

BL O-265-20

TRADE MARKS ACT 1994

REGISTRATION NO. 3328621 FOR THE TRADE MARK:

Vapepax

**IN THE NAME OF HUIZHOU HANGBOO BIOTECH CO., LTD. AND A REQUEST
FOR INVALIDITY THERETO UNDER NO. 502735 BY PAX LABS, INC.**

BACKGROUND & PLEADINGS

1. The trade mark shown on the cover page of this decision was applied for on 1 August 2018 and was entered in the register on 26 October 2018. It stands registered in the name of Huizhou Hangboo Biotech Co., Ltd (“the proprietor”) for the goods in class 34 shown in paragraph 41 below.

2. On 26 July 2019, Pax Labs, Inc. (“the applicant”) applied to declare the registration mentioned above invalid in full. The application is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) with the applicant relying upon all the goods and services (shown in the Annex to this decision) in the following European Union Trade Mark (“EUTM”) registrations:

(1) No. 16270399 for the trade mark **PAX 3**. This trade mark was applied for on 22 January 2017 (claiming an International Convention priority date of 28 July 2016 from an earlier filing in the USA) and was entered in the register on 16 May 2017.

(2) No. 13243969 for the trade mark **PAX2**. This trade mark was applied for on 10 September 2014 and entered in the register on 2 February 2015.

(3) No. 11317261 for the trade mark **PAX**. This trade mark was applied for on 3 November 2012 (claiming an International Convention priority date of 3 May 2012 from an earlier filing in the USA) and was entered in the register on 1 April 2013.

3. The proprietor filed a counterstatement in which it denies there is a likelihood of confusion. It does, however, state:

“The applicant (sic) can admit that some of the goods are similar and relate to same category of products.”

4. In these proceedings, the applicant is now represented by Kilburn & Strode LLP and the proprietor by Isabelle Bertaux, Attorney-at-law. Although only the applicant

filed evidence, both parties filed written submissions during the evidence rounds. While neither party requested a hearing, the applicant elected to file written submissions in lieu of attendance. I shall keep all of these written submissions in mind, referring to them to the extent I consider it necessary.

The applicant's evidence

5. This consists of a witness statement from the applicant's Associate General Counsel IP & Product, Troy Grabow, dated 24 January 2020. Mr Grabow has held this position since April 2018. He states:

"2. Since that time the company has produced and marketed PAX-branded vaporizer products to consumers in a large number of countries, firstly to the USA and Canada and then to a wider range of countries including the UK and EU. The company started selling its PAX-branded products in the UK and EU at least as early as 2016.

3. Since at least as early as 2016, Pax has been selling PAX-branded vaporizer products in the UK and EU through bricks and mortar retail stores, online retailers, Amazon and through its own ecommerce website located at pax.com.

4. For the past three years, Pax has made significant sales revenues through sales to its distributors in the EU, including the UK. The yearly turnover in US Dollars for all EU territories are in excess of \$1.5 million in 2016, \$5 million in 2017, \$4 million in 2018, and \$3.5 million in 2019. Pax's revenue in the UK is approximately 30% of its total EU revenue..."

6. Exhibit TG1 consists of what Mr Grabow describes as:

"5...screen grabs from the web archive website 'Wayback Machine' showing PAX products on sale on various UK and EU-based websites to UK and EU customers during the period 2016 to 2018."

7. Pages 1 and 2 are from www.namastevaporizers.co.uk (“Namaste”) and are dated 27 January and 3 February 2016, respectively. On page 1 under the heading “PAX Accessories” there appears a range of goods which include, for example, “PAX CAR CHARGER”, “PAX CARRY CASE”, and “PAX REPLACEMENT MOUTHPIECE”. Page 2 includes a reference to the “Ploom PAX Vaporizer” (£184.95) and to “Optional Ploom PAX Accessories.” Page 3 consists of a page from paxvapor.com dated 22 February 2016. It consists of what appears to be the website’s entry screen which contains the following: “Welcome to PAX” and “1. Select your country” below which appears references to, inter alia, France, Germany, Italy, Netherlands and the United Kingdom. Page 4 of the exhibit is a further page from Namaste dated 10 February 2017. Once again, it lists a range of “PAX Accessories”. Page 5, obtained from vapefiend.co.uk, is dated 3 June 2017 and includes references to “PAX 2 Vaporizer” (£159) and “Pax 3 Vaporizer” (£220). The sixth and final page, again from Namaste, is dated 31 January 2018 and, once again, relates to a range of “PAX Accessories”.

