Second, the Opponent challenged the Hearing Officer's finding that the public would not make the required link between the marks, and in particular the following passage in the decision:

> "53. I have already set out why I consider that there is no likelihood of confusion. The opponent has made no further claims as to why the consumer might make a link between the marks … Without a link, the section 5(3) ground fails."

[5] I observe that even in the picture of Usain Bolt relied on by the Opponent the whole of the Opponent's shoe including the Opponent's earlier trade mark is visible beneath Mr Bolt's jeans. This was also true of the pictures relied on by Mr Hoole of other celebrities wearing casual clothes including the Korean boy band, BTS.

77. The Opponent argued first, that if the Hearing Officer had conducted her assessment correctly under Section 5(2)(b) confusion would have been found to exist. I have already dismissed that argument. Second, the Opponent rightly pointed out that confusion was not a requirement under Section 5(3).

78. Whilst I accept the Applicant's points that: (a) the Hearing Officer had previously listed the relevant *Intel* factors including that confusion is not a pre-requisite to a link; and (b) her finding needed to be read in context (including that the Hearing Officer was dealing with the Opponent's argument that a link existed by reason of likelihood of confusion), in my judgment there was merit in the Opponent's criticism. At paragraph 53, the Hearing Officer's reasoning was so truncated that it is impossible to for the appellate tribunal to know with certainty that the existence or otherwise of a link was globally assessed.

79. In Case C-252/07, *Intel Corporation Inc v CPM United Kingdom Ltd* 2008 I-8823, the CJEU described why it was necessary to establish a "link" in order for the damage specified in Section 5(3) to be able to follow, and set out a list of non-exhaustive factors which were relevant to take into account in globally assessing whether such a link existed in any particular case (emphasis added):

> "30. The types of injury referred to in [Section 5(3)], where they occur, <u>are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks</u>, that is to say, establishes a link between them even though it does not confuse them …
> 31. In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.
>
> 32. However, the existence of such a link is not sufficient, in itself, to establish that there is one of the types of injury referred to in [Section 5(3)] which constitute … the specific condition of the protection of trade marks with a reputation laid down by that provision.
>
> […]
>
> 41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case …
>
> 42. Those factors include:
>
> – the degree of similarity between the conflicting marks;
> – the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
> – the strength of the earlier mark's reputation;
> – the degree of the earlier mark's distinctive character, whether inherent or acquired through use;
> – the existence of the likelihood of confusion on the part of the public."

80. The CJEU then went on to make a number of points (again non-exhaustive) about those factors:

> "44. As regards the degree of similarity between the conflicting marks, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public. That is particularly the case where those marks are identical.
>
> 45. However, the fact that the conflicting marks are identical, and even more so if they are merely similar, is not sufficient for it to be concluded that there is a link between those marks.
>
> 46. It is possible that the conflicting marks are registered for goods or services in respect of which the relevant sections of the public do not overlap.
>
> 47. The reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or services for which that mark was registered. That may be either the public at large or a more specialised public …
>
> 48. It is therefore conceivable that the relevant section of the public as regards the goods or services for which the earlier mark was registered is completely distinct from the relevant section of the public as regards the goods or services for which the later mark was registered and that the earlier mark, although it has a reputation, is not known to the public targeted by the later mark. In such a case, the public targeted by each of the two marks may never be confronted with the other mark, so that it will not establish any link between those marks.
>
> 49. Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.
>
> 50. Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.
>
> 51. It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which those marks were registered.
>
> 52. In such a case, it is possible that the relevant section of the public as regards the goods or services for which the later mark is registered will make a connection between the conflicting marks, even though that public is wholly distinct from the relevant section of the public as regards goods or services for which the earlier mark was registered.

53. For the purposes of assessing where there is a link between the conflicting marks, it may therefore be necessary to take into account the strength of the earlier mark's reputation in order to determine whether that reputation extends beyond the public targeted by that mark.

54. Likewise, the stronger the distinctive character of the earlier mark, whether inherent or acquired through the use which has been made of it, the more likely it is that, confronted with a later identical or similar mark, the relevant public will call that earlier mark to mind.

55. Accordingly, for the purposes of assessing whether there is a link between the conflicting marks, the degree of the earlier mark's distinctive character must be taken into consideration.

56. In that regard, in so far as the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the stronger if that mark is unique … if the [sign] of which it consists has not been used by anyone for any goods or services other than by the proprietor of the mark for the goods and services it markets – it must be ascertained whether the earlier mark is unique or essentially unique.

57. Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically-linked undertakings …

58. However … implementation of the protection introduced by [Section 5(3)] does not require the existence of a likelihood of confusion.

[…]

60. … the fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.

[…]

62. … [Section 5(3)] must be interpreted as meaning that whether there is a link … between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case."