8. Mr Grabow further states:

“6. Pax also has a significant social media presence that promotes its PAX products in the UK and EU, including mentions by influencers in the UK and EU...Exhibit TG2 consisting of screen grabs from social media websites that shows mentions of PAX products and events that promote Pax products during 2017.”

9. In the index of exhibits attached to Mr Grabow’s statement it states the exhibit contains:

“Screenshots from Twitter dated 7 December 2017 [and 8 December 2017] relating to use of PAX-branded goods by consumers in Amsterdam, the Netherlands.”

10. The exhibit contains the following illustrative reference:

“Got inspired for Christmas dinner to combine food with your PAX vaporizer. Thanks @paxvapor...” (page 1).

11. Finally, Mr Grabow states:

“7. There are also multiple reviews of Pax's products on Amazon.co.uk where Pax's PAX- branded vaporizers products are sold...Exhibit TG3 consisting of screen grabs of product reviews of PAX-branded products from Amazon.co.uk during the period of 2018-2019.”

12. The exhibit consists of four pages. The first and fourth pages are in relation to the “Pax PAX-3 – Premium Portable Vaporiser Dry Herb Oil W...” (£219). It indicates there are 12 customer ratings. The first of the reviews, dated 25 July, 2018 begins “Fantastic dry herb vape...” Pages 2 and 3 are in relation to the “Pax PAX-2 – Premium Portable Vaporiser Dry Herb Vape” (£129). It indicates there are 21 customer ratings. All of the ratings are dated between 18 January 2018 and 15 October 2019.

13. That concludes my summary of the evidence filed to the extent I consider it necessary.

DECISION

14. The relevant legislation is as follows:

“47(1)...

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

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

(b)...

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

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

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

(2B) The use conditions are met if –

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

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

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

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

(2C) For these purposes –

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

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

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

(2DA)...

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

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

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

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

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

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

(c)...

(3)...

(4)...

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

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

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed."

15. Section 5(2)(b) of the Act reads as follows:

"5(2) A trade mark shall not be registered if because –

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

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

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

16. The trade marks relied upon by the applicant at paragraph 2 qualify as earlier trade marks under the provisions of section 6 of the Act. As trade mark nos. (1) and (2) had not been registered for more than five years at the date the application for invalidation was filed, they are not subject to the proof of use provisions. In those circumstances, the applicant is entitled to rely upon all the goods and services for which these trade marks are registered without having to establish that genuine use has been made of them.

17. However, as trade mark no. (3) had been registered for more than five years at the date the application for invalidation was filed, the applicant was required to provide a statement of use. In its application, it indicated that its trade mark had been used in relation to all the goods upon which it relied in the five years periods prior to both the date of the application for cancellation and the date of filing of the trade mark being attacked. In its counterstatement, the proprietor asked the applicant to make good on that claim.

My approach to the comparison

18. All of the trade marks being relied upon by the applicant consist of or contain the word “PAX”. Although trade mark nos. (1) and (2) also contain the numeral “3” and “2” respectively, given the non-distinctive nature of numerals in all areas of trade to indicate, for example, various versions of a product, it is arguable whether the

applicant's trade mark consisting exclusively of the word "PAX" (which is subject to proof of use) places it in a materially better position than its other trade marks which are not subject to proof of use. Nonetheless, for the sake of completeness, I will begin by considering if and to what extent the applicant has established genuine use of its "PAX" trade mark.

Proof of use

19. The relevant periods are: (i) the period of 5 years ending with the date of the application for the declaration i.e. 27 July 2014 – 26 July 2019, and (ii) the period of 5 years ending with the date of filing of the application for registration of the later trade mark i.e. 2 August 2013 – 1 August 2018. I begin by reminding myself that section 100 of the Act reads:

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

20. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) (28 June 2018), Arnold J. summarised the case-law on 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 Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [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].”

21. The earlier trade mark being relied upon is an EUTM. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union (“CJEU”) 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).”

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 market 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.”

22. 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 Harmonisation 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 issues 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 Guildford, 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."

23. The General Court (“GC”) restated its interpretation of *Leno Merken* 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.

24. 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/services at issue in the Union during the relevant 5 year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- v) The geographical extent of the use shown.

25. In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the

first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

26. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a

tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

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

Overview of the applicant’s evidence

27. In its written submissions, the applicant maintains that it has used its “PAX” trade mark upon all the goods on which it relies i.e.:

Class 9 - Batteries and electric accumulators for electric and/or electronic cigarettes; chargers for electric cigarettes; parts and fittings for the aforesaid goods.

Class 11 - Electric vaporizers for the vaporization of tobacco and other herbal matter; apparatus for heating tobacco and tobacco products; apparatus for generating vapour; vaporising devices for tobacco, tobacco products and tobacco substitutes; parts and fittings for the aforesaid goods.

Class 34 - Processed tobacco pods; tobacco whether manufactured or unmanufactured; tobacco refills for electric and/or electronic cigarettes; tobacco products; tobacco substitutes; electric and/or electronic cigarettes; liquids for electric and/or electronic cigarettes; smoker's articles for electric and/or electronic cigarettes; pouches and carrycases for carrying electric and/or electronic cigarettes; mouth pieces for electric and/or electronic cigarettes.

28. In his statement, Mr Grabow describes the applicant's goods as "vaporiser products", adding that such goods were first sold in the EU and UK as early as 2016. Exhibit TG1 consists of pages obtained from websites showing goods which fall within Mr Grabow's description being sold by UK based undertakings (Namaste and Vapefiend) in 2016, 2017 and 2018. In addition, exhibit TG3 shows such goods being sold on Amazon UK in the period 2018 to 2019 in which they are described as a "Dry Herb Vape". Exhibit TG1 also contains a page from the applicant's website from 2016 which suggests that at that time the applicant's goods were also available to consumers in France, Germany, Italy and the Netherlands. Although there is no evidence of sales to France, Germany and Italy, the reference to the Netherlands finds some support in exhibit TG2, which refers to use of the applicant's products in Amsterdam in December 2017. The evidence shows the trade mark being used in a number of different formats i.e. as registered, together with the word "Ploom", followed by the numerals "2" and "3" and with the letter "X" presented in a stylised manner. Although Mr Grabow explains that in the period 2016 to 2019 sales to its distributors in the EU and UK amounted to some \$14m, other than the reference to 30% of the sales relating to the UK, he does not provide a breakdown by class or give any indication of the size of the market for such goods.

29. In relation to its request for proof of use, in its written submission, the proprietor states:

"However, the documents submitted by the cancellation applicant are not sufficient to prove that the earlier marks have been used for all the designated goods in the application and therefore not sufficient to allow the cancellation

applicant to base its cancellation request on the goods covered by these marks.”

30. I note the proprietor’s reference to “are not sufficient to prove that the earlier marks have been used for all the designated goods” (my emphasis). A fair reading of that submission is, in my view, that the proprietor accepts that the applicant has used its “PAX” trade mark, but not on all the goods upon which it relies. If that was its intention, then I agree.

31. As is so often the case in proceedings before this tribunal, the applicant’s evidence leaves a lot to be desired. That said, other than the comment above, there is nothing to suggest that the proprietor challenges the veracity of Mr Grabow’s evidence which is, of course, accompanied by a statement of truth. The applicant’s trade mark has been used in relation to vaporisers for use in what, in my view, is likely to be described by the average consumer as smoking. They are, as a consequence, proper to class 34. The applicant’s trade mark has also been used upon accessories and parts and fittings for such goods. There is, however, no evidence which, in my view, demonstrates use on any of the goods in class 11 of its registration.

32. Having reached the above conclusions on the applicant’s actual use, I must now decide what constitutes a fair specification. 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 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.”

33. 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.”

34. On the basis of the evidence filed, and as the average consumer is, in my view, equally likely to refer to the applicant’s vaporisers as electronic cigarettes, I am satisfied that a fair specification is as follows:

Class 9 - Chargers for electric cigarettes.

Class 34 - Electric and/or electronic cigarettes; smoker's articles for electric and/or electronic cigarettes; pouches and carrycases for carrying electric and/or electronic cigarettes; mouth pieces for electric and/or electronic cigarettes.

Case law

35. The following principles are gleaned from the decisions of the courts of the European Union in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well

informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

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

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

Comparison of goods and services

36. In the judgment of the CJEU in *Canon*, Case C-39/97, the Court stated at paragraph 23:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

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

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance

whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

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

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

39. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the GC stated:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

40. The applicant’s specifications include the word “namely”. The Trade Mark Registry’s Classification Guide explains that this word should be approached on the following basis:

“Note that specifications including “namely” should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above “dairy products namely cheese and butter” would only be interpreted as meaning “cheese and butter” and not “dairy products” at large. This is consistent with the definitions provided in Collins English Dictionary

which states “namely” to mean “that is to say” and the Cambridge International Dictionary of English which states “which is or are”.