81. As the Hearing Officer noted, in Joined Cases C-581/13 P and C-582/13 P, *Intra-Presse SAS v. OHIM* EU:C:2014:2387, the CJEU recognised that:

"72. … the types of injury referred to in [Section 5(3)] may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to

make a connection between those marks, that is to say, to establish a link between them."

82. In globally re-assessing whether the public would make a link between the marks in the present case, I have taken into account the Hearing Officer's findings, which I have confirmed, that:

1) there was a low degree of visual similarity between the marks;

2) identical goods – sports footwear – were involved;

3) the earlier trade mark had a strong reputation in the EU for sports footwear;

4) the earlier trade mark had a high distinctive character for sports footwear;

5) there was no likelihood of confusion direct or indirect.

83. Despite factors 2) – 4) in the present case tending towards a link, the low degree of similarity between the marks in my judgment meant that the average consumer would not make a link between them. That is because *inter alia* (in no particular order):

(1) the visual similarities in the marks rested solely in the fact that the devices comprised a: "*single coloured-band that is wider at the bottom than the top, and that curves upwards to the right*". Beyond that, I agree with the Hearing Officer that the shapes of the devices were different with particularly distinguishing features of the Applicant's series of two marks being their "S" shape and the presence of the small circles in the top parts of the marks;

(2) given the nature of the goods, the visual aspect was likely to be paramount in their purchase. (The aural aspect was irrelevant and if anything the conceptual aspect pointed to a difference – the letter "S");

(3) whilst the earlier trade mark might have been unique to the Opponent, the evidence of the parties showed that the use of abstract device marks on sports shoes was not unique to the Opponent. The latter is borne out by my own experience as an average consumer/wearer of sports shoes/trainers;

(4) the Opponent's evidence confirmed the Hearing Officer's own experience that the average consumer would be able to view the marks as wholes when selecting the goods. That also conforms to my own experience as an average consumer of the goods;

84. I also agree with the Hearing Officer that no mental link would be made between the marks where the goods were not identical but further away.

85. In short, I find that the second cumulative condition under Section 5(3) for a "link" was missing in the present case, and therefore confirm the Hearing Officer's determination that the opposition under Section 5(3) should be dismissed[6].

Section 5(4)(a)

86. The Opponent's arguments here were similar to those that I have already dismissed. First, that the Hearing Officer erred in holding that the Opponent's goodwill under and by reference to the earlier trade mark extended only to sports footwear rather than footwear and clothing generally. Second, that the Hearing Officer failed to take into account the Opponent's contention that in use only part of the mark would be viewed by the customer.

87. I have upheld the Hearing Officer's findings that: (a) the evidence only showed sales of footwear under and by reference to the earlier trade mark; and (b) the respective trade marks were insufficiently similar to lead to deception.

88. Accordingly I additionally dismiss the Opponent's appeal under Section 5(4)(a).

Conclusion and costs

89. In the result the appeal has failed.

90. As the successful party, the Applicant is entitled to a contribution towards its costs in relation to this appeal including the Opponent's unsuccessful application to introduce fresh evidence. Ms Dan appeared in person on behalf of the Applicant. The Applicant is requested to submit for my consideration through the Appointed Person Appeals Secretariat at tribunalappeals@ipo.gov.uk (citing reference number TM 3310389 and Opposition 413583) an itemised written record of the time (including any travel costs incurred in attending the hearing) the Applicant through Ms Dan has expended in relation to this appeal within three weeks of the date of this decision. I will then issue a supplementary decision as to the costs of this appeal.

Professor Ruth Annand, 8 April 2020

Mr Christopher Hoole of Appleyard Lees IP LLP appeared on behalf of the Opponent/Appellant

[6] Under Section 5(3) the Opponent had sought to rely on Case T-61/16, *The Coca-Cola Company v. EUIPO* EU:T:2017:877. In so far as I understood, this was in support of the Opponent's argument that in commercial use the consumer would only be able to see part of the Applicant's mark as allegedly shown in the Applicant's evidence (which the Applicant disputed). However, the *Coca-Cola* case concerned very different facts including evidence that the Applicant was using outside the EU the figurative mark applied for with another figurative mark which was found by the GC to support the inference that there was a risk of free-riding on Coca-Cola's earlier figurative trade marks in the EU. I did not consider that this authority was helpful to the Opponent's argument that a "link" could be established under Section 5(3) by looking only to part of the mark in suit, which anyway went against the Opponent's own evidence on how figurative marks appeared on sports shoes/trainers (i.e., the whole of the mark would be able to be seen). Further, the Applicant's evidence did not in my view establish an intention by the Applicant to use only part of its mark on products which in any event it was yet to launch.

Ms Scarlett Dan appeared for the Applicant