41. The goods and services in the applicant’s trade marks nos. (1) and (2) can be found in the Annex to this decision. The proprietor’s goods are as follows:

Class 34 - Cigarettes containing tobacco substitutes, not for medical purposes; herbs for smoking; snuff; electronic cigarettes; liquid solutions for use in electronic cigarettes; chewing tobacco; tobacco; tobacco powder; tips of yellow amber for cigar and cigarette holders; tobacco pouches; cigarette tips; tobacco pipes; cigarette cases; pipe racks for tobacco pipes; oral vaporizers for smokers.

My approach to the comparison of goods and services

42. Given my comments above regarding the non-distinctive nature of the numerals “2” and “3”, at least insofar as the trade marks are concerned, it matters not upon which I conduct the comparison. Although the applicant’s trade mark no. (2) also contains, inter alia, “retail and wholesale services connected with the sale of electric vaporizers...” in class 35, as the various goods and services do not materially improve its position over the goods in trade mark no. (1), I need say no more about it.

Comparison with trade mark no. (1)

43. As a consequence, I will begin by comparing the applicant’s goods in class 34 in trade mark no. (1) with the goods in the proprietor’s specification, only returning to the goods in class 11 if I consider it necessary to do so and, where possible, grouping the goods together. Having done so, I reach the following conclusions:

snuff; chewing tobacco; tobacco; tobacco powder

44. The above goods are encompassed by the term “tobacco, whether manufactured or unmanufactured” in the applicant’s specification and are to be regarded as identical on the *Meric* principle.

tobacco pouches

45. The above are used to store and carry tobacco, without which they would have no purpose. Although their physical nature, intended purpose and method of use are different to the applicant’s “tobacco, whether manufactured or unmanufactured”, the users will be the same, they are likely to move through similar trade channels and there is an obvious complementary relationship between them. In my view, the competing goods are similar to a medium degree.

**cigarettes containing tobacco substitutes, not for medical purposes;
electronic cigarettes**

46. The term “electronic cigarettes” appears in both parties’ specification and is literally identical. As the proprietor’s “Cigarettes containing tobacco substitutes, not for medical purposes” is, in my view, broad enough to include the applicant’s “electronic cigarettes”, the competing goods are identical on the *Meric* principle. However, even if I am wrong in that regard, given the similarity in, at least, the users, intended purpose, method of use and trade channels, the goods are similar to a high degree.

liquid solutions for use in electronic cigarettes; herbs for smoking

47. As the first term above is an alternative way of describing the term “electronic cigarette liquids” in the applicant’s specification they are to be regarded as identical. As the applicant’s “electronic cigarette liquids” is broad enough to include cigarette liquids consisting of or containing herbs for smoking, the goods are identical on the *Meric* principle.

oral vaporizers for smokers

48. The above is an alternative way of describing the following term which appears in the applicant's specification "Electric vaporizers, namely, smokeless vaporizer pipes for the ingestion and inhalation of tobacco and other herbal matter". The goods are identical.

tobacco pipes; pipe racks for tobacco pipes

49. The applicant's specification includes "pipe tobacco." Although the physical nature of the applicant's goods and those of the proprietor differ, given the likely overlap in the users, intended purpose, trade channels and the complementary relationship that exists between the various goods, it results in a medium degree of similarity between the applicant's goods and the proprietor's "tobacco pipes" and a lower (but not low) degree of similarity with the proprietor's "pipe racks for tobacco pipes."

tips of yellow amber for cigar and cigarette holders; cigarette tips; cigarette cases

50. The applicant's specification includes the following: "electronic cigarette accessories, namely, electronic cigarette cases, electronic cigarette mouth guards and electronic cigarette adapters." As the proprietor's "cigarette cases" would encompass the applicant's "electronic cigarette cases" the competing goods are identical on the *Meric* principle.

51. The proprietor's remaining goods are tips which are placed in the user's mouth whilst smoking whereas the applicant's specification includes "electronic cigarette mouth guards". While the physical nature may differ, the intended purpose and method of use is likely to be similar. As the users and trade channels may also be the same, it results in a below medium (but not low) degree of similarity between the competing goods.

Comparison with the “PAX” trade mark

52. Earlier I concluded that the applicant had made genuine use of its “PAX” trade mark in relation to the following goods:

Class 9 - Chargers for electric cigarettes.

Class 34 - Electric and/or electronic cigarettes; smoker's articles for electric and/or electronic cigarettes; pouches and carrycases for carrying electric and/or electronic cigarettes; mouth pieces for electric and/or electronic cigarettes.

53. While some of the proprietor’s goods are identical to those of the applicant (“electric and/or electronic cigarettes” and “oral vaporisers for smokers” for example), the intended purpose of all the competing goods is, broadly speaking, for use in smoking. As a consequence, the users may be the same as may the trade channels. Where not complementary (“liquid solutions for use in electronic cigarettes” in the proprietor’s specification for example), the goods may be in competition with one another (“snuff”, “chewing tobacco” and “tobacco powder” in the proprietor’s specification for example). Considered overall, where not identical, there is in my view, at least a medium degree of similarity between many of the applicant’s goods in class 34 and the vast majority of the proprietor’s goods. Although that may not be the case in relation to goods such as “tobacco pouches”, “tobacco pipes”, “pipe racks for tobacco pipes”, when one considers, in particular, the overlap in the users of such goods and the trade channels through which they reach the market, it still results in what I consider to be a low degree of similarity with the applicant’s goods in class 34.

The average consumer and the nature of the purchasing act

54. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem*

Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

55. In its written submissions the applicant states:

“5. In relation to the goods at issue in Class 34, the relevant consumer is likely to be the general public which uses electronic cigarettes and vaporizers and/or which uses cigarettes, pipes or other tobacco goods. These consumers would pay an average to high level of attention to the goods and the markings thereon.

25. The products of both the Applicant and the Registered Proprietor are sold, or offered, to the same end consumers via the same channels of trade and advertising means. Both parties' products are, or can be, sold via physical retail stores and online...

27. The goods offered by the Applicant and the Registered Proprietor are consumer goods to which consumers may be considered to pay a higher than average level of attention to the products they are selecting given that they are for consumption within the human body.”

56. As I understand it, the age at which the vast majority of the goods at issue in these proceedings may be purchased legally is 18. The average consumer is, therefore, a member of the general public who has attained that age. As the applicant suggests, a member of the general public is most likely to select the goods at issue from the pages of a website as well as from traditional bricks and mortar

retail outlets on the high street. This suggests that visual considerations are likely to form a significant part of the selection process. However, as some of the goods may only be obtained on the basis of an oral request to a sales assistant in, for example, a retail outlet and as such goods may also be the subject of word-of-mouth recommendations, aural considerations will, in my view, have a not insignificant part to play.

57. As to the degree of care the average consumer will display when selecting the goods at issue, in my experience, such goods are sold in a range of styles, strengths and flavours; costs also vary considerably. In my view, a member of the public is likely to pay a reasonably high degree of attention to the selection of the goods at issue.

Comparison of trade marks

58. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

59. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create.

60. As I mentioned earlier, given the non-distinctive nature of the numerals “2” and “3”, it is doubtful that the applicant’s “PAX” trade mark offers it a material advantage over its trade marks which consist of the same word accompanied by a numeral. However, it is that trade mark I shall use for the comparison, commenting upon the other trade marks upon which it relies as I go.

61. It is, I think, fair to say that it is this aspect of the case which attracted a good deal of the parties’ competing submissions. While I have not included all these submissions here, for the avoidance of doubt, I have borne them all in mind in the conclusions which follow and will refer to them where necessary. Proceeding on the basis indicated above, the trade marks to be compared are as follows:

The applicant’s trade marks	The proprietor’s trade mark
PAX PAX2 PAX 3	

62. The applicant’s trade mark consists of the word “PAX” presented in block capital letters. It is in that word the overall impression and distinctiveness lies. Even when accompanied by the numerals “2” or “3”, it is the word “PAX” that will dominate the overall impression conveyed and it is in that word the distinctive character lies.

63. The proprietor’s trade mark consists of seven characters, the last six of which are clear i.e. “a-p-e-p-a-x”. These six characters are presented in lower case in a bold font. Although presented in a stylised manner, the first character will, I am satisfied, be understood by the average consumer as representing the letter “V” with both parties agreeing that the smaller part of the stylisation (to the right) being understood as a puff of smoke. As the stylised letter “V” appears at the beginning of the trade mark and is much larger than the letters which follow it, it will make an important contribution to the overall impression conveyed. In its submissions, the applicant states:

“11. The additional element in the later mark, VAPE, is descriptive in relation to the goods covered by the Registration. It is an abbreviation of the word 'vaporizer' and is commonly used and understood by consumers when referencing vaporizer and electronic cigarette products and related goods or services. The word 'vaporizer' and the words 'electronic cigarette' and 'e-cigarette' are used interchangeably in reference to these products. The NHS website at www.nhs.uk notes *"E-cigarettes, also known as vapes, are one of the more recent stop smoking aids to become available and they can help you quit smoking for goods. An estimated 3. 2 million adults in Great Britain use an e-cigarette."*”

64. While the applicant has filed no evidence in support of the above, I am satisfied that by August 2018 when the trade mark under attack was filed, the average consumer would have understood the word “Vape” in the manner the applicant describes. While not strictly necessary, I also note that collinsdictionary.com defines “vape” as a verb meaning “If someone vapes, they breathe in a flavoured steam containing nicotine from a special device, instead of smoking burning tobacco in a cigarette or pipe” and as a noun meaning “A vape is a device that produces flavoured steam containing nicotine.” While I accept that dictionary references are not necessarily an accurate barometer of how the average consumer will understand a word, in this case, it merely confirms what I would have been prepared to accept on judicial notice as a notorious fact.

65. As no part of the proprietor’s trade mark other than what will be construed as the initial letter “V” is highlighted or emphasised in any way, the overall impression it is likely to convey and the majority of its distinctive character is likely to reside in the trade mark as a whole. However, despite its presentation as an integrated whole, the fact that it consists of a stylised version of a word (i.e. “Vape”) which is either directly descriptive (or where not directly descriptive non-distinctive for the goods for which the proprietor’s trade mark is registered) followed by the letters “pax”, is, in my view, unlikely to escape the average consumer’s attention. I will bear the above conclusions in mind when conducting the comparison which follows.

Visual similarity

66. The applicant's trade mark consists of three letters whereas the proprietor's trade mark consists of what the average consumer will construe as seven letters. There is also the stylised manner in which the first letter of the proprietor's trade mark is presented and the fact that the letters "pax" (which appear at the end of its trade mark) are not emphasised in any way. Balancing the similarities and differences, results in what I consider to be a fairly low degree of visual similarity between the competing trade marks. Although the addition of the numerals "2" or "3" at the end of the applicant's trade marks reduces the degree of visual similarity somewhat, it does not do so to any material extent.

Aural similarity

67. In my view, the applicant's trade mark is overwhelmingly likely to be referred to orally by the average consumer as a single syllable word. While I accept that some average consumers may refer to it as letters, I think such an approach will be de-minimis. Despite the stylisation in the first letter, the proprietor's trade mark will be pronounced as the two syllable combination "VAPE-PAX". The fact that the applicant's trade mark will be pronounced in exactly the same way as the second syllable in the proprietor's trade mark, results in what I regard as a medium degree of aural similarity. Insofar as the applicant's other trade marks are concerned, they will be referred to as "PAX-TWO" and "PAX-THREE" respectively. Once again, although the addition of the numerals two or three at the end of the applicant's trade marks reduces the degree of aural similarity, it does not do so to any material extent.

Conceptual similarity

68. In its submissions, the proprietor states:

"However, "Pax" may refer to peace."

69. In its submission filed in lieu of a hearing, the applicant disagrees stating:

“8...there is no obvious reference to peace conveyed by the word PAX that general consumers would recognise...”

70. I note that collinsdictionary.com defines “pax” as follows:

“1. mainly Roman Catholic Church

a. a greeting signifying Christian love transmitted from one to another of those assisting at the Eucharist; kiss of peace

b. a small metal or ivory plate, often with a representation of the Crucifixion, formerly used to convey the kiss of peace from the celebrant at Mass to those attending it, who kissed the plate in turn.”

71. Unlike the word “Vape” mentioned above and despite appearing in a dictionary, absent evidence to the contrary, I am not satisfied that the meaning the proprietor suggests will be known to a significant proportion of average consumers. In my view, the applicant’s trade mark is unlikely to convey any concrete conceptual message to the average consumer. The same is also true of the applicant’s other trade marks in which the addition of the numerals “2” or “3” do nothing to change the position. While the stylised version of the word “Vape” in the proprietor’s trade mark will evoke the conceptual picture mentioned above, when considered as a whole, beyond that, I think it unlikely the proprietor’s trade mark will convey any concrete conceptual picture.

Distinctive character of the earlier trade mark

72. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular

undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

73. As I mentioned above, the applicant's "PAX" trade mark is unlikely to convey any concrete meaning to the average consumer. It is, as far as I am aware, neither descriptive of nor non-distinctive for the goods for which it has been used. Considered absent use, it enjoys a medium degree of inherent distinctive character. The same also applies to the applicant's trade marks which contain the numerals "2" or "3".

74. In terms of enhanced distinctive character, Mr Grabow's evidence has been summarised above. It is, of course, only use in the UK that matters. I note that Mr Grabow states that the applicant's revenue in the UK is approximately 30% of its total EU revenue. Even if all of the applicant's turnover could be taken into account, the applicant's turnover in the UK would be in the order of \$4.2m. While that is a not-insignificant sum, without further context, for example, the size of the market for such goods, the percentage of the market the applicant enjoys etc. I am simply not in a position to judge to what extent, if any, the inherent distinctiveness of the applicant's "PAX" (or "PAX" and the numerals "2" or "3") trade marks might have been enhanced. However, given what is likely to be the size of the market concerned in the UK which, I suspect, is likely to run to many hundreds of millions of pounds each year, any enhancement which may have occurred is unlikely to improve the applicant's position to any material extent in any case.

Likelihood of confusion

75. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the applicant's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature

of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

76. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

77. Earlier in this decision I concluded that:

- trade mark no. (1) (which is not subject to proof of use) contains goods which are for the most part identical to the goods in the proprietor's specification. However, even when that is not the case, the competing goods are similar to at least a low degree;
- following the proof of use assessment, the specification of the applicant's "PAX" trade mark contains goods in, inter alia, 34 which are either identical or similar to the proprietor's goods to at least a low degree;
- the average consumer is a member of the general public who will select the goods at issue by a combination of visual and aural means paying a reasonably high degree of attention during that process;
- the addition of the numerals "2" and "3" at the end of the word "PAX" does not materially affect the degree of similarity between the competing trade marks;
- the competing trade marks are visually similar to a fairly low degree and aurally similar to a medium degree;
- the word "PAX" (either alone or accompanied by the numerals "2" or "3") are unlikely to convey any concrete conceptual message. While the stylised

version of the word “Vape” in the proprietor’s trade mark will convey a conceptual message to the average consumer, that message is descriptive/non-distinctive. Considered as a totality, the proprietor’s trade mark is unlikely to convey any concrete conceptual message;

- on the basis of the evidence filed, none of the applicant’s earlier trade marks enjoy an enhanced distinctive character and are inherently distinctive to a medium degree.

Likelihood of confusion with trade mark no. (1)

78. Even if one considers the position in relation to identical goods, the various differences between the competing trade marks combined with the reasonably high degree of attention the average consumer is likely to pay when selecting the goods at issue (thus making him/her less prone to the effects of imperfect recollection) are, in my view, likely to be sufficient to avoid the competing trade marks being mistaken for one another i.e. there is no likelihood of direct confusion.

79. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of

the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

80. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two trade marks share a common element. In this connection, he pointed out that it is not sufficient that a trade mark merely calls to mind another trade mark. This is mere association not indirect confusion.

81. The letters “pax” appear at the end of and are integrated into the totality of the proprietor’s trade mark. From the applicant’s perspective that would not normally be a good start. However, despite the stylisation present in the first letter, the first part of the proprietor’s trade mark will be readily understood by the average consumer as beginning with the descriptive/non-distinctive word “Vape”. Approached on that basis, the average consumer who will be aware of the descriptive/non-distinctive nature of the word “Vape” and the propensity of all commercial undertakings to use numerals to indicate, for example, product variations will, in my view, need to look to the totality/remainder of the proprietor’s trade mark to find the indication of trade origin. Having done so, such a consumer is likely to conclude that an undertaking active in the vaping market and who uses “PAX 3” as its trade mark is also using the trade mark the subject of the proprietor’s registration to indicate, for example, a variant offering within its “PAX”/“pax” range where, for example, the use of the word “pax” may be interpreted as the first iteration of the product. That error on the part of the average consumer results in a likelihood of indirect confusion and the application for invalidation succeeds in relation to all the goods in the registration.

Likelihood of confusion in relation to the “PAX” trade mark

82. Following my proof of use assessment, I reach the same conclusion in relation to the above based upon the applicant’s fair specification in class 34.

Overall conclusion

83. The application has succeeded in full, and, subject to any successful appeal, the proprietor’s registration will, under the provisions of section 47(6) of the Act, be declared invalid and deemed never to have been made.

Costs

84. Awards of costs in proceedings are governed by Annex A of Tribunal Practice Notice (“TPN”) 2 of 2016. As the applicant has been successful, it is entitled to a contribution towards the costs it has incurred. Keeping the guidance in that TPN in mind, I award costs to the applicant on the following basis:

Preparing the application for invalidation, and reviewing the counterstatement:	£400
Preparing evidence:	£500
Written submissions:	£300
Official fee:	£200
Total:	£1400

85. I order Huizhou Hangboo Biotech Co., Ltd to pay to Pax Labs, Inc. the sum of **£1400**. This sum is to be paid within two months of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 29th day of April 2020

C J BOWEN
For the Registrar

(1) No. 16270399 – PAX 3

Class 11 - Electric vaporizers for the vaporization of herbal and plant matter for household purposes; apparatus for use in vaporising; parts, fittings and accessories for the aforesaid goods.

Class 34 - Electric vaporizers, namely, smokeless vaporizer pipes for the ingestion and inhalation of tobacco and other herbal matter; electronic smoking devices; vaporizing devices for tobacco, tobacco products and tobacco substitutes; electronic cigarettes; electronic cigarette cartridges; refill cartridges sold empty or filled with liquid nicotine or chemical flavorings for electronic cigarettes; electronic cigars; electronic cigar cartridges; electronic cigarette components in the nature of electronic nicotine inhalation devices comprised of electronic cigarette refill cartridges, electronic cigarette atomizers and refill liquid nicotine solutions distributed as a unit; ampoules, cartridges and refill cartridges for electronic smoking devices and electronic cigarettes; electronic nicotine inhalation devices and refills therefor; electronic cigarette accessories, namely, electronic cigarette cases, electronic cigarette mouth guards and electronic cigarette adapters; cases and holders for electronic nicotine inhalation devices; parts and fittings for all the aforesaid goods; tobacco, whether manufactured or unmanufactured; smoking tobacco, pipe tobacco, hand rolling tobacco, snus tobacco; tobacco sold in pods; tobacco substitutes in liquid solution form; pipe tobacco, namely, tobacco for use in electric vaporizers; electronic cigarette liquids; electronic cigar liquids; liquid nicotine for use in electronic cigarettes.

(2) No. 13243969 – PAX2

Class 11 - Electric vaporizers for the vaporization of herbal and plant matter for household purposes; apparatus for use in vaporising; parts, fittings and accessories for the aforesaid goods.

Class 34 - Electric vaporizers, namely, smokeless vaporizer pipes for the ingestion and inhalation of tobacco and other herbal matter; electronic cigarettes; electronic smoking vaporizers, namely, electronic cigarettes; electronic cigarette refill liquids; tobacco substitutes in liquid solution form other than for medical purposes for electronic cigarettes; refill cartridges sold empty for electronic cigarettes; electronic cigarette components in the nature of electronic nicotine inhalation devices comprised of electronic cigarette refill cartridges, electronic cigarette atomizers and refill liquid nicotine solutions distributed as a unit; electronic cigarette accessories, namely, electronic cigarette cases, electronic cigarette mouth guards and electronic cigarette adapters; electronic smoking devices; electronic nicotine inhalation devices; electronic cigars; electronic cigarette cartridges; electronic cigar cartridges; electronic cigarette liquids; electronic cigar liquids; cases and holders for electronic nicotine inhalation devices; electronic nicotine inhalation device refills; vaporizing devices for tobacco, tobacco products and tobacco substitutes; ampoules, cartridges

and refill cartridges for electronic smoking devices and electronic cigarettes; parts and fittings for all the aforesaid goods; nicotine-based liquid used to refill electronic cigarettes; cartridges sold filled with liquid nicotine for electronic cigarettes; liquid nicotine for use in electronic cigarettes; liquid nicotine refills for use in electronic cigarettes; electric vaporizers for the vaporization of tobacco; electronic vaporizers as an alternative to cigarettes.

Class 35 - Retail and wholesale services connected with the sale of electric vaporizers, electronic cigarettes, electronic cigarette refill liquids, tobacco substitutes, electronic nicotine inhalation devices, electronic cigarette accessories, cases and holders for electronic nicotine inhalation devices and electronic vaporizers as well as parts, fittings and accessories for the aforesaid goods.

(3) No. 11317261 - PAX

Class 9 - Batteries and electric accumulators for electric and/or electronic cigarettes; chargers for electric cigarettes; parts and fittings for the aforesaid goods.

Class 11 - Electric vaporizers for the vaporization of tobacco and other herbal matter; apparatus for heating tobacco and tobacco products; apparatus for generating vapour; vaporising devices for tobacco, tobacco products and tobacco substitutes; parts and fittings for the aforesaid goods.

Class 34 - Processed tobacco pods; tobacco whether manufactured or unmanufactured; tobacco refills for electric and/or electronic cigarettes; tobacco products; tobacco substitutes; electric and/or electronic cigarettes; liquids for electric and/or electronic cigarettes; smoker's articles for electric and/or electronic cigarettes; pouches and carrycases for carrying electric and/or electronic cigarettes; mouth pieces for electric and/or electronic cigarettes.